Competitiveness Advisory Board

Summary of the Competitiveness Advisory Board meeting held on the 29th January 2025.

The Board held its first meeting of the year in January 2025. At this meeting, the views of the Board Members were sought on the UK's approach to sustainable finance and the transition to net zero. The Board received a report from the Executive Director of Innovation & Growth about the UK's global market opportunities, highlighting transition finance as crucial for the next phase of decarbonisation. It was noted by the board that Baron Alok Sharma KCMG and Irem Yerdelen had been appointed Chair and Vice-Chair of the Transition Finance Council respectively. The Board briefly discussed the Policy Chairman's speech at Mansion House on AI. It was suggested that AI be considered at a future meeting of the Competitiveness Advisory Board. Additionally, the Board also discussed the Transition Market Finance Review and the four delivery bodies that were proposed from the review. Members noted that the largest amount of capital exchange was invested in renewables in 2023, and emerging markets were all in on renewables. Members indicated carbon markets were fragmented, Members emphasised that transition finance was the correct focus, and it was important to consider what future opportunities could be available.

Members discussed the need for strategic communications around the language of transition finance and the opportunity to position the UK from its current regulatory position and recognised that the number one risk identified under the World Economic Forum's Risk Register at Davos 2025 was climate change. The Board also discussed the UK-India Infrastructure Financing Bridge (UKIIFB) agreement and recognised it was an important opportunity going forward.

The Board discussed the risk of environmental disasters and observed that China and India had increased their focus on transition finance. They also identified opportunities for the UK to invest in Green AI projects. The Board agreed on the need to resist the urge to use jargon when discussing Net Zero and economics.

The Board also discussed the recent inauguration of the President of the United States and the potential shift in priorities from the previous administration.

For any enquiries relating to the Competitiveness Advisory Board, please contact Callum.Southern@cityoflondon.gov.uk