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# Green Investment Bank could be delayed

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The Green Investment Bank faces lengthy and "disappointing" delays in gaining crucial borrowing powers, according to an Association of Consultancy and Engineering (ACE) report out today.

The ACE's report, Green Investment Bank: Market conditions, challenges and rationale behind GIB, suggests that borrowing powers are not likely to be granted by 2015/16 as originally planned.

The Green Investment Bank was planned to gain borrowing powers subject to the deficit falling, but given the "additional pressures" on public finance along with poor economic growth, this target is likely to be missed.

"With the UK in recession again, and with the deficit not falling as fast as government hoped, the Green Investment Bank is unlikely to gain much needed borrowing powers until much later than originally planned," said ACE chief executive Nelson Ogunshakin.

The report was also critical in the way in which the bank lends money. The new bank is only allowed to lend money to project that has already secured finance from the private sector. The report suggests if the Green Investment Bank borrow money earlier - the risks for private sector lending would be reduced in turn lowering the cost of finance.

The full report can be read [here](#).

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