

Cynulliad Cenedlaethol Cymru
Y Pwyllgor Menter a Busnes

National Assembly for Wales
Enterprise and Business Committee

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Ymchwiliad i Botensial yr Economi Forol yng Nghymru	Inquiry into the Potential of the Maritime Economy in Wales
PME 10	PME 10
Cyngor Sir Ynys Môn	Isle of Anglesey County Council



Cynulliad Cenedlaethol Cymru
Bae Caerdydd, Caerdydd, CF99 1NA
SeneddBusnes@cynulliad.cymru
www.cynulliad.cymru/SeneddBusnes
0300 200 6565

National Assembly for Wales
Cardiff Bay, Cardiff, CF99 1NA
SeneddEcon@assembly.wales
www.assembly.wales/SeneddEcon
0300 200 6565

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?

The approach to the Maritime economy is currently fragmented and unaligned; a long-term strategic plan needs to be developed in order to exploit the potential benefits of the maritime economy in Wales. A strategic plan would allow the Welsh Maritime economy/Private Sector to thrive, enabling growth in the industry. We would welcome the opportunity to contribute to any Strategic Plan being developed for the Wales Maritime Economy.

Visit Wales recognise the importance of the Coast; on Anglesey the Maritime economy and the Tourism sector are intricately linked. Any strategic plan developed would need to recognise the links between the Maritime economy and the tourism sector also. There are significant opportunities associated with the maritime economy. The emergence of the potential for marine energy through the Energy Island Programme provides an additional avenue to exploit our oceans.

Any approach must be able to recognise local strengths and opportunities but also regional differences and priorities to reflect and address regional variations in the marine environment and in maritime industries. Considerable resources and significant long term support will be required in infrastructure development and the WG and EU should play a significant role in encouraging such investment. Any attempt to develop an integrated approach to ensure maximum benefit from the marine economy is to be welcomed.

Are there any examples of best practice in this area?

Question 2

How can we use existing EU funding sources to support the sector?

EU Funding sources linked to the Maritime sector are currently under utilised. The development of a Strategic Plan for the Maritime Economy, as mentioned above, along with a clear delivery plan would allow for the funding sources to be aligned effectively with required interventions. The delivery plan needs to be clear regarding how, where and who are to deliver defined interventions with identified funding sources, examples listed below:

- European Regional Development Fund (ERDF)
- European Social Fund (ESF)

- European Agricultural Fund for Rural Development (EAFRD)
- European Maritime and Fisheries Fund (EMFF)
- Interreg Ireland Wales Co-operation Programme
- Atlantic Area Programme
- North-West Europe Programme

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

Consideration should be given to committing resources, possibly through the setting up of a dedicated team tasked with identifying and publicising opportunities and potential partners and acting as a broker to bring those parties together. This need not, necessarily be confined to the maritime economy, and could encompass all aspects of the economy. In the context of the maritime economy, particular emphasis should be placed on building relations with other countries looking to develop their maritime economies e.g. Portugal, Ireland and regions of France.

Wales should be developing links with the European Investment Bank and seeking to influence / lobby at UK (member state level) to ensure support for projects in Wales from the European Strategic Investment Plan.

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.

Unable to comment as we have not been informed / aware of activities and engagement to date

Ports

Question 4

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

The Port at Holyhead is very effective in promoting connectivity and recognises its economic value to both business and citizens. Through maintained and consistent investment in the port and the services they offer, the operators – Stena and Irish Ferries – have continued to derive economic benefit from it and develop economic advantages. Both have been able to demonstrate growth in their services and have outlined that more investment will be made in their infrastructure.

Holyhead is one of Wales's largest ports, handling in excess of 2m movements per annum and is massively successful in "Roll On Roll Off". Its position in relation to strategic transport networks through Ireland is particularly relevant and has a significant advantage over other ports as a result of its closeness to Dublin and Dun Laoghaire.

The modernisation of A55 dual-carriageway is essential if future developments are to be facilitated and their benefits maximised. A new multi-purpose berth is required at Holyhead to enable potential future developments to progress, which will also facilitate increased diversification in the economy such as the energy sector.

A suitable berth for the Cruise industry will allow the area to fully benefit economically from the potential increase in the number of cruise ships and subsequently cruise ship passengers.

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

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Promotion of Enterprise Zone Programme

The Enterprise Zones benefit from a pan-Wales marketing plan and have been the subject of a new toolkit with new brand design; website redevelopment; aerial and standard photography; brochures; digital campaigns and other forms of publicity.

Promotion of the Anglesey Enterprise Zone

To ensure the successful marketing of the Anglesey Enterprise Zone – and the Holyhead Port EZ site – the IACC and Welsh Government worked in partnership to create a dedicated marketing brochure demonstrating the key aspects of each of the sites. There is also a website raising awareness of the Anglesey Enterprise Zones which can be found at: www.anglesey-ez.wales.gov.uk

The brochure highlights that Holyhead Port is identified as one of the key Enterprise Zone sites on the Island providing a strong positive brand for the area to encourage inward investment enquiries and facilitate business growth.

The IACC recognises that Enterprise Zones designation is about allowing these areas with real potential to create the new business and jobs, with positive benefits across the wider economic area. Holyhead Port is truly unique in its offering not only on Anglesey but also Wales and has the capability to offer genuine economic opportunities for growth in order to maximise the positive effect that they have on the wider economic area. By being included within the portfolio of EZ sites on Anglesey, the port benefits from exposure in a number of marketing promotional material which includes developer days; digital and standard media forms; WG website coverage and inclusion in materials at trade and conference events.

By being encompassed within the wider EZ Programme this is a positive development in the future growth and expansion of the Holyhead Port as it reaches a much wider critical mass.

Question 5

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

A report for the Gwynedd and Anglesey Fisheries Local Action Group identified potential diversification opportunities for fishermen linked to the supply chain for the Tidal Energy Industry, including use of craft for surveys, and construction and maintenance support.

Developing the maritime economy, particularly ocean energy, offers particular opportunities not only for ports, but also on-shore and maintenance operations.

There is a need for the WG and EU to “front-load” any future investment in our port infrastructure to ensure the continued exploitation within the Maritime economy. This needs to recognise the importance of existing traditional maritime industries but also be responsive to emerging industries in a dynamic environment. On Anglesey, the maritime industry plays a vital role in the economic and social well-being of the area. This is recognised in the diverse nature of the activities here which include:

- Economic activities which exploit the biological productivity of the sea such as fishing; aquaculture; Sea Salt production;
- Harbours, shipping, recreation and tourism;
- Renewable energy generation;
- By the armed forces – RAF valley was developed because of the various challenges the coast offered;

Managing for erosion and coastal defences

What support should be provided to ensure this benefit is properly

realised?

Clearly, if Welsh businesses are not aware of and suitably prepared for the opportunities then much of the benefit will be lost to companies from outside Wales. There is therefore a need to raise awareness of the potential benefit and the requirements of the industry and to ensure that support is available allow businesses to be in the best position to compete for these opportunities in terms of training, qualifications, capital investment, together possibly with support for the formation of consortia where individual businesses lack the scale to fulfil contracts on their own.

The exciting developments of the renewable energy possibilities through the Energy Island Programme are a major theme of Anglesey's – and the wider North Wales region – economic development strategy. Given the uniqueness of Anglesey's marine resources it opens up the possibility of wave and tidal opportunities.

The industry is however very much in its infancy and is presently in the pre-commercial phase. Minesto have recently secured EU funds to develop tidal energy initiative off the coast of Holyhead, however there is some uncertainty as to when the industry may reach commercial maturity. Because of that uncertainty to ensure the maritime economy reaches its full potential it will require significant infrastructure investment in the marine environment with the public sector demonstrating its commitment. This will require careful pre-planning and appropriate collaboration between public and private sector bodies.

Question 6

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

Although many Ports operate commercially and independently, assurances need to be sought that the Welsh Government will provide a fast and efficient planning system, invest in good road and rail connections. Policy in relation to the ports sector needs to be underpinned by these principles.

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

Ensuring appropriate and sizeable investment into the infrastructure of ports and surroundings will facilitate the growth of the Maritime economy; adequate infrastructure can act as a facilitator/catalyst for the development of the Maritime economy.

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?

As an Island, the coastal and marine environment is a significant part of the Anglesey's natural environment.

The coastal environment offers significant development opportunities for the environmental and technological sectors. Renewable energies in the waters around Anglesey already utilise the area's high energy tidal systems, consistent waves and strong winds. Our work to develop this sector is coordinated through the Energy Island Programme which promotes the link between renewable energy and economic advantage for the region.

As outlined above, the exciting developments of the renewable energy possibilities through the Energy Island Programme are a major theme of Anglesey's – and the wider North Wales region – economic development strategy. These are truly once in a lifetime opportunities. Given the uniqueness of Anglesey's marine resources it opens up the possibility for wave and tidal opportunities.

The industry is however very much in its infancy and is presently in the pre-commercial phase. Minesto have recently secured EU funds to develop tidal energy initiative off the coast of Holyhead, however there is some uncertainty as to when the industry may reach commercial maturity. Because of that uncertainty to ensure the maritime economy reaches its full potential it will require significant infrastructure investment in the marine environment with the public sector demonstrating its commitment. This will require careful pre-planning and appropriate collaboration between public and private sector bodies.

Considerable resources and significant long term support will be required in infrastructure development to de-risk projects and the WG/ EU should play a significant role in encouraging such investment.

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.

The main barrier to Anglesey and Wales fully maximising and exploiting the marine economy will be the lack of adequate infrastructure. It is therefore critical that public sector and private sector bodies collaborate to ensure a joined-up approach to tackling this issue and ensuring investment is coordinated and applied in the correct areas.

It could also be argued that the maritime sector faces challenges related to the provision of

- Skills and training,
- Preconceptions of the attractiveness of maritime careers
- Recruitment, displacement and wage inflation
- The image of the sector

A coordinated strategy to deal with the identified issues can assist in overcoming these.

Further information

Please tell us anything else you would like to mention this topic.

Thank you for contributing to our inquiry