

Press release: Green Investment Bank to boost support for low carbon projects as government confirms sale to Macquarie

- under Macquarie's ownership GIB will look to invest at least £3 billion of new investment into green economy over the next 3 years
- £2.3 billion deal will meet government requirements for a sale, providing value for the taxpayer while ensuring GIB continues its green mission in the private sector
- the deal has the backing of GIB's independent board

The [UK Green Investment Bank plc \(GIB\)](#) will look to invest at least £3 billion into the green economy after a deal was agreed to sell it to Macquarie Group Limited (Macquarie), Climate Change and Industry Minister Nick Hurd confirmed today (20 April 2017).

The deal, which has the backing of GIB's independent board, was secured through a competitive process and will meet the objectives government outlined when it launched the sales process last year. As well as securing value for money for the taxpayer and freeing GIB from the constraints of public sector ownership, it will enable GIB to grow its support for green projects.

Nick Hurd Climate Change and Industry Minister said:

The Green Investment Bank has been very successful in attracting private capital to the UK's green economy. It now makes sense to move it into the private sector where it will be free from the constraints of public sector ownership, allowing it to build further on its success.

This deal gives us the best of both worlds. We have secured fair value for the UK taxpayer. GIB has a well-funded new owner that is committed to the Bank's green mission, with a track record of success in green investment and an ambition to grow the business. The UK will benefit from increased investment in our green infrastructure as we make the transition to a green economy.

Today's sale to Macquarie, with a transaction value of around £2.3 billion, ensures that on completion, all taxpayer funding invested in GIB since its creation, including set-up costs, has been returned with a profit.

Lord Smith of Kelvin, chair of GIB's independent board said:

There is a compelling logic in the world's first green bank joining forces with the world's largest infrastructure investor. When we embarked on this process, we were determined to find a new owner who would build on GIB's successful history – an owner who would have access to deep pools of capital, a commitment to expand GIB's activities, and a respect for the unique role GIB has played in the market. Macquarie will bring all of this to GIB, along with its own impressive track record of green investments. Its vision for the future growth of GIB demonstrates a redoubling of its commitment to a low carbon economy.

Launched in 2012, GIB has been a huge success story, supporting nearly 100 green infrastructure projects in the UK to date. For every £1 it has invested, it has attracted another £3 of third party capital.

GIB will become the primary vehicle for Macquarie's renewable energy investment in the UK and Europe, with a commitment to target £3 billion of new green infrastructure investment over the next three years, exceeding GIB's track record of committing £3.4 billion of investment over the 4 and a half years since it was established.

Macquarie has published today a series of commitments for the future of GIB under its ownership, including:

- maintaining GIB's green purpose and green objectives, in line with the 'special share' arrangements to safeguard GIB's green purpose which will be held by five independent trustees
- maintaining the GIB platform and brand, and to utilise the skills and experience of GIB employees in Edinburgh and London
- GIB's Edinburgh office will be home to a new revenue generating project delivery business providing services to the green energy portfolios of GIB and Macquarie in the UK

David Fass, CEO EMEA, Macquarie Group, said:

The addition of the Green Investment Bank, its people and expertise, strengthens Macquarie's commitment to the green energy sector. Our combined platform will build on the legacy of the Green Investment Bank and, alongside our knowledge of energy and infrastructure, will open further opportunities in low carbon investment both in the UK and further afield. We are excited by a business that will take a leading role in the green economy using the specialist knowledge of our teams in Edinburgh and London.

As part of the transaction, a number of GIB assets will be moved into a new offshore wind investment vehicle which will be managed by GIB, which will retain a 25% stake. Investors in this investment vehicle will be long-term institutional investors Macquarie European Infrastructure Fund 5 (MEIF5) and the Universities Superannuation Scheme (USS).

This transaction structure matches GIB's existing approach to asset ownership following its success in raising a £1 billion offshore wind fund and selling three GIB assets into that fund. GIB was established to accelerate investment in new green energy projects, not to be a long-term owner of operating projects.

The government will continue to hold a £130 million portfolio of a small number of GIB's existing green infrastructure investments. These assets will continue to be managed by GIB until they are sold on in a way which returns best value for taxpayers' money.

Since 2010, Macquarie and its managed funds have invested or arranged more than £8.5 billion of capital into green energy projects globally. In the UK, Macquarie is involved in a number of green energy projects in offshore wind, solar, waste and bioenergy and tidal energy.

The deal will support GIB's international expansion into Europe and developing countries. As part of this, Macquarie is committed to supporting the UK Climate Investments Initiative, a £200 million pilot joint venture between GIB and the government, established to invest in renewable energy and energy efficiency projects in developing countries.

Notes to editors

1) Completion of the transaction is conditional on certain regulatory approvals including EU merger clearance and is expected to take around 2 months.

The total value of the transaction at the date of signing is £2.3 billion, which comprises:

- £1.7 billion transaction price
- £0.6 billion estimated future funding commitments for existing GIB projects

At completion, the total value of the transaction will adjust for any further GIB investments made between signing and completion, together with an interest rate applied between the dates of signing and completion.

The total government funding provided to GIB since 2012 is £1.5 billion. The transaction price at the date of signing represents a £160 million (approximate) premium on total government funding.

2) The Green Purposes Company was established on 2 February 2016 to hold a 'special share' that safeguards the green mission of the GIB once it moves from UK government ownership into the private sector. The trustees will formally take up their role on completion of the sale. The nominated trustees are:

- Tushita Ranchan (Chair), experienced green infrastructure investor and former CEO of a renewable energy company
- James Curran – former CEO of Scottish Environment Protection Agency

- Trevor Hutchings – previously a senior civil servant at the then Department of Energy and Climate Change (DECC) and currently Director of Advocacy at WWF
 - Robin Teverson – chair of House of Lords EU select sub-committee, Energy and Environment
 - Peter Young – environmentalist and former Chair, Aldersgate Group
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Notice: TF10 9AS, H. Timmis (Farms) Limited: environmental permit issued

The Environment Agency publish permits that they issue under the Industrial Emissions Directive (IED).

This decision includes the permit and decision document for:

- Operator name: H. Timmis (Farms) Limited
 - Installation name: Little Hales Manor Poultry Farm
 - Permit number: EPR/GP3836NG/V003
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Detailed guide: Conflict, Stability and Security Fund: blue belt programme

Project partners

- [Fisheries and Aquaculture Science](#) (Cefas)
- [Marine Management Organisation](#) (MMO) with the UK Overseas Territories on behalf of the Foreign and Commonwealth Office (FCO)
- [Department for Environment, Food and Rural Affairs](#) (Defra)

Programme aims

This programme will help to provide long term protection of over four million square kilometres of marine environment across the UK Overseas Territories.

Funded through the Conflict, Stability and Security Fund (CSSF) the programme will support the UK Overseas Territories develop, implement and enforce marine protection strategies.

Overseas Territories

The programme is initially focused on Territories which have designated, or committed to designating, large scale areas (>50% of their maritime zone, or of recognised international importance) for marine protection and ensuring these areas are effectively managed and enforced. These OTs are:

- British Indian Ocean Territory
- South Georgia & the South Sandwich Islands
- British Antarctic Territory
- Pitcairn
- St Helena
- Ascension Island
- Tristan da Cunha

The programme is currently working with the Overseas Territories to identify and develop a number of projects that will:

- improve scientific understanding of the marine environment
- develop and implement evidence based, tailored marine management strategies including surveillance and enforcement
- ensure management is sustainable and long term

It will also provide support for UK Overseas Territories which have not committed to large scale marine protected areas through the UKOT Darwin Plus funding scheme, which will provide additional resource for small scale bespoke marine projects.

Commonwealth Marine Economies Programmes

For more information on the Blue Belt programme please contact Programme Directors, [Craig McGarvey](#) or [Steve Millward](#)

Notice: Funding competition: energy catalyst round 5

Updated: Added link to register for brokerage event in London with DFID. Added link to recorded briefing and supporting materials.

The [Department for International Development](#) (DFID), the [Department for Business, Energy & Industrial Strategy](#) (BEIS) and the [Engineering and Physical Sciences Research Council](#) (EPSRC) are to invest up to £13 million in innovation projects to address the global need for clean, affordable and secure energy.

The aim of the Energy Catalyst competition is to support highly innovative, market-focused energy solutions in any technology or sector or international market.

Proposals must address all 3 elements of the energy trilemma:

- cost
- emissions
- security of supply

The competition is open to any UK organisation and may also include international partners. You should apply into the stream most closely aligned with your project. Universities and small and medium-sized enterprises (SMEs) are encouraged to apply. Research organisations may lead early-stage feasibility projects.

There are 3 options to apply into this competition. These are referred to as streams and will be run in parallel. The streams are dependent on the stage your project is at:

- early stage
- mid-stage
- late stage

You should choose the stream that broadly reflects the technical and commercial readiness of your project.

Early-stage competition stream

These are technical feasibility projects. Projects can last up to 1 year, with total costs ranging from £50,000 to £300,000. Research organisations may lead early-stage projects, in partnership with at least one UK business. UK SMEs can lead early-stage projects with or without partners.

Mid-stage competition stream

These are industrial research projects. Projects can last up to 3 years, with total costs ranging from £50,000 to £1.5 million. Mid-stage projects must be collaborative and led by a UK business.

Late-stage competition stream

These are experimental development projects. Projects can last up to 3 years, with total costs ranging from £50,000 to £10 million. Late-stage projects must be collaborative and led by a UK business.

All projects must include at least one UK business. We expect most projects to start on 1 January 2018.

The competition opens on 24 April 2017.

You must register before midday on 21 June 2017.

You must apply before midday on 28 June 2017.

[Watch the competition briefing webinar](#) or [view the event materials and presentation](#).

Attend one of the brokerage events in:

[London](#)

[Birmingham](#)

[Glasgow](#)

[London](#) (with DFID)

[Register and apply online](#).

Not right for your innovation project? View other [Innovate UK funding competitions](#).

[News story: Encouraging cycling and walking: apply for business funding](#)

Updated: Removed information on briefing webinar due to cancellation.

Up to £470,000 is available for organisations with innovative projects that lead to people walking and cycling more. Innovations may include technology, infrastructure, manufacturing or behavioural change.

This is a [Small Business Research Initiative](#) (SBRI) competition. It has 2 phases. Up to £170,000 is available for phase 1, and up to £300,000 for phase 2.

Natural choice for shorter journeys

The government's vision is for cycling and walking to become the natural choice for shorter journeys. The [Department for Transport](#) (DfT) is funding this competition and is inviting proposals which:

- remove current barriers to walking and cycling
- encourage people to make more journey stages to by bicycle or on foot

Removing the barriers

To meet these aims, DfT intends to focus on:

- better safety – safety and safety perceptions are among the biggest barriers for people wanting to take up cycling and walking
- better mobility – to make cycling and walking normal, easy and enjoyable, we need better links and networks to key destinations
- better streets – well-designed and accessible streets can encourage people to walk or cycle more as part of their daily routine

Competition information

- this competition opens on Wednesday 19 April 2017, and the deadline for registration is midday on 7 June 2017
- this competition is open to individuals, groups and organisations, but is particularly suitable for early-stage, small and medium-sized enterprises (SMEs)
- industry partners such as local government, independent and third sectors can carry out the project on their own or with others
- total project costs can vary between £25,000 and £100,000 and up to 15 weeks to up to 9 months, depending on the phase

[Find out more about this competition and apply online.](#)