



Economy, Energy and Fair Work Committee

Darren Jones MP
Chair, Business, Energy and
Industrial Strategy Committee

The Scottish Parliament
Edinburgh
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Sent by email only

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9 December 2020

Dear Darren Jones MP,

BiFab, the offshore wind sector and Scottish supply chain

Thank you for copying me into your letter of 4 November to the Rt Hon Gordon Brown. I am writing to provide an update on the Scottish Parliament's Economy, Energy and Fair Work Committee's work in this area.

The Committee is currently undertaking an inquiry into BiFab, the offshore wind sector and the Scottish supply chain. The remit for this inquiry is to investigate:

- why BiFab has failed to gain contracts from recent offshore wind projects in Scotland, including the role of DF Barnes/JV Driver as owners of the Scottish yards and SSE and EDF as the contracting companies;
- the role of the Scottish Government, including what investment, guarantees or loans were made and when, including the recent decision not to offer further support to BiFab;
- the role of Contracts for Difference and the UK Government's Offshore Wind Sector Deal as drivers for investment in the sector;
- current state aid rules and their impact on government investment and conditionality and the potential impact of any state aid rules following the UK's exit from the EU;
- how the leasing and planning process will be used in future to encourage developers to work more closely with the Scottish supply chain;
- what is the Scottish Government's strategic approach to investing in BiFab and other companies in the renewable energy sector and what lessons can be learned from the BiFab situation.

The Committee took evidence from EDF Renewables UK, Kincardine Offshore Windfarm Limited, Scottish Renewables and SSE Renewables at its meeting on [24 November 2020](#). Last week, [the Committee heard from](#) DF Barnes and GMB Scotland. Yesterday we took evidence from the Crown Estate and Marine Scotland and we hope to have sessions with the Scottish Government and UK Government before Christmas.

The Committee hopes to report its findings in the New Year and will update the Business, Energy and Industrial Strategy Committee of its outcomes once published. I trust that this will be useful background to your own Committee's work in this area. We would also appreciate being kept informed on any updates regarding your planned focus for this work.

Kind regards,

A handwritten signature in black ink, appearing to read 'Gordon Lindhurst', with a stylized flourish at the end.

Gordon Lindhurst MSP,
Convener, Economy, Energy and Fair Work Committee