

Cynulliad Cenedlaethol Cymru	National Assembly for Wales
Y Pwyllgor Menter a Busnes	Enterprise and Business Committee
Ymchwiliad i Botensial yr Economi Forol yng Nghymru	Inquiry into the Potential of the Maritime Economy in Wales
PME 17	PME 17
Prifysgol Abertawe	Swansea University

## Consultation questions

### Role of Government

**Question 1 – Do you think the Welsh Government is taking a strategic approach to developing the potential of the maritime economy?**

No. The main budget headings for the WG budget do not include a line for the maritime economy: <http://gov.wales/funding/budget/1st-supplementary-budget-2015-2016/?lang=en>

However, it is positive to see the progress made with the formation of Marine Energy Wales and investments in staff, particularly in consenting and licencing at NRW.

**Are there any examples of best practice in this area?**

Scotland. Marine Scotland has a £48m annual budget.  
<http://www.gov.scot/Publications/2014/10/2706/downloads>

**Question 2 – How can we use existing EU funding sources to support the sector?**

The allocation of significant funds from ERDF towards marine energy demonstration zones and support for technology development is the correct decision. This has raised **significant** interest in Wales as a location to undertake development of ocean energy.

However, further ERDF funds should be allocated to supporting earlier stage technology (to create an innovation pipeline) through funding for technology R&D. It is also imperative that appropriate scientific study is made of the Environmental and Social aspects of early stage developments, to remove EIA barriers to the sector.

Helping Welsh universities to build and maintain innovation capacity to support technology R&D will naturally lead to further collaborations with marine energy companies who are looking to deploy their technologies in Welsh waters. Moreover this will enable Wales to exploit other opportunities in the future such as the development of multi-purpose/use offshore platforms. This is an area the European Commission has invested in (The Ocean of Tomorrow programme) and is likely to emerge as a new Maritime sector in the near future (Swansea is researching this area with the EU H2020 project MARIBE – Marine Investment for the Blue Economy).

Horizon 2020 now has specific calls under Blue Growth and Ocean Energy. However, the scale of the industry is such that the Ocean Energy calls will be very oversubscribed. The Welsh industry needs advice on how to access and bid for such funds.

**What should Welsh Government and others do to identify and make use of these?**

Strengthen the WHEB team (Wales Higher Education Brussels) with additional staff to develop consortia and bid for H2020 funding.

**Question 3** – Please can you give an assessment of the way in which Wales is engaging with EU level initiatives such as the Ocean Energy Forum and Ocean Energy Europe.

Swansea University is a member of both organisations and has an active presence in meetings held to date. The aim is to prioritise research topics and technology improvements identified by the ocean energy industry and research community. These efforts will form the technology chapter of an ocean energy Roadmap which will help accelerate deployment in the ocean energy sector.

Swansea’s involvement provides good visibility of Wales. The Marine Energy Wales unit should engage with these organisations to:

- Increase the credibility of the sector, increasing the total EU budget for Blue Growth.
- Provide mechanisms for a larger proportion of EU funding to come to Wales.

## Ports

**Question 4** – How effective are the Welsh ports and hinterland connections in Wales in promoting connectivity to Ireland and the rest of Wales?

N/A

How do the Enterprise Zones help to promote the ports and related businesses?

N/A

**Question 5 – How can Welsh ports, ferry operators and related businesses benefit from and support the development of the Maritime economy, including ocean energy?**

The excellent report: Marine Energy In Wales Investment/Jobs/Supply Chain (Marine Energy Pembrokeshire, 2014) outlines the opportunities clearly. £44.5m has been spent in Wales to date, and a proportion of this has been with Welsh vessel operators and manufacturing businesses based in the Welsh Ports.

Offshore wind investments on the North Wales coast have also provided benefits to the supply chain.

**What support should be provided to ensure this benefit is properly realised?**

The major issue is the provision of grid connected deployment sites which have full planning consent and licences for the deployment of a wide range of early commercial projects. The locations of these (West Anglesey and South Pembrokeshire) will naturally benefit local port infrastructure.

**Question 6 – What are the implications of the St David's Day announcement which proposes to devolve the responsibility of ports policy to Wales?**

**How can this support connectivity and the development of the Maritime Economy?**

Significant growth in tourism and aquaculture production will require improved transport links to ports and surrounding areas. This may be improved by the proposals in the St Davids Day announcement.

## Energy

**Question 7 – How can Wales realise the strategic importance of planned initiatives such as the tidal lagoon projects in West Wales and the Anglesey Energy Island Programme?**

Tidal Lagoon projects are proposed on the South Wales and North Wales coastlines.

West Wales is the location of the Welsh wave resource and also has tidal stream opportunities. Anglesey has tidal stream resources. All coastlines are suitable for offshore wind.

There are Crown Estate commercial deployment zones in Anglesey (Tidal) and Pembrokeshire (Wave).

Anglesey Energy Island is a very good initiative and there should be an equivalent in Pembrokeshire – based on the effective work to date of Marine Energy Pembrokeshire.

“Small clever country”

Marine Energy is a sector based around advanced technology and the device developers are the pinnacle of a large supply chain. Securing the sector in the long term will depend on securing the added value elements of the business. This involves investing in R&D, whole system design and advanced manufacturing, together with the associated high level skills and training. This needs to be undertaken across a range of disciplines: mechanical, electrical and civil engineering, logistics, manufacturing, materials, offshore operations and infrastructure.

**Question 8** – Please tell us what you think are the key barriers and risks to development of ocean energy and how Wales can help overcome these.

Planning, consenting, licencing and grid connection uncertainty are effectively stopping development of ALL marine energy projects in Wales. NRW should be given additional resources to resolve the legal issues around this area. Investment should also be made in the evidence base required for planning consent. (Particularly around environmental data)

Please tell us anything else you would like to mention this topic, thank you for contributing to our inquiry.

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