

**Green Investment Bank legislation needed for credible governance
says UKSIF letter to Prime Minister**

London, 20 May 2011 —UKSIF, the sustainable investment and finance association, has written to the Prime Minister and Deputy Prime Minister this week calling for the proposed Green Investment Bank to be set up by legislation so that it can demonstrate credible governance and sufficient political independence.

The letter was sent in advance of further announcements about the Green Investment Bank expected from the government next week.

“Major investors remain keen to invest in and with the Green Investment Bank and so provide capital for the UK’s successful low carbon future. To enable them to do this, the Green Investment Bank will need to demonstrate clearly that it meets three key tests”, it said. The tests are:

- A strong and trustworthy **governance framework**
- The **transparency** needed to allow investors to assess risk
- a robust approach to **managing political risk**

UKSIF called for legislation to lay down the governance, purpose and independent borrowing powers of the Bank. The letter also called for appointments to the “Shadow Board” that will run the Bank initially to demonstrate clearly the government’s commitment to private sector governance expertise and visible political independence.

Penny Shepherd, UKSIF Chief Executive said: “Following the financial crisis, Sir David Walker recommended stronger and more effective governance of banks and other major financial institutions to protect the public interest. Good governance and transparency are as essential for the success of the Green Investment Bank as any other banking institution.”

Contact

Lisa Wootton, UKSIF; 020 7749 9950; lisa.wootton@uksif.org

Notes to Editors**About UKSIF**

UKSIF, the UK sustainable investment and finance association, promotes responsible investment and other forms of finance that support sustainable

economic development, enhance quality of life and safeguard the environment. Its 250+ members include asset managers, financial advisers, banks, pension funds, investment consultants, research providers and non-governmental organisations. For more information, visit www.uksif.org.