

# News story: Driving ambition in green finance

The transition to a clean, low carbon and resilient economy is a multi-billion pound investment opportunity and we want UK businesses to take full advantage of it. The UK has long been regarded as a leading global financial centre, with a world leading stock market featuring nearly 80 green bonds listed on the London Stock Exchange. We are determined to cement the UK's position as a global hub for investment in clean growth.

Since setting up the [Green Finance Taskforce](#), the government has been taking concrete steps to strengthen our green finance capability. The government and City of London will co-fund a new Green Finance Institute that will act as the focal point for future UK green finance activity. The government has also announced changes to pensions regulations so that trustees will have to set out how they consider the financial risks and opportunities arising from climate change.

And the government has now committed to build on the Green Finance Taskforce report by publishing the UK's first ever Green Finance Strategy in Spring 2019. This will set out the steps we are taking to attract the investment we need into our clean economy; to cement the UK's position as a global leader, including by supporting developing countries through their low carbon transition; and to integrate green principles across the financial services sector.

## **Raising awareness and increasing engagement in Green Finance**

As part of [Green GB Week](#) there will be a dedicated Green Finance events programme with activities spread across the week. The aim of these events is to raise awareness of the green finance agenda and the role of financial services in unlocking investment into environmentally and socially-beneficial technologies and infrastructure in the UK and internationally.

These events will reach a broad audience including consumers and young people, as well as organisations across the financial sector including regulators, insurers, pension funds, asset managers, legal firms and retail banks. The official Green Finance Day on Wednesday 17th October agenda includes:

- A Market Opening at the London Stock Exchange with a speech from John Glen, Economic Secretary to the Treasury;
- A full day programme at the Tate Modern coordinated by HSBC covering including sessions on women in sustainable finance, greening your pension fund, integrating climate risk into investment decisions and building capacity in emerging markets;
- A Climate Resilience Summit led by Willis Towers Watson; and
- On the Friday of Green GB Week, The Financial Conduct Authority will lead a half day workshop on supporting green finance innovation, and BNP

Paribas will host a careers event to highlight different finance career opportunities to students interested in sustainability.

More information on all the events is [available](#).

## **Catalysing investment in Clean Tech**

The government will be investing up to £20 million alongside at least £20 million from private investors in a new venture capital fund called the Clean Growth Fund. It is only through innovation, nurturing better products, processes and systems that we will see the cost of clean technologies come down. This new fund will aim to catalyse the market and leverage private sector funding to ensure these innovative clean technologies can bridge the valley of death and achieve impact at scale. On 17 October, we published a [Request for Proposals for fund managers](#).

## **Boosting investment in green infrastructure**

BEIS is working with the Infrastructure and Projects Authority to explore how best government could produce meaningful data setting out which infrastructure projects can be considered 'green'. This would increase transparency, illustrating the government's commitment to leading by example in tackling climate change, and showcasing the opportunities available to investors looking to place funds in green projects.

The government will host a national conference followed by at least five regional workshops – bringing together Local Authorities, cities, investors and civil society to help build partnerships to start delivering the pipeline of projects currently being developed at local level. This will help connect investors and the wider finance sector to local projects, and increase the role that regions and local players can have to boost the development of green infrastructure. The government will be working in partnership with UK100, Leeds City Council and more to set up this ambitious programme of work, which will be delivered throughout 2019.

## **Supporting consistency and comparability in the sector**

The British Standards Institution (BSI) will be developing two new UK-led, internationally relevant, PAS (Publicly Available Specification) documents in Sustainable Finance to increase confidence in, and understanding of, sustainable investments and activities. A new Strategic Advisory Group chaired by Peter Young, Trustee and Chair of the Green Purposes Company, has been established to provide strategic direction for BSI's wider Sustainable Finance Standardisation Programme. This work was commissioned by Ministers in the Clean Growth Strategy and is being co-funded with the City of London's Green Finance Initiative.

BSI will also be leading a new International Organisation for Standardisation (ISO) Technical Committee to develop international standards on Sustainable Finance, informed by the UK-led PAS work. This demonstrates the prominence of UK thought leadership globally, and will contribute to meeting the objective we set out in the Industrial Strategy to become the standard-setters in green

finance.

## **Global leadership and building capacity in emerging market economies**

UK leadership on green finance is further demonstrated by the new UK PACT (Partnering for Accelerated Climate Transitions), a £60 million BEIS-run technical assistance programme to share UK skills with partners around the world. The first UK PACT projects strengthen collaboration between the UK and China on green finance, with a focus on harmonised standards for green bonds, analysis of green asset performance, advice on TCFD implementation and supporting the set-up of a new UK-China Green Finance Centre.