Presentation for the SUT

January 2018

David Rennie
• Total global subsea market is currently around £50bn with estimated growth potential to £140bn by 2035.
• Scotland’s current market share is £7bn. (Driven by Oil & Gas)
Why Scotland for Subsea

- Aberdeen is the world’s number 1 cluster for subsea expertise.
- Over half of the world’s subsea wells are in the North Sea.
- World’s leading subsea companies have a base in Aberdeen, some with their engineering centre’s of excellence based there.
- 620 companies with capability in subsea engineering
- Around 40,000 people employed in subsea engineering in Scotland
- Leading Academic Institutes based in Scotland - including NSRI
- Leading research and development facilities located in Scotland
- Growth opportunities - in both oil and gas and other sectors
- International activity accounts for around half of all UK based Subsea Activity
- SE helped to set up Subsea UK - the trade body for the industry
About Scottish Enterprise

- Economic Development Agency
- Already working with many oil and gas companies - over 300
- Whole range of support
  - Innovation
  - International
  - Strategic Infrastructure Projects
  - Leadership
Subsea Engineering:
Our Action Plan
The Three Themes of the Action Plan

1. To continue to position Scotland as a Global leader in Subsea Engineering
2. To increase investment in innovation
3. To develop Scotland’s Subsea Innovation Systems / Infrastructure
# To continue to position Scotland as a Global leader in Subsea Engineering

<table>
<thead>
<tr>
<th>What we have already done</th>
<th>What we are planning to do/currently doing</th>
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<tbody>
<tr>
<td>Kicked off market research - non-oil and gas opportunities (some of ready for Subsea Expo)</td>
<td>Talking to key leaders about challenges and what Scotland might need to do in response (ongoing)</td>
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<td>Undertaken an analysis of our supply chain capability</td>
<td>Undertaking some international benchmarking work (due Mar/Apr)</td>
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<td>Producing new material to highlight Scotland's opportunity (Mar)</td>
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<td>Launching our market research and highlighting what support is available (Mar/Apr)</td>
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<td>Utilising our supply chain info to alert companies to these opportunities (ongoing)</td>
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<td>Talking to some of the major companies to see what we might be able to offer</td>
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To increase investment in innovation

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<th>What we have already done</th>
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<tr>
<td>Supported a number of projects - such as TUV NEL and Balmoral</td>
<td>Review of Technology Trends - what will the future look like for subsea</td>
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<td>Signed an MoU with the Nippon Foundation</td>
<td>Role of data in Subsea of the future</td>
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<td>Looked at our academic expertise in subsea</td>
<td>Understand better the challenges of the future - especially how oil and gas expertise might move into other sectors</td>
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<td>Providing better information on EU related funding options</td>
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<td>Running the series of calls with Nippon</td>
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To develop Scotland’s Subsea Infrastructure

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<td>Worked with industry to test the demand for a new offshore test and demo facility (ongoing)</td>
<td>Be involved in the ongoing Oil and Gas sector Deal</td>
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<tr>
<td>Worked with some of the key infrastructure assets in Scotland</td>
<td>Investigate the idea of a virtual network for our existing assets</td>
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Some examples of our Support
Signing Ceremony for a MoU Between The Nippon Foundation and Scottish Enterprise
Balmoral

Image courtesy of balmoraloffshore.com
Questions

- What will the subsea industry of 2030 look like
- What are the key drivers of that change
- How will Scotland compare to other hubs
- What are the threats to our current standing
- Will the subsea industry really have diversified significantly?
Key Messages

- Scotland is great at Subsea!
- And lots of opportunities for growth - not just in oil and gas
- We are already active in the sector - but want to do more
- And we are getting great buy in and interest from industry
- Keen to work with a whole range of stakeholders and companies
- Come and see us at Subsea Expo (Stand 126) and SUT at Stand 155 😊