

**File name:** offshore\_wind\_\_albert\_clark\_\_\_invest\_ni (1080p).mp4

**Moderator questions in Bold**, Respondents in Regular text.

**KEY: Unable to decipher** = (inaudible + timecode), **Phonetic spelling** (ph) + timecode), **Missed word** = (mw + timecode), **Talking over each other** = (talking over each other + timecode).

Albert Clark: Great, hello, everyone. I'm, I'm Albert Clark, so I head up our offshore wind team at Department for International Trade. We've also got Barnaby (mw 00.17) with us here from UK government, so he's Head of Renewables, Investment and Infrastructure. So I've just got a short five-minute presentation to, kind of, run through our current thinking for offshore wind, particularly floating offshore wind for our strategy and then I was hoping to do a few questions at the end but, if not, we can just catch up with anyone in the networking lunch. So, a lot of this has already been covered already, so we're obviously one of the world leaders for floating offshore wind and there's a real push from central government, particularly Number 10 now to really, like, move towards floating offshore wind as we've had quite a lot of domestic success in fixed-bottom. So, obviously we had some of the world's first floating offshore wind farms and the world's largest, and our one gigawatt floating target by 2030 has already been flagged through several of the presentations. And just to flag that as inclusive of our 40 gigawatt target. There's obviously the 100 gigawatt by 2050 climate change committee target, as well, and it's, kind of, UK government's estimate that around 50% of that capacity could come from floating. So the market there is huge and I'll touch on this in a bit more detail later but we've obviously announced £160 million for floating offshore wind manufacturing and infrastructure as well in the most recent comprehensive spending review. So, I mean, a lot of this has been said here but the technology is proven so we really need to drive down the cost and scale now. So from a UK government perspective, what we're really doing now for floating offshore wind is looking to learn from the lessons of fixed-bottom, so the key point here really is future-proofing.

There's a few, kind of, famous examples of blade manufacturing facilities across the UK who can't really build the latest scale of blades. So what we want to do, if we're attracting investment or securing any sort of development in the sector, is making sure that we're taking into account this, kind of, rapid innovation and scale of deployment that can happen. I mean, the scale has already been flagged by the Dogger Bank wind farm that 3.6 gigawatts is around the size of Greater London, and turbines at the moment are, kind of, two-thirds the size of the Shard, so we really make-, need to make sure our manufacturing capability can meet these demands. Innovation, so the floating offshore wind innovation scheme was, kind of, noted earlier, so that's funded up to eleven projects and it's up to £60 million worth of UK government funding. Infrastructure's key, so this has been touched on quite a lot already. We launched the OWMISS, so the offshore wind manufacturing investment support scheme. It's a bit of a mouthful so we probably won't do one as complex in the future but the infrastructure requirements for that were really to address the, kind of, market failures that we had in fixed-bottom offshore wind. So we announced two ports through that, kind of, programme. So there was one on the Humber and there's one on Teesside, as well, and after we, kind of, announced that infrastructure improvements we managed to secure a lot of inward investment to those sites. So we'll be looking to do the same for floating offshore wind as we progress, so we're aware

that we probably don't have the correct infrastructure in the UK and that's across the whole of the UK. None of our ports are currently fit for purpose, so we're really looking to engage with industry as much as we can at the moment to understand what we should be targeting for floating offshore wind.

Overcoming the chicken and egg problem, so this is a big issue we've had in UK government over the past, like, few years of developers refuse to use a manufacturer until they have a size in the UK and a manufacturer refuses to get a site in the UK until they have an order from developers. So what we're really looking to do is engage as much as we can to see what policy levers we can put in place to try and alleviate this issue. We wanna see as many framework agreements as we can from the big developers on-, manufacturers from the-, from the tier one all the way through into the tier two-plus. So we've done policy measures like supply chain plans but we're looking to go further where we can and we'd really welcome views on how to deliver this. And, of course, just to stay their strategy and understanding our limitations. So potentially, you know, we might not be able to competitive for full-scale fabrication of floating foundations, but are there, kind of, other areas across the supply chain that we can target moving forward? So what are we currently doing to unlock the opportunity? And I know everyone in this room will probably say we can be doing more but, as I've mentioned, we obviously announced £160 million for floating offshore wind manufacturing and ports, so it's a separate £160 million pot from the offshore wind fixed-bottom fund. I feel like they should have probably given us £161 million or something because they often get confused so we'll be, kind of, engaging with industry over the-, over the next year to really understand how we should spend that funding. We've obviously got an ambitious commitment to floating deployment and a lot of you will have seen, if you have keen eyes, that the new, kind of, energy strategy is expected from UK government over the next few weeks.

I'd imagine we know as much as you really. It's been kept very close to number ten's chest but all the, kind of, like, press articles that the PM has been doing around those have been-, really been stating that we need to up our renewables (inaudible 04.47) and we'll need a lot in floating offshore wind. So I'd be surprised if, kind of, our targets weren't made more ambitious but, as I said, we're, kind of, waiting to see what's delivered from that as-, with you. We've obviously reformed our supply chain plan policies, so this is one of the mechanisms that you have to do if you're over 300 megawatts for fixed-bottom offshore wind, applying to the contract for difference. We've now made it include floating offshore wind for, kind of, projects below 300 megawatts as well. So we knew that we didn't understand the fixed-bottom supply chain quickly enough, so we're really looking to do this for floating offshore wind at the moment as well. We've obviously got a wide range of programmes, so the offshore transmission network review has been mentioned a few times, so that's one of our key things to, like, improve grid deployment rates and obviously we're looking into areas around lease deployment as well to really ensure that we can rapidly increase our deployment rates. Annual auctions have been announced as well for the contract for difference, so they used to be bi-annual, so we're looking to, kind of, do this and give investors as much foresight and security of pipeline as they can get to ensure we can secure investment but also our deployment rates don't falter, and obviously close collaboration with industry. That's why Barnaby and I are here today, so we're really keen to speak to as many of you as we can today.

So I'm not sure if everyone can see that slide but this is, kind of, what we did for fixed-bottom offshore wind, so we announced some strategic priorities for fixed-bottom offshore wind, working with the offshore wind industry council. So we announced four strategic priorities, in blades, monopile, cables and towers, and through that we announced, kind of, seven FDIs over the past eighteen months, which is around £1.6 billion worth of private sector investment, if you include the two ports, and up to 4,100 jobs for the UK. So the, kind of, potential for offshore wind is, is, is there. You'll, kind of, notice on some of the targets, we don't have, like, jacket manufacturing as a target. That's simply because we don't believe we could be cost-competitive with the East at this point, so we're looking to do the same thing for floating offshore wind and I'll talk a bit more on the next slide about this. So there's, kind of, key things to look for-, out for in 2022 from UK government so I'll, kind of, just leave that on the screen but what we're also doing in the, kind of, due course and hopefully as soon as possible is we're requesting as much information as we can get from industry and it'll be a formal process that we'll share with, kind of, all the devolved administrations and all our networks of clusters and trade associations, to understand how government should be spending our £160 million for floating offshore wind manufacturing and ports. And as part of that we'll be looking to, kind of, establish the new strategic priorities for floating offshore wind manufacturing. So we may-, it may be that we can be more cost-competitive in the tier two-plus, so do we need to be targeting anchor systems or mooring systems? So it's very much more an open door policy than it was before, just due to timing as we-, so we're looking to engage as much as possible.

But that's it from me. I don't know if anyone has any questions to ask us. If not, please just come and speak to me and Barnaby during, like, the networking lunch.