

Offshore Wind industry begins work on Strategic Investment Model to drive joint infrastructure investment in Scotland

- **On Monday 22 August in Aberdeen, at the Offshore Wind Supply Chain Summit organised and hosted by the Energy Transition Zone Ltd (ETZ Ltd) and in partnership with the Scottish Government and SOWEC, the offshore wind industry, ports supply chain companies came together to look at opportunities for infrastructure investment and supply chain growth in Scotland**
- **Since the announcement of successful ScotWind lease holders, these companies have been working in SOWEC to look at options for collaboration. This has led to an agreement to explore a Strategic Investment Model as a route to driving private and public sector investment.**
- **The aim of the Model is to create a sustainable and competitive supply chain in Scotland with the capacity and capability to support delivery of projects in line with project business cases and Supply Chain Development Statement ambitions.**
- **The Summit took place the same day that Crown Estate Scotland announced the results of ScotWind Clearing, with developers Ocean Winds, Mainstream Renewable Power and ESB securing leasing rights for developing 2.8GW of offshore wind capacity within the NE1 Shetland zone of ScotWind.**

Issued for immediate use 13:15pm 22/08/2022

On Monday 22 August the offshore wind industry and other key partners attended an Offshore Wind Supply Chain Summit to discuss options for maximising Scottish supply chain growth. The Summit was hosted by ETZ Ltd in partnership with the Scottish Government and SOWEC, and attended by senior representatives of offshore wind companies, ports and leading supply chain suppliers.

At the Summit the outcome of a series of interviews and surveys with operators and supply chain companies, coordinated by ETZ Ltd, was presented providing a detailed summary of the challenges and opportunities to be navigated in order to ensure optimal utilisation of Scottish content in the ScotWind and Innovation and Targeted Oil and Gas (INTOG) leasing rounds. This feedback will be sent to the Scottish Government to assist future policy making.

SOWEC also set out work being led by its developer members to build on the Collaborative Framework principles agreed in April 2022.

The Strategic Investment Model is the next step in work to bring wider collaboration to the industry.

As part of delivery of individual ScotWind projects, developers will need to make bilateral investments to support their own projects. However, there are going to be opportunities for shared investment that better support growth in port and supply chain capacity and capability. Offshore wind industry developers are clear that by working together and alongside Government, the need to ensure investments are made ahead of time is prioritised. This both de-risks the successful delivery of ScotWind and increases opportunities for the supply chain.

Commenting on this work, First Minister Nicola Sturgeon noted at the Summit:

The infrastructure improvements we need to see won't happen instantly – they require lead times for approval. But they do need to happen rapidly. And the Strategic Investment Model is intended to enable us to make the investment decisions we need to make, as quickly as possible. I very much hope that all of you will be able to continue to collaborate to develop this work at pace.

Work on the Strategic Investment Model is being led by SOWEC's Collaborative Framework Working Group, which is responsible for delivery of the industry's Collaborative Framework set out in the 2021 Strategic Investment Assessment report delivered by Professor Sir Jim McDonald. The members of this group will now commence a co-design process to develop a model in line with an agreed set of principles.

SOWEC is aiming to have completed work on the Strategic Investment Model in Q1 2023, and expects to give an update to delegates on progress at the October Floating Offshore Wind conference in Aberdeen being organised by RenewableUK and Scottish Renewables.

Sir Ian Wood, Chairman of ETZ Ltd, said:

"ETZ Ltd has been privileged to host Scotland's first dedicated offshore wind supply chain summit attended by ports, offshore wind farm developers and supply chain companies and it takes place when we are navigating a crucial milestone in Scotland's energy transition journey and ability to meet net zero.

"The first ScotWind and INTOG leasing rounds present a massive opportunity and the challenge now is to ensure we fully realise it, so Scotland becomes globally recognised for supporting the innovation and high value manufacturing required to deliver these developments at pace.

"Today's summit was a valuable opportunity for industry and government to come together and explore how we can create a major, domestic offshore renewables sector, one that utilises as much Scottish supply chain content as possible.

"The First Minister's announcement on the strategic investment model and SOWEC's ongoing work on the collaborative framework are positive steps toward achieving this which will, in turn, secure greater sustainable economic growth and energy security for the entire country."

Michael Matheson, Cabinet Secretary for Net Zero, Energy and Transport, who attended the Summit and provided closing remarks said: “Scotland has the people, the skills and the ambition to become a renewable energy powerhouse. The expansion of our offshore wind generation capabilities in the coming years provides a fantastic opportunity to support an energy transition which not only delivers on our climate obligations, but which ensures a fair and just transition for the sector and wider industry.

“The Scottish Government is committed to collaborating with the sector to ensure the enormous potential of ScotWind is realised, and I am pleased that rapid progress is being made to develop a Strategic Investment Model, helping to ensure a collaborative approach to supply chain investment that will maximise efficiency and deliver on ambition.”

Commenting on the start of work to establish a Strategic Investment Model, Brian McFarlane, industry co-Chair of SOWEC said, “ScotWind is a once in a generation opportunity for Scotland, but to make the most of that opportunity we need to ensure Scotland has a world-class supply chain. That means working differently together to deliver transformative outcomes.

“The Strategic Investment Model shows the fresh thinking and commitments being brought to the table by the Scottish Government and industry. SOWEC is all about effective partnerships – by working together we can find better ways to invest in the Scottish supply chain to make sure it is ready for ScotWind and the new INTOG leasing round. We’re really excited by this approach, and the desire we see across government and industry to make this work.”

Editors Notes

- The [Scottish Offshore Wind Energy Council](#) (SOWEC) is a partnership between the Scottish public sector and the offshore wind industry. Co-chaired by Ivan McKee, Minister for Business, Trade, Tourism & Enterprise, and Brian McFarlane of SSE
- SOWEC’s mission is to coordinate and grow the sector, ensuring the Scottish offshore wind industry is more sustainable, competitive, and commercially-attractive, both domestically and in the global offshore wind market.
- Work on the Strategic Investment Model is being led by the Collaborative Framework Working Group. The Collaborative Framework Charter can be found [here](#). SOWEC will work with ScotWind winners to develop these principles and put in place a framework with Scottish ports, with an initial focus on supply of floating offshore wind platforms.
- SOWEC’s work to bring developers together to explore collaborative ways of working stems from the 2021 Strategic Investment Assessment report which can be found [here](#).
- Information on today’s ScotWind announcement from Crown Estate Scotland can be found [here](#).

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