

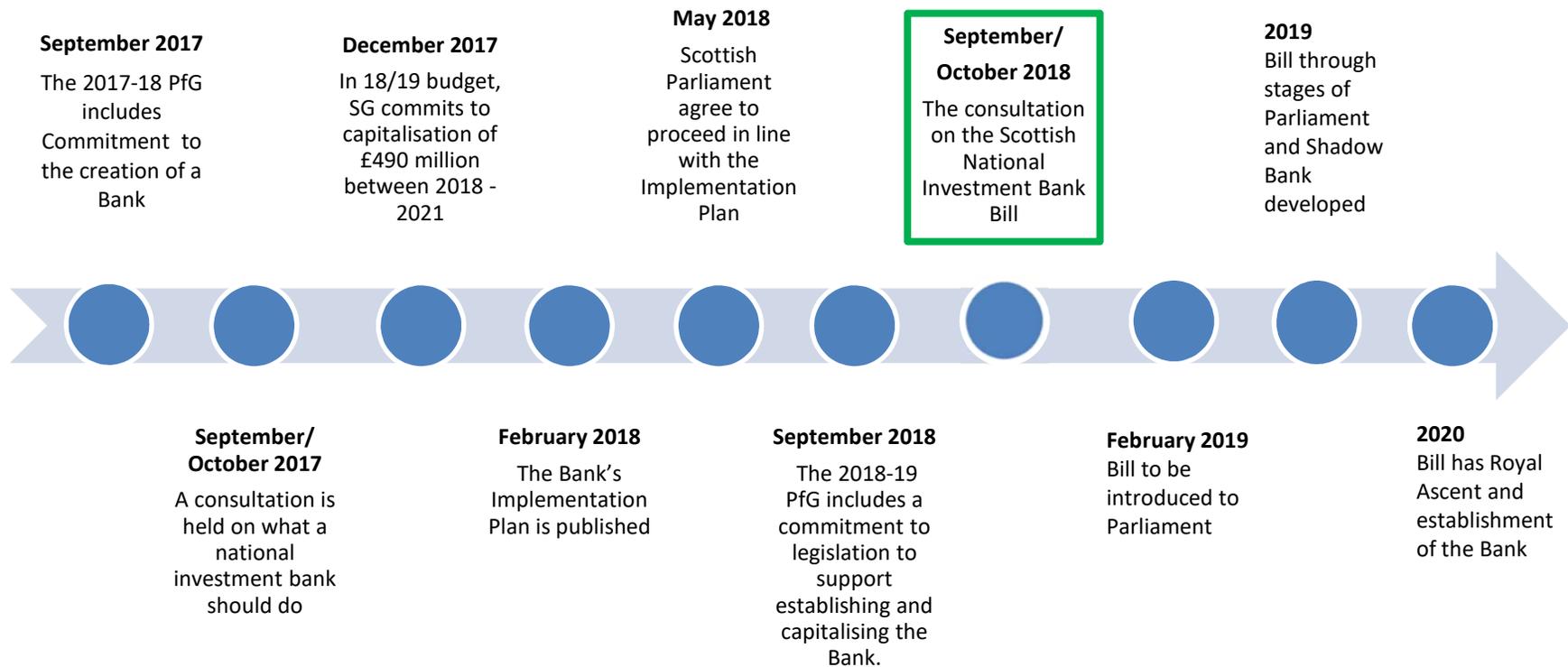


Scottish National Investment Bank



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The Scottish National Investment Bank (the Bank) timeline

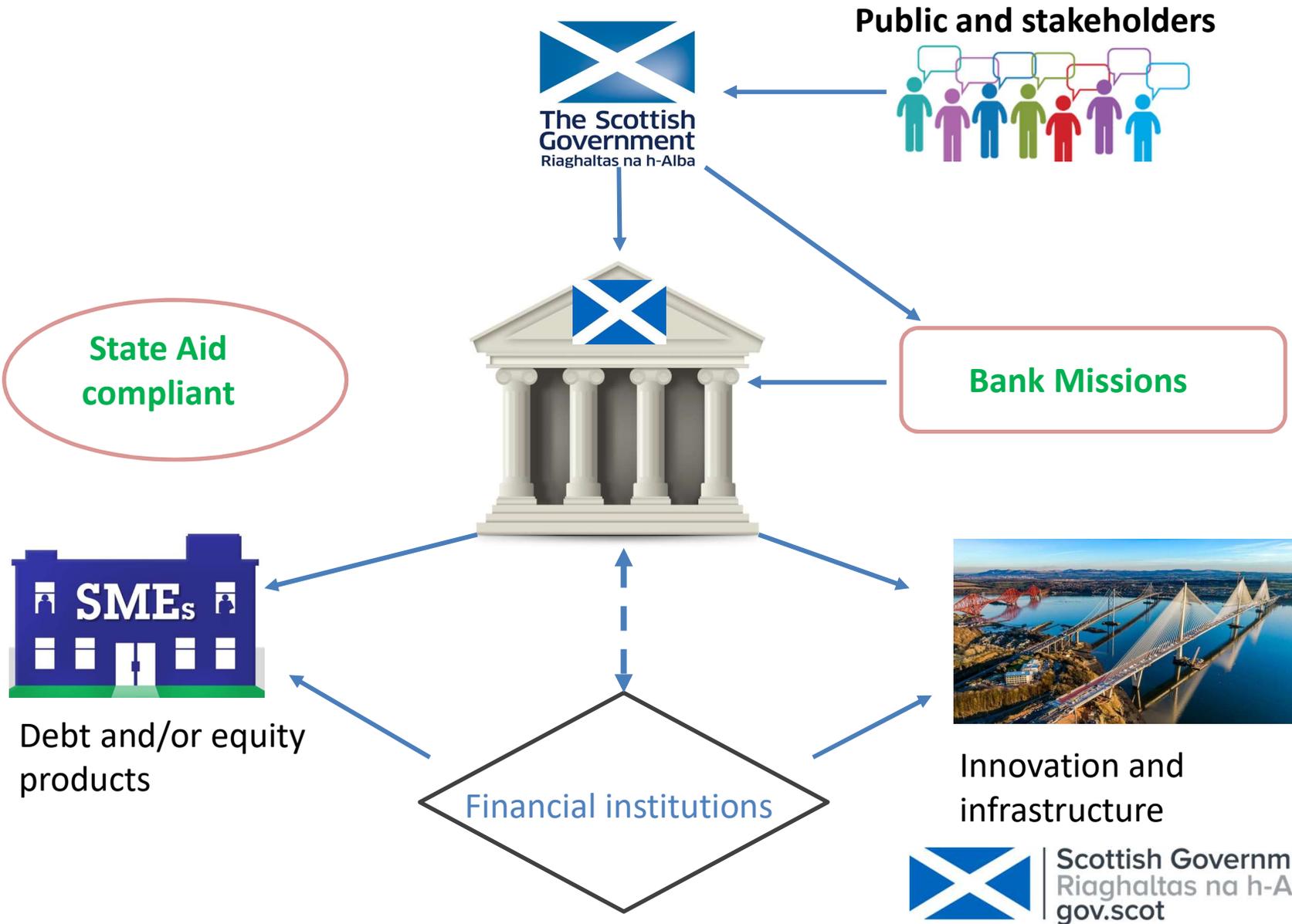


The Scottish Economy and the Bank

- The Scottish Economy has many key strengths and shown through in the following areas:
 - Economic Growth
 - Labour Market
 - Investment
 - Internationalisation
 - Innovation
 - Inclusive growth
- However, globally, Scotland is ranked 19 out of 36 in the OECD on productivity - has been unchanged since 2012.
- There is an opportunity for the Bank to become:
 - Cornerstone institution in Scotland's economic architecture
 - Support businesses over all stages on investment lifecycle
 - Single point of investment , especially for innovative business
 - Complement existing public and private contributions – crowding in.



The Bank's planned remit

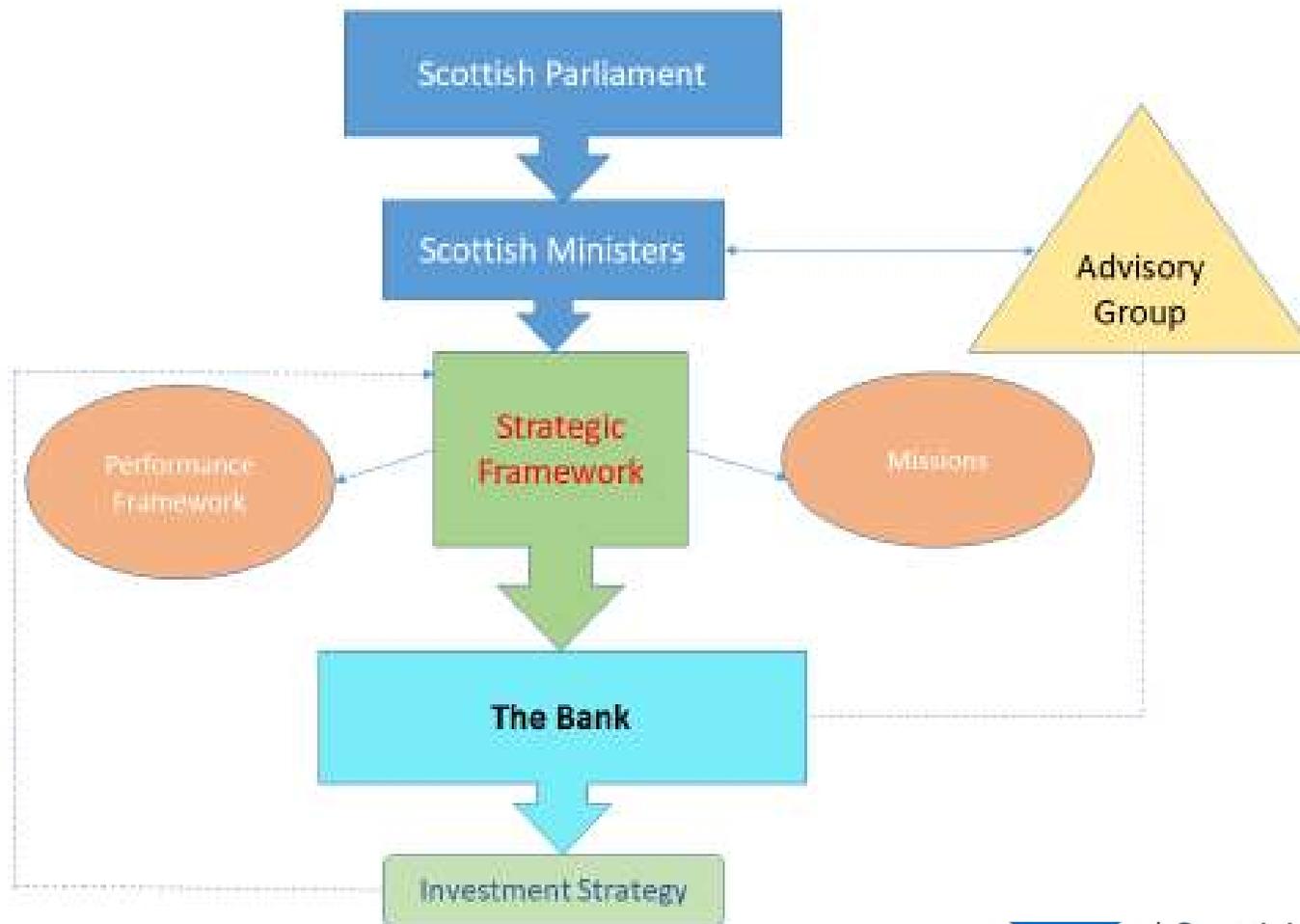


The Bank's vision

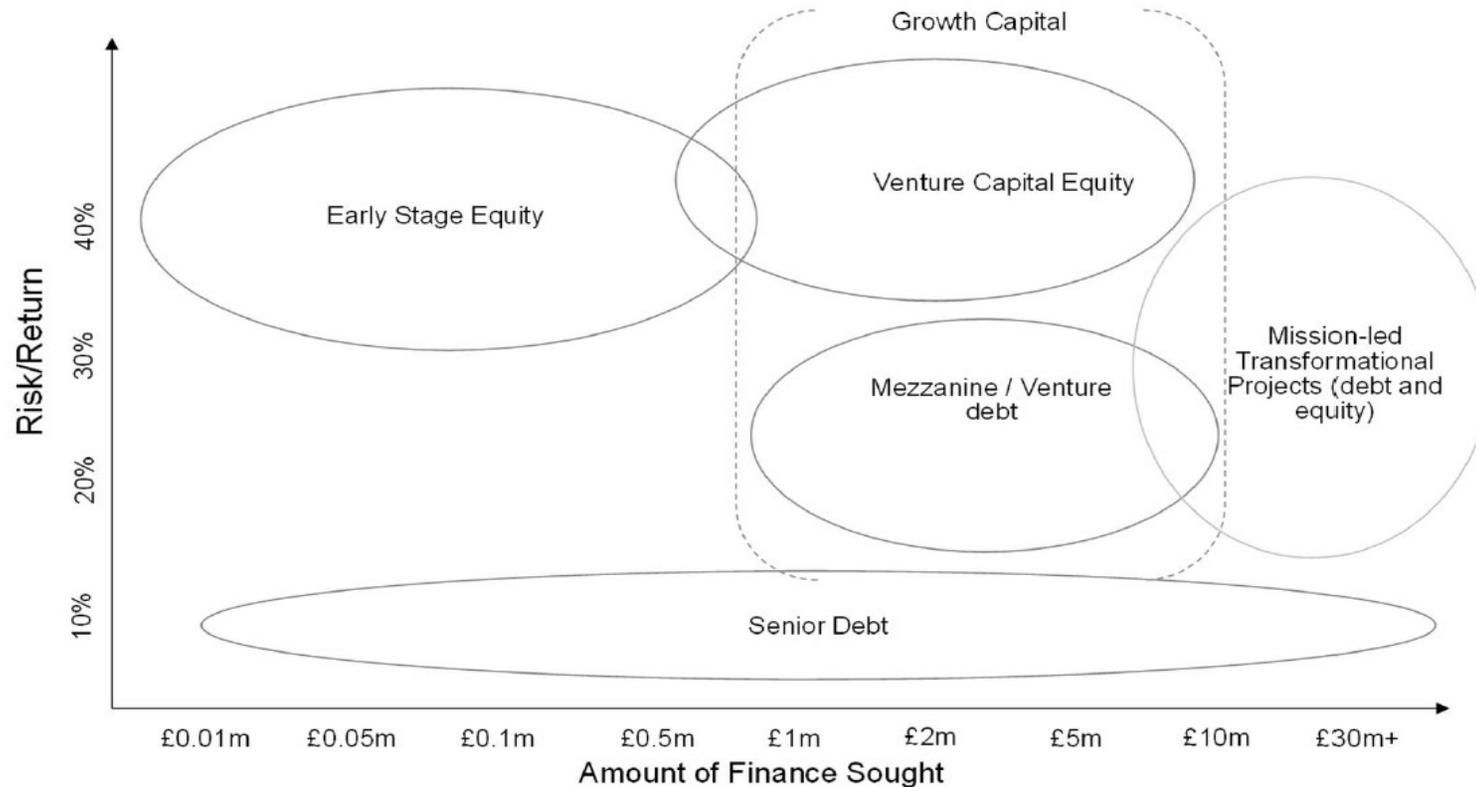
“Provide finance and act to catalyse private investment to achieve a step change in growth for the Scottish economy by powering innovation and accelerating the move to a low carbon, high-tech, connected, globally competitive and inclusive economy.”



Governance Framework



The Bank's financial products



Source: Implementation Plan

Key focus: Provide mission-led and patient funding



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Partner organisations



Internal:

- Scottish Enterprise
- Highlands and Island Enterprise
- Scottish Futures Trust
- Scottish Funding Council
- Local Government
- Social Investment Scotland

External:

- Banks
- Venture Capitalists
- Business angels
- British Business Bank and Green Investment Group
- Private Equity



Missions

- The SG should be responsible for setting the missions for Bank on a pre-determined timeframe and aligned to policy priorities.
- The missions will underpin the Bank's Investment Strategy and Business Plan
- Complementary SG policies, regulation and alignment with the enterprise agencies will be necessary to achieve these missions and ensure there are viable firms and projects that can be brought forward for financing by the Bank.

Transitioning to a low carbon economy

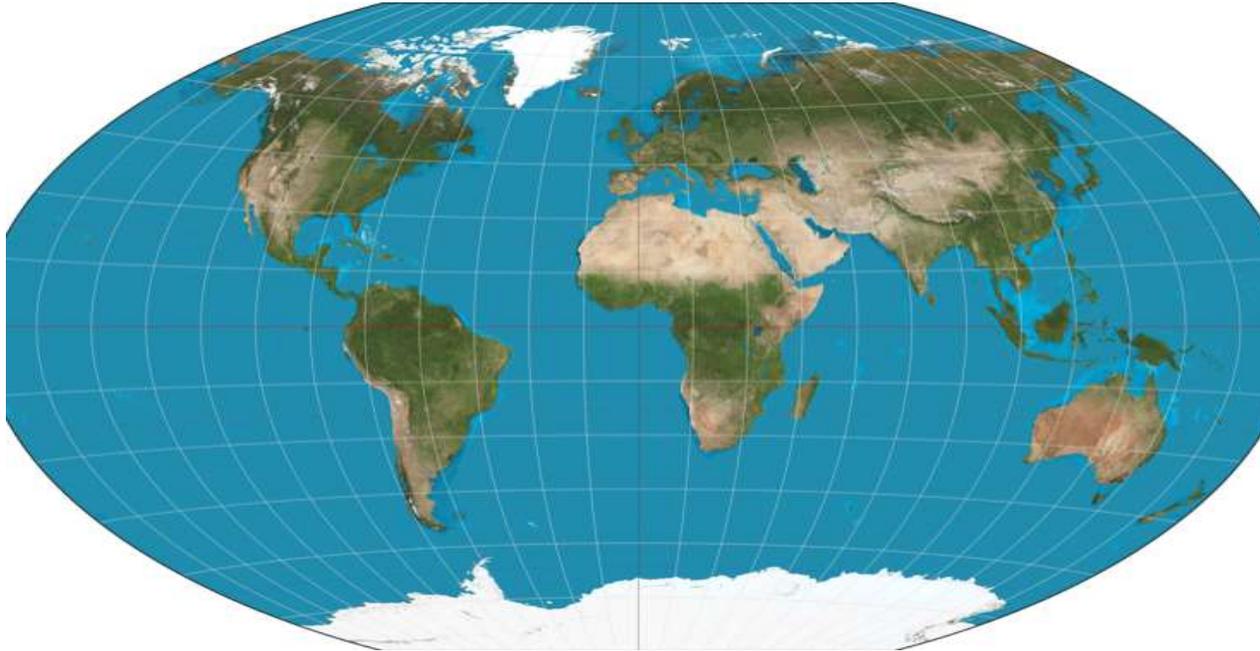
Responding to emerging demographic pressures

Promoting inclusive growth through place-making and local regeneration



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Other national investment banks



- The list of countries that have national investment banks is growing.
- British Business Bank and Green Investment Bank offer important lessons
- Some examples of countries that have successful national investment banks are the following:
 - Germany – KfW Bank
 - Nordic countries - Investment Bank
 - Brazil – The Brazilian Development Bank



Consultation Paper: Published 7 September

- 8 Week Consultation – closes 31 October
- Accepts all 21 Recommendations
- 16 Questions covering
 - Objectives and purpose
 - Focus of investment activities
 - Operating Model
 - Governance
 - Operational Arrangements
- The consultation will inform Bill to be introduced in early 2019

