

GREEN INVESTMENT BANK

Public Interest Prospectus

The Green Investment Bank (GIB) has been a huge success story. As currently constituted, it had and continues to have wide cross-party support, support from civil society and support from business groups and the private sector. This broad consensus came following three years and two official rounds of rigorous market testing and evidence gathering to establish whether a green investment bank was needed, and to collect evidence to inform its aims, design and operating model. This 'Public Interest Prospectus' sets out what is required of the new owners in order to maintain this support.

Commitment to maintain the integrity of the GIB as a single, functioning institution

→ Commit to maintain the integrity of the GIB as a single, functioning institution with an ambitious, fully funded business plan aimed at accelerating the UK's transition to a low carbon economy in line with the UK's legally binding carbon budgets.

Commitment to deploy at least £4bn of new GIB capital in UK's low carbon economy over 3 years

→ Initial GIB capitalisation was c. £4bn. To date £2.6bn has been deployed, leveraging over £10bn of additional private capital. GIB next phase must show increased ambition compared to start up phase.

→ Commit to deploying at least £4bn of new GIB capital in the UK's low carbon economy over 3 years, and leveraging at least a further £12bn of additional capital.

Commitment to scaling up citizen finance

→ Commitment to a material scale-up of citizen finance, democratising the gains from investments.

→ Commitment to at least 10%, and goal of 20%, of investment capital to be sourced from citizen finance by 2018.

Commitment to keeping GIB at the forefront of the green infrastructure market

→ Commit to keeping the GIB at the forefront of the green infrastructure market, with a focus on innovation, developing financing mechanisms for projects new to market (such as complex energy efficiency, novel offshore wind and natural capital projects) and reporting on progress made.

→ Commit to GIB's business plan being additional to the "normal" private sector, minimising impact on competition and trading conditions.

Commitment to best in class standards of governance and transparency

→ Commit to best in class standards of governance and environmental and social reporting.

→ Commit to transparent and distinct reporting on remuneration, social and environmental impact.

→ Commit to implementation of GIB's social and environmental standards across GIB's ownership base.