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Date Monday, June 30, 2025

Dame Harriet Baldwin MP
Vice-Chair, Treasury Select Committee
House of Commons
London SW1A 0AA

By email: harriett.baldwin.mp@parliament.uk

Dear Dame Harriet,

I am writing to thank you for the opportunity to give evidence earlier this month to the Treasury Select Committee on the National Wealth Fund.

During my evidence I referred to a report from Renewable UK and the Offshore Wind Industry Council, entitled *UK Offshore Wind Supply Chain: Investment Guide*. This illustrates the complexity of the landscape of potential government supports facing investors, setting out a "non-exhaustive" list of 23 different options available. The report can be found here:

https://www.renewableuk.com/media/1xdbwy1l/rukowic-offshore-investment-guide-digital.pdf

The UK is in a fierce global competition for investment in the energy supply chain and is a relatively expensive place to do business: the average wage in parts of Eastern Europe is between half and two-thirds of this country, and land, energy and other inputs also cost more here. Government support is essential to level the playing field, but up to now the complexity of the system has meant that it has been nearly impossible to access that help.

Another key point has been the slow pace of decision-making in the UK. In other countries very significant grants are typically awarded very quickly on a 'trust and clawback' basis. This means that the availability of this money can be factored into our investment decision process, but any UK 'bid' has not been able to include government support since at that stage we could not know if it would be granted. The scales have been tilted against British investments from the start.

As I mentioned in my evidence, despite these shortcomings Siemens Energy has invested around £1 billion in the UK in the past decade. However, with support it could have been much more, in areas such as grid technologies (primarily transformers) and hybrid turbines, as well as offshore wind. The UK has missed out on additional supply chain capacity, greater resilience and, above all, skilled jobs.

We therefore welcome the announcement in the Government's Industrial Strategy that the Office for Investment will be given significant new powers and responsibilities to support investors in key areas, including clean energy. However, it is critically important that this proposal develops rapidly into the one-stop-shop or concierge we have been calling for. We therefore hope that the Committee will recommend that the Government provides more detail about the Office for Investment's new role as soon as possible, and that it engages with industry to help inform the way the Office will operate.

Thank you once again for the chance to appear before the Committee. If we can provide any additional information please do not hesitate to contact me or our Government Affairs lead, Andrew Elmes via andrew.elmes@siemens-energy.com.

Yours Sincerely,

Darren Davidson,
Vice President, Siemens Energy & Siemens Gamesa UK & Ireland

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