



Atlantic
Economic Corridor
Advancing regions together



DRAFT Offshore Renewable Energy Development Plan II

Submission to Consultation Process

April 2023

Presented by the AEC Business Forum

Glossary of Terms

AEC	Atlantic Economic Corridor
BAI	Broad area of interest
CO₂	Carbon dioxide
EU	European Union
FDI	Foreign direct investment
FOW	Floating offshore wind
GW	Gigawatt
IDA	Industrial Development Authority of Ireland
KPI	Key performance indicator

Mt	Megatonne
NDP	National development plan
ORE	Offshore renewable energy
OREDP	Offshore renewable energy development plan
RE	Renewable energy
SEAI	Sustainable Energy Authority of Ireland
UNIDO	United Nations Industrial Development Organisation

AEC Business Forum Submission to Public Consultation on DRAFT Offshore Renewable Energy Development Plan II

Background to the AEC Business Forum

In 2015, Chambers of Commerce and a Group of Action Oriented Partners along nine Western Counties (Donegal, Sligo, Leitrim, Roscommon, Mayo, Galway, Clare, Kerry) signed up to a Charter to develop the Atlantic Economic Corridor (AEC). 2,725 Businesses employing more than 80,000 people operate within the AEC.

The AEC Business Forum has been active before and since then on researching and articulating evidence-based proposals for realisation of un-tapped economic potential along the Atlantic Economic Corridor.

We are aligned with other groupings such as IBEC, American Chamber of Commerce and all Universities in the AEC. These represent a North-South backbone along the AEC, all with similar aspirations and expectations for investment, growth, development and living standards for people within the region.

The vision of developing a 'linear connected city of scale effect' will enable the AEC to present opportunities for investment and job creation, bringing wealth and population growth to the region, resulting in a more balanced all-island economy.

From the beginning, the AEC chambers have demonstrated that the AEC region, on and off shore, is the ideal location in Europe for the production of clean energy. The designation of the corridor as a Strategic Development Zone(s) for the development of energy hubs would contribute enormously to the long-term viability of living and working along the Western seaboard. It would help to accelerate Ireland's transition to a low-carbon, climate-resilient and environmentally sustainable economy.

We have been regular and consistent contributors on similar themes in the past. The February 2022 submission to the National Recovery and Resilience Plan was based heavily on the opportunity and economic potential of renewable energy. In the same month, a similar submission was made to the Review of the National Development Plan (NDP). We also contributed to the Consultation on Developing a Hydrogen Strategy for Ireland in September 2022. A copy of each can be submitted if required.

Our response to the draft OREDP II reiterates the principles and business cases made in previous responses to consultations by Government. We are happy to participate in any follow up actions.

Mike Devane
Chairperson, AEC Business Forum.

The Draft OREDP II makes no reference to Ireland's Vision 2040 or overarching economic goals which are critical to informed decision making

The AEC Business Forum agrees that there should be a clearly articulated and evidence based OREDP.

However, there is no reference or demonstrated linkage in OREDP II to Ireland's National Vision 2040 and its strategic outcomes and policy objectives. Similarly, the plan does not demonstrate how the approach will contribute to regional objectives which flow from the national vision.

The current draft adopts a vertical approach. In an effort to avoid dispersed development, it focuses more on top-down policy directives. This limits use of the research, innovation and technology capacity of businesses and stakeholders in the sectors and supply chains of the renewable energy industry.

The OREDP must make reference to the wider strategic context. It must:

- demonstrate contribution to national economic vision and goals; and
- be based on a mission to make Ireland a leading exporter of offshore renewable energy.

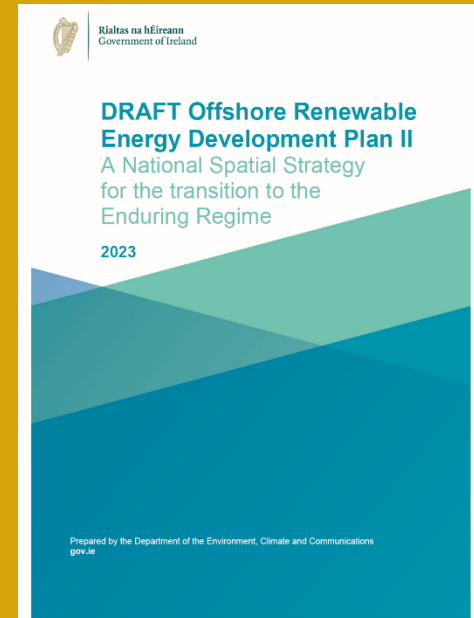
Strategic Context

Not evident from current draft

No link to national economic vision and goals

Vertical or functional approach

Top-down approach dominates



Lack of reference or linkage to Ireland's overarching economic vision and goals means that OREDP II decision making criteria exclude economic impact

One of the key outcomes of the OREDP is to identify the Broad Areas of Interest (BAIs) which will later be refined to become designated and priority locations for realisation of marine energy potential.

None of the criteria used to identify BAIs make reference to desired economic goals or strategic outcomes. They are more focused on potential fit with Ireland's current rather than desired future state.

As a result, there is a strong risk that the approach to the development of Ireland's offshore renewable energy resource will be overly influenced by the capacity of the existing grid network and other constraints.

A future-focused approach must include criteria such as potential to generate exports and added-value. Existing constraints such as grid, port or supply chain capacity should be treated as problems to be resolved. This requires a focused plan to deliver the policies, research, innovation and infrastructure required to make Ireland a leading exporter of renewable energy.

Driven more by
a focus on

Current State
Constraints

rather than

Future State
opportunities and
enablers

No criteria
to capture
economic
impact

e.g.
Exports
Value Added



Proposed criteria to identify Broad Areas of Interest

- Amount of potential for floating wind
- Water depth
- Amount of local information available
- Level of local domestic and industrial demand for energy
- Availability of local infrastructure, such as ports, to support offshore renewable energy development
- The proximity of existing or planned interconnectors

Linking OREDP to a challenging economic vision will help to create the conditions for a Low-Carbon, High-Value Economy and Ireland as a leading exporter of renewable energy

- OREDP adopts a mission to ensure that Ireland becomes a leading exporter of renewable energy
- AEC's renewable energy resources are used to create a low-carbon, high-value economy.
- The economy would centre on the sustainable use of natural resources, including land and marine.
- Economic strategy would focus on the advantage created by the available natural resource.
- The economy to centre on a north-south infrastructure backbone that is an integral part of the European Atlantic infrastructure network
- Infrastructure investment would be guided by ambition to realise un-tapped regional advantages, while benefiting the national and EU economies.
- Industry focus on research and product innovation would be supported to benefit and generate high-value, technology-led sectors
- OREDP moves from a top down vertical focus to a whole of government horizontal approach with policies and infrastructure to enable industry led delivery of value added renewable energy to Ireland and export markets

AEC Renewable Energy



Fuelling Carbon Neutral Activity & Sectors



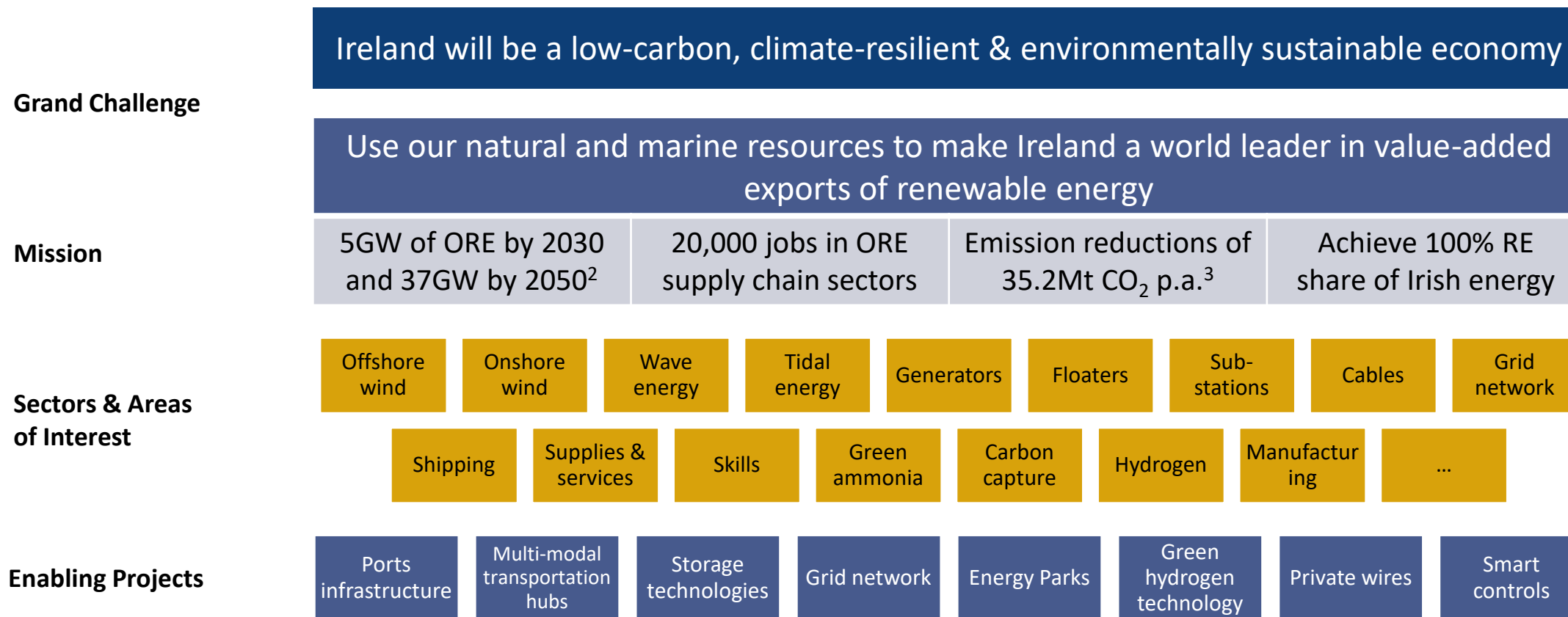
An integrated Transport and Renewable Energy Network

powering

A Low-Carbon, High-Value Industry and Enterprise base

Across all segments of the supply chain

UNIDO's work on mission-led industrial policy provides a draft framework¹ to illustrate how Ireland's ORE potential could be realised



Note 1: This framework is based on [UNIDO's work on Mission-Oriented Industrial Strategies for Achieving the SDGs](#) which uses Chilean solar industry to illustrate the approach. The data in the mission section is illustrative and based on government policies. It is assumed that the case for more challenging targets will be considered with stakeholders during the continuing consultation process.

Note 2: Data from Ireland's [Climate Action Plan 2023](#). The plan targets 7 GW of offshore wind by 2030 (with 2 GW earmarked for green hydrogen production).

Note 3: Data from SEAI, [Energy in Ireland 2022](#). Energy related CO₂ is currently 35.2mt per annum and this is the minimum required reduction, assuming no annual growth.

In addition to an overarching economic vision and mission oriented approach, Ireland needs a delivery agency to drive realisation of the ORE opportunity

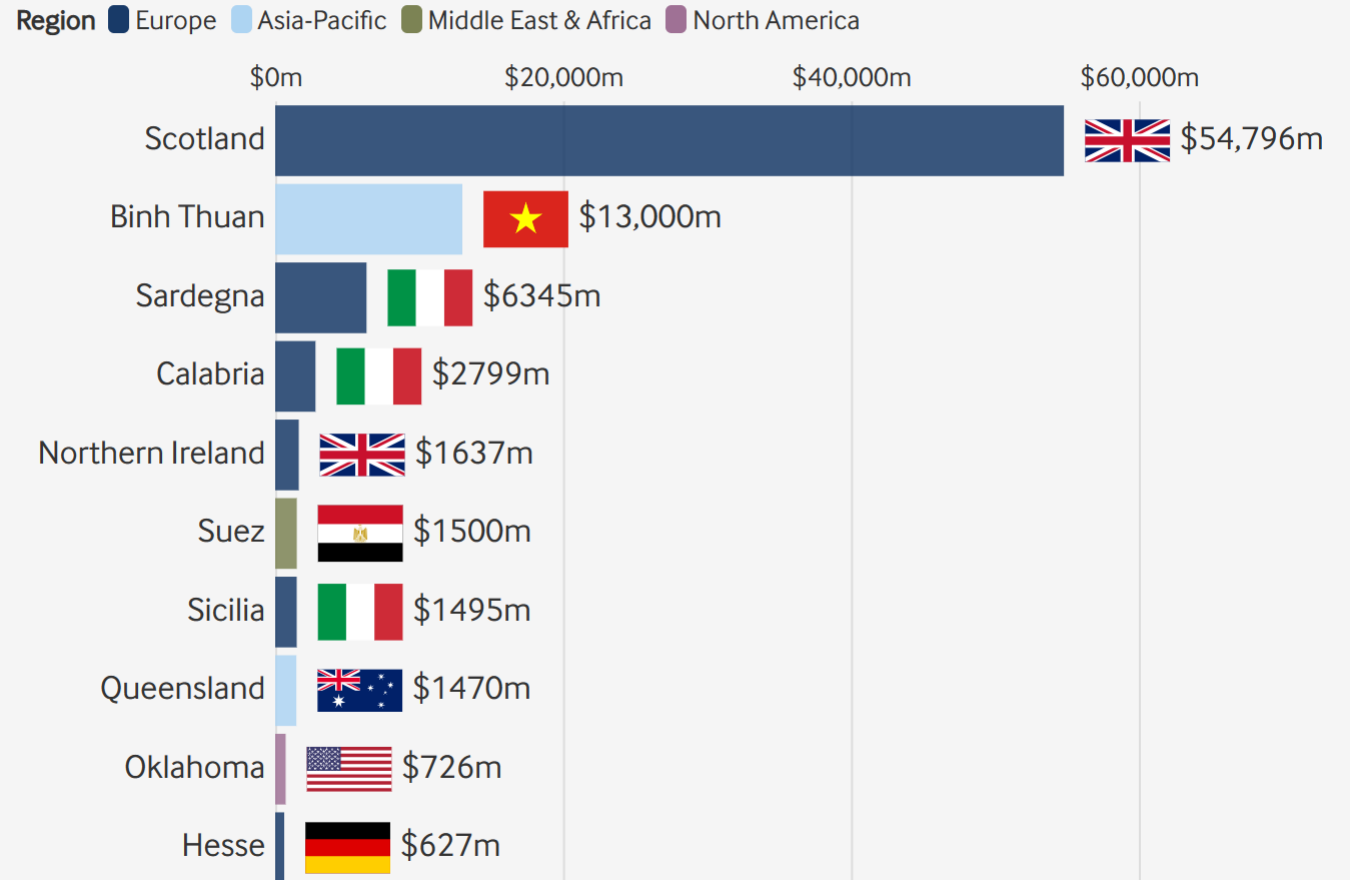
Ireland is a leader in the attraction of foreign direct investment (FDI) and development of export-led Irish technology businesses. This is based on decades of joined-up thinking between government, policy making ministries, agents of delivery (IDA, Enterprise Ireland, ...), universities and research institutions and other key partners in the business eco-system.

The renewable energy sector has become the dominant sector in FDI across the globe. Ireland leads the world in the attraction of FDI but does not feature as a global destination for the wind energy sector. There have been significant departures from the market such as Equinor and Shell in recent years.

A delivery agency is required to turn Ireland's potential as a high value added net-exporter of renewable energy into reality. This agency would work in the space between investors and policy makers. Its role would be to ensure that the eco-system is aligned and that there is a clear and consistent approach to attracting and securing investment.

Scotland's wind supremacy

Top 10 sub-national states for foreign direct investment in wind power projects, 2022



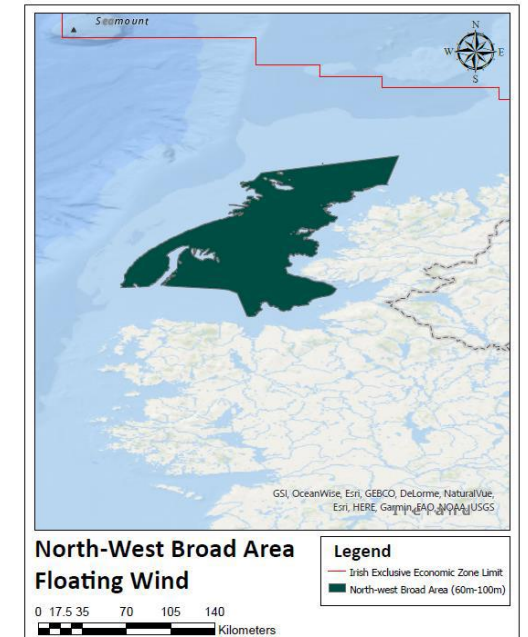
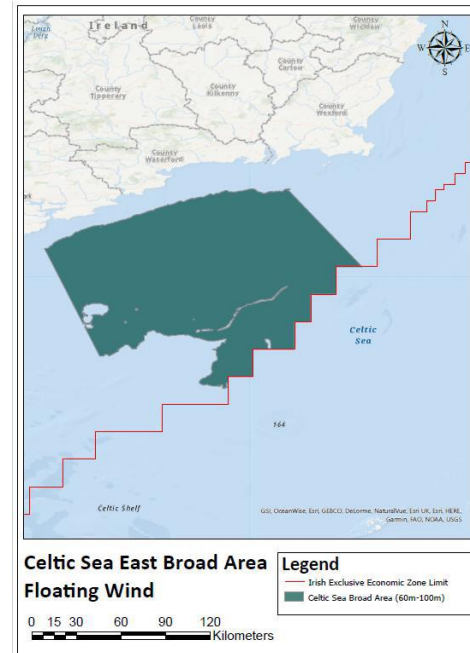
Source: [FDI Intelligence analysis of leading sub-national destinations for FDI in the wind power sector](#)

Feedback from current investors in the ORE sector indicates that there is a need to revisit a range of technical assumptions in the current draft

The BAI on the West Coast of the Shannon Estuary is limited to depths of less than 100m. This is driven by the assumption that there are current floating offshore wind (FOW) facilities in depths of 60m. However, investors have pointed out that these are mainly demonstration projects in other countries. Commercial FOW is more suited to depths of between 85 and 200m. The BAI, as drafted, therefore does not align with industry expertise on future potential.

A number of the BAIs are located close to the shoreline. Proposals for developments in such areas would create unnecessary potential conflict with visual amenities, areas of preservation and in-shore marine activities.

The proposed delivery agency would play a key role with investors and policy makers in avoiding such conflicts and resolving technical differences



Source: Current Broad Areas of Interest (BAIs) as outlined in Draft OREDP II

What Must Government Do to Realise the Offshore Renewable Energy Opportunity?

1. *AEC Economic Zone to realise ORE economic opportunity*
2. *AEC EZ part of core EU Atlantic infrastructure Status*
3. *Capital Funds in place for Delivery*



1. *Taoiseach chaired cabinet sub-cttee. to drive mission-led industrial strategy for ORE*
2. *Delivery agency with Responsibility + Authority*
3. *With Control of Assets + Delivery Agents*



1. *Action Plan for ORE and Low-Carbon, High-Value Economy Agreed*
2. *KPIs agreed*
3. *Regular monitoring, review & re-focusing of goals*

Specific & Clear Commitment
in National Plan & OREDP II

+

Dedicated Delivery Agency
With Assets & Resources

+

Clear Action Plan, Responsibilities,
Timelines & Deliverables

END

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