

Presentation for the SUT

January 2018

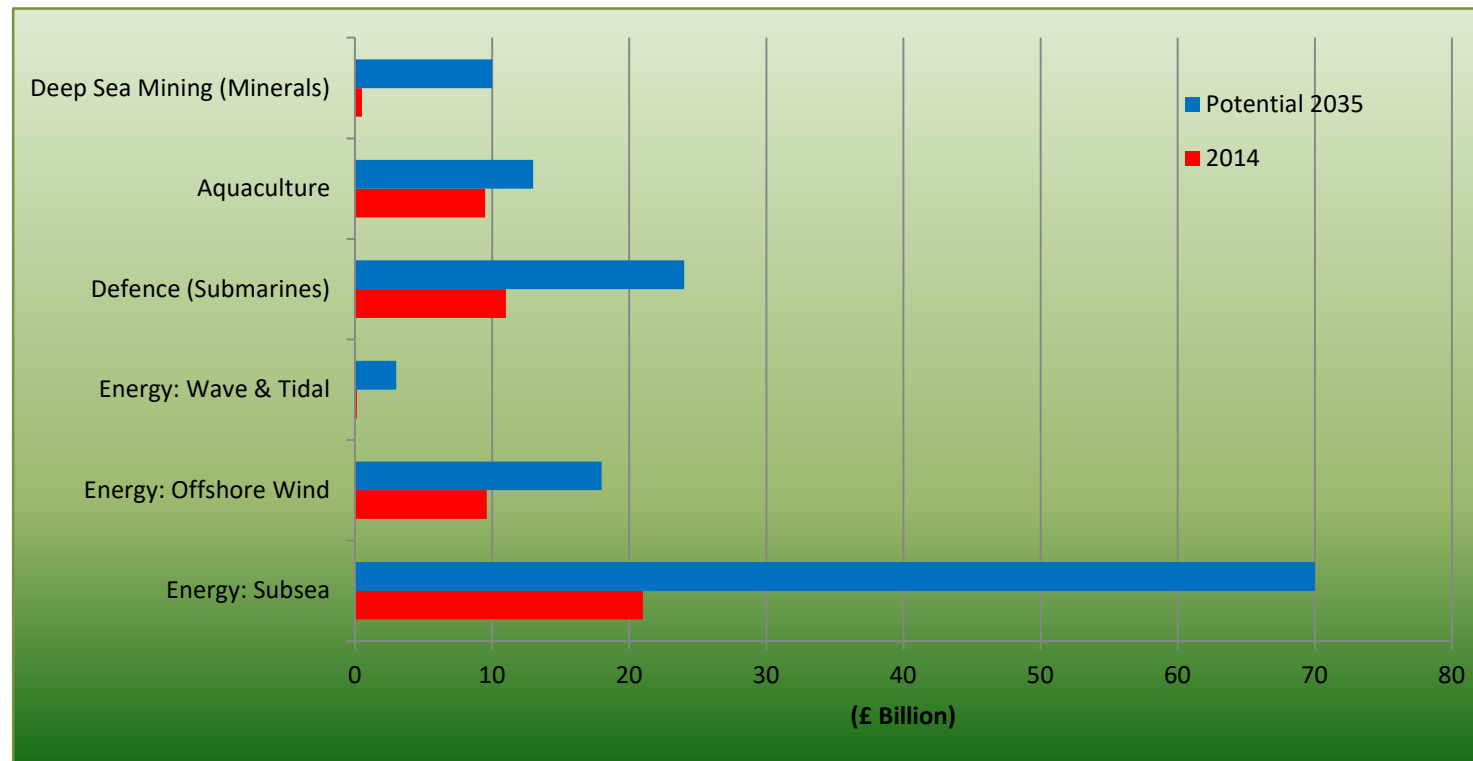
David Rennie

Size of the opportunity for Scotland

CURRENT MARKETS



- 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 centres 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

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

To increase investment in innovation

What we have already done	What we are planning to do/currently doing
Supported a number of projects - such as TUV NEL and Balmoral	Review of Technology Trends - what will the future look like for subsea
Signed an MoU with the Nippon Foundation	Role of data in Subsea of the future
Looked at our academic expertise in subsea	Understand better the challenges of the future - especially how oil and gas expertise might move into other sectors
	Providing better information on EU related funding options
	Running the series of calls with Nippon

To develop Scotland's Subsea Infrastructure

What we have already done	What we are planning to do
Worked with industry to test the demand for a new offshore test and demo facility (ongoing)	Be involved in the ongoing Oil and Gas sector Deal
Worked with some of the key infrastructure assets in Scotland	Investigate the idea of a virtual network for our existing assets

Some examples of our Support

Balmoral



'Image courtesy of balmoraloffshore.com



TUV-NEL



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* 😊