# Urgency for sustainable business practices highlighted by Development Bank of Wales



Rhian Elston, the Investment Director for Wales at the Development Bank of Wales, emphasised the urgency and opportunity for businesses to transition towards more sustainable practices as the year draws to a close. According to Elston, "now is a great time to make a positive change towards a greener future," especially considering the volatile energy market and the collective responsibility to address climate change.

As 2025 approaches, many business owners are reevaluating their priorities, and the Development Bank is positioning itself to support those interested in sustainable growth. The bank is actively investing in businesses aiming to contribute to a low-carbon society, thereby enhancing social and economic resilience. This effort includes encouraging traditional businesses to adopt advanced technologies that can boost competitiveness and productivity.

Several case studies exemplify this initiative. For instance, the Pwllheli-based company Cerrig Granite and Slate has leveraged a £30,000 loan from the bank to install a solar panel system with a capacity of 70kW. This investment is projected to slash energy costs by £10,000 annually, resulting in a reduction of 218 tonnes of carbon dioxide over the system's expected 25-year lifespan.

The bank's Green Business Loan Scheme further underscores its commitment to fostering environmentally friendly practices in Welsh businesses. The scheme assists businesses in recognising areas of their environmental impact and guides them in their transition to net zero. To date, it has facilitated 28 businesses in their sustainability journeys, safeguarding 2,291 jobs through an investment of £6.1 million. Participants receive both fully and part-funded consultancy support to clarify their decarbonisation paths. The scheme provides financial options, including discounted fixed interest rates for energy efficiency measures and loan terms linked to project payback.

Furthermore, the Local Energy Fund is enhancing the renewable energy landscape in Wales. The Development Bank has allocated £8.6 million towards 13 small-scale renewable projects, which are managed by community groups, social enterprises, and small-to-medium enterprises (SMEs). This fund specifically targets renewable energy projects that cannot secure conventional financing but can demonstrate long-term benefits. Applicants can seek up to £2 million with terms extending up to 20 years.

For developers, the Green Homes Incentive offers a reduction of up to 2% on loan fees for residential developments that meet specific sustainability criteria, such as achieving an Energy Performance Certificate (EPC) A Rating. A case in point is Carmarthen-based Mentrus Developments, which is utilising a seven-figure loan to fund phase two of the 'Maes y Teirw' project, comprising 21 eco-friendly homes designed on a 2.2-acre brownfield site. This development features a blend of five- and four-bedroom homes, as well as affordable three-bedroom properties, all equipped with solar panels and air source heat pumps to maximise energy efficiency.

Through these initiatives, the Development Bank of Wales aims to facilitate the transition to a net-zero economy by investing in high-growth sectors and sustainable industries. Such efforts are anticipated to significantly reduce carbon emissions, create jobs, and fortify the economic landscape in Wales against future challenges.

For further details about the Development Bank's offerings, interested parties can access more information via their official website or contact their team directly.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://fintechwales.org/news/development-bank-of-wales-leads-1-4m-investment-in-lineats-move-to-wales/> - This article supports the Development Bank of Wales' investment in sustainable technologies, such as Lineat's carbon fibre recycling, which aligns with the bank's mission to support green initiatives.
* <https://businesswales.gov.wales/businessfinance/types-finance-and-how-apply/development-bank-wales> - This page explains the various types of finance offered by the Development Bank of Wales, including loans and equity investments, which are used to support sustainable growth and innovation.
* <https://businesswales.gov.wales/businessfinance/types-finance-and-how-apply/development-bank-wales> - It details the eligibility criteria and application process for businesses seeking funding from the Development Bank of Wales, which is crucial for businesses transitioning to sustainable practices.
* <https://www.british-business-bank.co.uk/finance-options/nations-and-regions-investment-funds/investment-fund-for-wales> - This page discusses the Investment Fund for Wales, which is aimed at driving sustainable economic growth and supporting innovation, aligning with the bank's goals for a greener future.
* <https://developmentbank.wales/news-and-events/development-bank-invests-sustainable-fashion> - This article highlights the bank's investment in sustainable fashion, demonstrating its broader commitment to supporting environmentally friendly businesses in various sectors.
* <https://developmentbank.wales/news-and-events/development-bank-wales-supports-221-businesses-and-3245-jobs-ps618-million-first> - It provides details on the economic impact and job creation resulting from the Development Bank's investments, which includes support for sustainable and green initiatives.
* <https://businesswales.gov.wales/businessfinance/types-finance-and-how-apply/development-bank-wales> - This page explains the Green Business Loan Scheme, which helps businesses transition to net zero and reduce their environmental impact, a key aspect of the bank's sustainability efforts.
* <https://businesswales.gov.wales/businessfinance/types-finance-and-how-apply/development-bank-wales> - It mentions the Local Energy Fund, which supports small-scale renewable energy projects, further highlighting the bank's commitment to renewable energy and sustainability.
* <https://businesswales.gov.wales/businessfinance/types-finance-and-how-apply/development-bank-wales> - The page also discusses the Green Homes Incentive, which offers reduced loan fees for sustainable residential developments, aligning with the bank's goal of promoting energy-efficient housing.
* <https://developmentbank.wales/news-and-events/development-bank-wales-supports-221-businesses-and-3245-jobs-ps618-million-first> - This article provides an overview of the bank's overall impact on the economy and job market, including its support for high-growth sectors and sustainable industries.
* <https://businesswales.gov.wales/businessfinance/types-finance-and-how-apply/development-bank-wales> - It outlines how the Development Bank of Wales facilitates the transition to a net-zero economy by investing in various sustainable initiatives and providing financial support to businesses.
* <https://www.walesonline.co.uk/special-features/your-business-going-green-new-30449170> - Please view link - unable to able to access data