

Green Investment Bank to go private



The UK Government is today putting the Green Investment Bank, based in London and Edinburgh, up for sale.

The government will launch the process today which will involve sale of the UK Government owned shares and commitment of additional capital by new investors. A government report is due to be published later today to Westminster and Holyrood and the Green Investment Bank [website](#) (where it was promised at 9.30 but appears to be a bit late).

The bank which now employs 129 across both offices was launched with funding from the UK Government and was proclaimed as the first bank of its kind in the world. The purpose of setting it up in the first place was to speed up the process by which the UK becomes a greener economy.

In the three years since it began GIB says it has a 'strong and stable cash flow generation' with a portfolio-wide forecast Internal Rate of Return of over 10%. The bank has already raised £800million for the UK GIB Offshore Wind Fund which is the UK's largest renewable energy fund and is partnered with the UK Department of Energy and Climate Change in a £200 million joint venture.

Shaun Kingsbury CEO of GIB said: "In three years the team at GIB have built a special business that is green, profitable and admired around the world. GIB is an exciting investment opportunity, providing new investors with predictable returns and significant growth opportunities.

"The business is perfectly placed to play a leading role as the world moves decisively towards an unprecedented programme

of green infrastructure investment.”

Lord Smith of Kelvin, Independent Chair of GIB, said:
“Attracting new investors is vital if GIB is to fund its ambitious plans to double the size of its business, expand into new parts of the UK green economy and deliver a growing green impact.

“I am confident that the sale process will provide GIB with good new owners who will support GIB’s continued growth and leadership role in the global green economy long into the future.

“This launch, and the wider plans to introduce new capital and new owners to GIB, has the full support of GIB’s independent Board.”

Minister for Business Energy and Tourism, Fergus Ewing said:

“The Green Investment Bank is an Edinburgh-headquartered major financial institution – and we welcomed its creation in 2011. The Scottish Government has sought assurances from the Secretary of State that the privatised institution’s ‘green’ investment criteria and Scottish headquarters can be maintained. We have urged caution on the privatisation– and will watch closely during this process to safeguard Scotland’s environmental and economic objectives.”