

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 11	PME 11
Rhaglen Ynys Ynni Môn	Anglesey Energy Island Programme



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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?

We believe a long term strategic plan should be developed in order to exploit the potential benefits of the maritime economy in Wales. It is positive to see this consultation and is hopefully the start of an improved way to developing/ supporting the maritime economy in Wales. We would welcome the opportunity to contribute to any Strategic Plan being developed for Wales' maritime economy.

There are significant opportunities associated with the maritime economy - the emergence of the potential for marine energy through the Energy Island Programme provides an exciting avenue to exploit our oceans.

Any approach should recognise the local strengths and opportunities, but also recognise there will be differences regionally in terms of priorities/ variations in the marine environment and industries. An integrated approach to ensure maximum benefit is welcomed, taking account of facilitatory action on grid connections and permissions. Considerable resources and significant long term support is required in infrastructure development in which the WG and EU should play a substantial role in encouraging such investment.

Are there any examples of best practice in this area?

Allocation of EU funds to support tidal energy

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. A Strategic Plan for the Maritime Economy could allow for effective aligning of the EU funding sources to address and carry out the interventions. Examples of funding sources that could be utilised are:

- 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

Programmes such as Marine Energy Wales should be supported going forward. It should also be recognised that without investment in grid

connectivity/ infrastructure/ consent requirements, Marine energy will not flourish and certainly get no wider benefits to Wales. Also, EU funding on the revenue side needs to be considered to maximise the support and exploit Marine Energy in Wales, for example through upskilling.

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

Ensure funds are utilised to overcome barriers to the development to Marine Energy such as those mentioned above (grid connectivity, infrastructure, consent requirements).

An acceptance of risk and a readiness to adapt to short term change is required to enable longer term benefits.

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.

We should be concentrating on building up Welsh infrastructure and consent capacity. We have designated resource but until we add value to it we will not raise ourselves into a globally important position in tidal stream technology in particular.

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 one of Wales' largest ports. It is well positioned and serviced and very effective in promoting connectivity and recognises its economic value to both business and citizens. 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 port connectivity needs to be enhanced; 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.

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

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. Port development is essential to allow movement of goods.

The Morlais (West Anglesey Zone) has now been included in the Anglesey Enterprise Zone which is very positive for the future development of Marine Energy in Wales.

Question 5

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

ocean energy?

Marine energy developers will require good port infrastructure for activities such as deploying and servicing their infrastructure. There will also be diversification/ additional opportunities for local fishermen to provide operation and maintenance services – utilising the supply chain can bring significant benefits to the Maritime economy of Wales.

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, especially at Holyhead 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.

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

Awareness raising of the potential benefits and support for business to be in the best position to take advantage of these opportunities (e.g. training, qualifications, capital investment). If this is not done, Welsh businesses could lose out to companies outside of Wales.

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.

Minesto have recently secured EU funds to develop tidal energy initiative off the coast of Holyhead. Ensuring the maritime economy reaches its full potential will require significant infrastructure investment in the marine environment. This will require careful pre-planning and appropriate collaboration between public and private sector bodies. Further focussed support to develop Morlais’s infrastructure needs and consenting regime is required.

Question 6

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

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

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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?

Renewable energy technologies in the waters around Anglesey already utilise the area's high energy tidal systems, consistent waves and strong winds. The 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. It also supports and focusses de-risking of projects by the public sector.

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.

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. Access to grid connection is critical to all energy developments. Consents are also potentially a barrier/ risk to energy developments. Public and private sector bodies should collaborate to ensure a joined-up approach to tackling these issues to aid with investment.

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