

Offshore Wind Supply Chain Summit
2 May 2019
Note of Meeting

Actions agreed to by attendees

1. The industry will take forward urgent action to ensure that the Scottish supply chain are well positioned to benefit from upcoming offshore wind projects.
2. The Scottish Government will continue to investigate the levers at its disposal to maximise Scottish content in projects.
3. The UK Government will review the CfD and Supply Chain Plan process to improve supply chain outcomes.
4. Representatives from the offshore wind sector undertake a strategic capability assessment of fabrication in the UK (expected to take 3-4 months).
5. That work was required to review conditions and processes for contracting and risk allocation to consider opportunities for improving supply chain outcomes. The offshore wind sector to explore and evaluate further, linking to recommendation by Martin Whitmarsh in [The UK Offshore Wind Industry: Supply Chain Review](#)".
6. That the group will reconvene in the future to discuss progress on these issues. The gender balance of the group should be reconsidered ahead of the next meeting.

Meeting Minutes:

- Both Cabinet Secretary for Finance, Economy & Fair Work and Minister for Energy, Connectivity & the Islands stated that current efforts from the industry have been disappointing and that immediate action was necessary to bolster the supply chain.
- BEIS officials confirmed Claire Perry would have liked to attend, but current parliamentary business made this impossible. BEIS confirms that Ms Perry has been vocal in her support for increasing UK content and has worked closely with Scottish Ministers on this subject.
- The unions understand the complexities involved in investing the local supply chain, but feel that the level of employment coming from offshore wind projects was not good enough. There was recognition that while operations and maintenance activity in the future will present significant opportunities, the UK supply chain was underperforming in terms of capital expenditure projects.
- There was agreement from all developers that there has been a lack of investment in yards in the UK and that this makes investment from their end particularly difficult.
- Marine Scotland outlined current investigation into potential levers at its disposal to increase local content in projects by considering options open for attaching supply chain conditions and incentives to Crown Estate Scotland leases and ways in which the Scottish Parliament reviews and approves decommissioning plans.
- There was general agreement from developers that the Sector Deal and recently established Offshore Wind Growth Partnership (OWGP) are proof that the

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industry takes supply chain issues seriously and that it is committed to making vast improvements in this area.

- The Unions and Cabinet Secretary stated on a number of occasions that current efforts from the industry do not go far enough to ensure that the Scottish supply chain operates on a level playing field.
- The UK Government noted that as part of the sector deal development, OWIC appointed Martin Whitmarsh to conduct an independent analysis on the UK supply chain. It was proposed that key recommendations from this report were priorities by the industry and that steps should be taken to consider these.

Examples include:

- engagement with developers and tier 1 suppliers;
 - standardisation and standards within the contracting process;
 - streamlining entry criteria for pre-qualification;
 - allocation and management of risk;
 - central repository for contracts/procurement.
- The sector suggested that the domestic supply chain focus on key strengths, further consideration is required on competitiveness with international locations – this will be considered as part of the strategic capability assessment. It was also suggested that the supply chain must collaborate more to ensure that it gains a greater share of work.
 - Ministers stated that a clear pipeline of work would be required if the supply chain is to make strategic, long-term investments.
 - Whilst developers said that the supply chain needs to make significant investments to ensure that it is (a) fit for purpose; and (b) cost-competitive, SG and unions insisted that developers and tier 1 suppliers should consider ways to support some of the cost of such investment – as this will improve longer term capacity and future competitiveness.
 - There was broad consensus that a “sustainable solution” was necessary. The Sector suggesting that the OWGP was this solution.

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List of Attendees

1. Benj Sykes	Orsted
2. Ronnie Fleming	SSE
3. Dan Finch	EDPR
4. Brian McFarlane	SSE
5. Guy Madgwick	Red Rock Power
6. Matthieu Hue	EDF Energy Renewables
7. Alastair Gill	Innogy
8. Michael Simmelsgaard	Vattenfall
9. Jonathan Cole	Scottish Power Renewables
10. Halfdan Brustad	Equinor
11. Julian Brown	MHI Vestas Offshore Wind
12. Anders Krogh	MHI Vestas Offshore Wind
13. Mike Lim	Siemens Energy Management
14. Rainer Broering	GE Renewable Energy
15. David Walker	GE Renewable Energy
16. Paolo Formica	Saipem
17. Malcolm Rutter	DEME Offshore
18. Jan Klaassen	DEME Offshore
19. Dr Norman Skillen	Jan De Nul
20. Lloyd Duthie	Seaway Heavy Lifting
21. Giles Sibun	Eon
22. Dirk Katteler	Van Oord
23. Karl John	DIT
24. Gary Smith	GMB
25. David Moxham	STUC
26. Pat Rafferty	Unite The Union
27. Andrew Jamieson	ORE Catapult
28. Kersti Berge	Scottish Government
29. Andy Hogg	Scottish Government
30. David Stevenson	Scottish Government
31. Andrew Young	Scottish Government
32. Derek Mackay MSP	Scottish Government
33. Paul Wheelhouse MSP	Scottish Government
34. Ashley Ibbett	BEIS
35. Matt Taylor	BEIS
36. Allan Taylor	BEIS