Cork Chamber
Advancing business together

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7th November 2023

RE: Public Consultation on the development of a National Industrial Strategy for Offshore Wind

To whom it concerns,

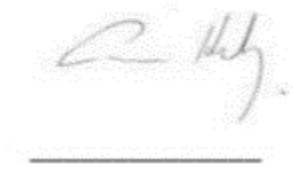
Cork Chamber represents 1,200 members together employing 100,000 people throughout the city, metropolitan area and county. Our vision is to be a world-leading Chamber of Commerce, delivering on a progressive economic, social and sustainability agenda at the heart of a vibrant business community. Our direction is guided by our formal pledge to uphold the United Nations Sustainable Development Goals five of which have been identified by the Chambers Ireland network.

On behalf of our members, Cork Chamber welcomes the opportunity to contribute to the development of this national strategy. Ireland's offshore wind and renewable energy potential is unmatched, however structural challenges exist which has been delaying the take-off of the industry at the pace needed to meet our targets and transition away from fossil fuels. A joined-up approach, involving all of Government and industry is absolutely vital to progress.

While the development of this strategy is a welcome positive step towards the vision for Ireland's energy future, it is disappointing that hydrogen is not being considered within the plan. In order to combat climate change, a circular approach to energy system integration is needed rather than decarbonising and enhancing efficiency in sectors independently. Thus, we strongly advise that this plan aligns with the EU strategy on Energy System Integration, and links the various energy carriers including electricity, heat, gas solid and liquids fuels with each other and end-users. Electricity demand is expected to more than double between now and 2050, so it is critical that we think about all our resources in a more joined-up fashion.

As the voice of business in Cork and having consulted with our members, we wish to put forth a series of comments, suggestions and advice as this hugely important strategy is developed.

Yours sincerely,



Conor Healy

CEO

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We are Cork.

Closing the Supply Chain Gaps

Are there particular interventions from the State or State Agencies that you think should be considered to support the OWE supply chain?

Ports are essential enablers for the development of the Offshore Renewable Energy (ORE) industry, supporting the supply chain, forming industrial clusters and meeting national targets. Currently, Belfast is the only port on the Island of Ireland fully ready to service offshore wind farms. Ports across Ireland, including Cork, have or are preparing operational plans and new facilities to serve the ORE sector. Proactive port investment and clarity in relation to funding must be provided for these projects.

With its unique position as the world's second-largest natural harbour, the Port of Cork has a key role to play in Ireland's offshore wind and hydrogen industry and in its ability to meet its 2030 targets. Investment in the Port must be delivered to capture this potential.

Are there areas of the supply chain that Ireland should specifically focus on to fast track the development of its OWE sector?

It is important that both Government and stakeholders set realistic expectations for a sector so intrinsically linked to society. Reliable timelines for the ORE sector are needed including route to market, supply chain and port development to ensure Ireland can capitalise on the OW potential and attract FDI.

Grid capacity is constrained and while additional route to markets (RtM) such as hydrogen are now being explored and the National Hydrogen Strategy has been published, it is important that hydrogen delivery forms part of this Industrial Strategy to deliver on this ambition. Both traditional RtM e.g., grid connection, and alternative RtM e.g., private wire/energy parks, need to be integrated. The development of an Energy Park at Whitegate in East Cork could serve as an RtM aiding in the transition to e-fuels for both shipping and aviation.

While this industrial strategy is for the offshore wind industry, it is vital to consider integrating hydrogen production as part of it to overcome national grid limitations. A holistic view of the energy system must be taken, and hydrogen should be recognised within this policy to drive energy system integration. At a minimum the strategy should consider how actions 4 & 8 in the Hydrogen strategy will be progressed.

Please see previous question regarding the urgent need for port development.

How can the capability of companies in complimentary sectors relevant to OWE be identified? How can SMEs in other sectors be encouraged to shift focus to OWE?

Clear, simple and dedicated funding and support initiatives for SMEs to develop technologies, products and services, and to facilitate the formation of clusters would encourage a shift to OWE.

Are there specific parts of the international OWE supply chain that Ireland should seek to attract to serve Irish and international projects? If yes, how should Ireland attract these companies?

Ireland needs to show ambition in this area and not just consider current industrial strengths but also consider novel areas in which it could become industry leaders. We also need to retain expertise and

avoid the very real potential of an exodus of the current generation of graduates to other jurisdictions with more enabling policy frameworks.

Other areas of focus in this regard should be the development of Irish ports, the potential for production of concrete foundations, the exploration of mooring and anchoring solutions as well as the establishment of a solid route to market via energy parks i.e., an Energy Hub at Whitegate in East Cork.

Should there be targets for local content or SMEs in the supply chain for Irish OWE projects and when is the earliest this kind of policy could be introduced in the Irish market?

Local content requirements should be introduced as part of any auction system to strengthen local supply chains, with the potential benefits being significant. This approach will foster expertise in Ireland and ports like Cork/Bantry, ensure that substantial investments are channelled into regional projects, and likely garner increased support for such endeavours. However, it's crucial to acknowledge the accompanying challenges, which may include short-term price and timeline increases. These challenges need to be carefully considered within the framework of ORESS auctions.

Policy should focus on supporting areas which Ireland already exhibits strengths in such as development consultancy services, ICT and niche manufacturing which can provide significant local content and value to the end user in Ireland.

Building Co-operation

How can policy assist the development of 'clusters' or 'networks' which enables sharing of expertise, cooperation on innovation and partnerships in competing for large contracts?

Support for clustering, regionally and nationally, would help in stimulating cluster formation and for the state to better understand industry needs. The structure of the UK's Offshore Wind Industry Council is a best practice example of leadership and meaningful engagement between Government and industry, and we suggest a similar forum or structure be established for cluster ORE development in Ireland.

Cork Harbour is well placed for an offshore wind cluster including RD&I and clustering activity is already taking place. With the Energy Cork, NMCI, MaREI, East Cork Energy Hub, a large jetty at Whitegate, the Port of Cork Company and the aligned Port masterplan and Doyle Shipping Group, a range of developers and supply chain partners, the scale of the natural harbour and the complementary scale and location of Bantry Bay with its deep water, combine to make Cork a strategic location for ORE development and a central plank towards delivering Ireland's and the EU's renewable energy targets. It is essential that this momentum is supported by Government and that Cork is recognised.

Can Clustering policy and initiatives as referenced in the White Paper on Enterprise 2022-2030 facilitate collaboration between multinationals, SMEs and Further and Higher Education Institutes in the OWE sector?

Policy support, such as that referenced in the White Paper on Enterprise including a National Clustering Programme, would help facilitate collaboration with the view of forming clusters. We once again draw attention to the structure of the UK's Offshore Wind Industry Council which is chaired by industry and Government and recommend a similar approach.

Are there initiatives at a national or European level you would like to see Ireland taking or supporting to ease some of the constraints in the international supply chain for ORE?

The UK, including Wales and Scotland, have become leaders in this area through the establishment of clear targets and timelines to auction 5GW of floating wind in the Celtic Sea which have benefited the sector and supply chain. Joint initiatives between Government and industry have also been beneficial to the sector including:

- The UK offshore Wind Industry council which is chaired by Industry and Government https://www.owic.org.uk/
- In Scotland – SOWEC is the council for offshore wind and again is co-chaired by government and industry. https://www.offshorewindscotland.org.uk/the-scottish-offshore-wind-industry/sowec/
- The Offshore Wind Growth partnership which includes supply chain companies and is chaired by ORE Catapult https://owgp.org.uk/

In the UK the appointment of an 'Offshore Wind Champion' has played a crucial role in independently assessing the industry and improving it.

Moreover, it's worth noting that other countries like Denmark, Norway, and the Netherlands have adopted more forward-thinking strategies in terms of policy stability, planning, non-price factors, and access to the grid, which have attracted increased foreign investments. These approaches could serve as valuable models for Ireland to consider.

Research, Development & Innovation (RD&I)

What are the main innovation challenges in the global OWE sector that are likely to impact on Ireland delivering at least 37GW by 2050?

Developing a skilled workforce with expertise in offshore wind construction, operation, and maintenance will be key to future innovation.

Solutions and advancements are needed in several areas of OWE such as the development of advanced turbine technology, the innovation of grid infrastructure and management systems to effectively integrate intermittent offshore wind energy into the national power grid, and the development of cost-effective energy storage solutions to store excess energy.

It is therefore essential that the necessary funding and resources are allocated to incentivise those within and connected to industry to build a skilled workforce through innovative training and education programs in order to support the offshore wind industry's growth.

What strengths in both core and complementary technologies for OWE does Ireland already possess and how can these be leveraged?

Ireland possesses a wealth of strengths in both core and complementary technologies for OWE. Ireland already has a proven track record in the onshore wind sector, it has a well-established marine engineering sector with training and expertise driven by the National Maritime College of Ireland, it has a strong research and development sector, and its ports have the capability to serve as logistical hubs for OWE projects.

However, there are undoubtedly ways the associated technologies can be developed. Leveraging current expertise derived from our onshore wind sector would help to facilitate the transition to offshore wind by applying lessons learned. A key focus on offshore wind in the third level sector would be extremely beneficial for the development of this sector. Several Higher Education Institutions (HEIs) are strategically positioned to accommodate a greater focus in curriculum and modules on logical skills needed in this sector. Marei and NMCI would be particularly well positioned in this regard.

What measures/policies/funding should Ireland seek to put in place to develop a response to key innovation challenges?

RD&I funding should be accessible in a way that allows the private sector HEIs to identify potential areas of opportunity without imposing overly prescriptive requirements. The essential goal is to provide accessible funding channels.

Cork Chamber has called for a dedicated fund to enable Ireland's 2030 climate neutrality journey via a Climate Neutral Cities Fund. This would also benefit the OWE sector which will be a key to decarbonisation and unlocking significant emissions reductions.

How can Ireland more effectively promote collaboration between SMEs, multinationals and Further and Higher Education institutes?

Collaboration between all relevant stakeholders in the OWE space is essential. Support for clustering at both regional and national levels would be a useful catalyst to help bring stakeholders together and build on existing momentum.

Hubs for collaboration should also be developed, with online knowledge sharing platforms, internship possibilities, networking events and funding opportunities that encourage SMEs and multinationals to partner with educational institutions on research projects related to OWE.

Please see the section on "Building Co-operation" for further feedback on collaboration.

Would there be merit in Ireland establishing an applied Centre of Excellence that can act as a globally recognised innovation centre in offshore wind?

Ireland has the opportunity to become a leader in offshore renewable energy, and indeed Cork has the potential to become a major European renewable energy hub. It would be a logical step to establish an applied Centre of Excellence that could be based in HEIs in Cork that already have a great level of expertise in this area. However as mentioned previously the main aim is to promote

collaboration and not restrict it to any one area. The establishment of an applied centre of excellence should complement the existing clustering activity and the potential for other collaboration hubs across the country. In the past the use of Regional Enterprise Development Funds was successful in a similar structure and this model could potentially be adapted.