

Rt Hon Claire Coutinho MP
Secretary of State for Energy Security and Net-Zero
Department for Energy Security and Net-Zero
1 Victoria Street
London
SW1H 0ET

March 7, 2024

Dear Secretary of State

Delivering the Floating Offshore Wind Manufacturing Scheme

On behalf of Scotland's offshore wind industry and supply chain, I am writing to urgently appeal for an immediate announcement of the latest results in the UK Government's £160 million Floating Offshore Wind Manufacturing Investment Scheme (FLOWMIS) to kickstart crucial port development in the UK.

Upgrading our ports to both enable and seize the enormous economic opportunities of our offshore wind ambitions has been a long-standing ask of Scotland's renewable energy industry. With a world-leading pipeline of more than 24GW of floating wind projects through the ScotWind and INTOG leasing rounds, time truly is of the essence if we are to secure the essential port upgrades needed to help meet the UK's target of 50GW of offshore wind by 2030 and support our journey to an energy secure, net-zero nation.

As the Floating Wind Offshore Wind Taskforce recommended last March, up to 11 ports around the UK, including up to five Scottish ports, will need to be transformed as fast as possible to enable the roll-out of floating offshore wind at scale. While private investment will make a significant contribution towards this, it is vital that government funding is delivered in full to bolster much needed investor confidence.

Investing in our ports is one of the most powerful steps we can take to unlocking economic growth for coastal communities and scaling-up our energy supply chains. For every £1 invested in UK ports up to £4.30 of GVA can be generated for our economy. Moreover, investing in as little as six hectares of port estate assembly can create up to 55 full-time equivalent jobs every year and investing in 16 hectares for fabrication could create 250 full-time equivalent jobs per year.

Having missed a key opportunity in the Spring Budget, we appeal for FLOWMIS to be announced as a matter of urgency to dispel growing uncertainty in our industry and cement the UK's position as a world leader in the deployment of floating offshore wind. We also appeal for flexibility to be incorporated into the FLOWMIS timescales as spending deadlines for the scheme are restrictive and do not reflect the investment barriers our ports currently face.

Decisions on the delivery of port infrastructure projects hinge on pipeline certainty which in turn relies on streamlined project consent and ambitious Contracts for Difference budgets in order to enable timely final investment decisions. Therefore, to keep pace with the increasing size of offshore wind components, potential FLOWMIS port development projects will require deadline extensions beyond quarter one 2026 or risk being unable to bring these essential facilities to fruition.

I look forward to receiving your response and I would be pleased to meet for a discussion on the priorities of Scotland's ports and renewable energy supply chain at this important time.

Yours sincerely



Claire Mack
Chief Executive