



**OFFICIAL MINISTERIAL OVERSEAS TRAVEL
Outcomes Report**

The provision of the information below is consistent with the *Guidelines for Official Ministerial Overseas Travel*. This report must be sent to the Premier within 40 working days of return and published on the relevant department website within 60 working days of the Minister's return. The published version of the report does not need to include the 'next steps / follow up' section or the signature block.

Name of Department / Agency	Department of Energy, Environment and Climate Action	
Departmental / Agency Contact	John Bradley, Secretary	
Telephone Number	136 186	
TRAVEL DETAILS		
Minister's Name	The Hon Lily D'Ambrosio	
Portfolio/s	Climate Action, Energy and Resources, State Electricity Commission	
Did the Minister's spouse accompany the Minister in an official capacity? If Yes – please outline the role of the spouse in achieving the outcomes of the visit	YES (official capacity) <input type="checkbox"/> YES (private capacity) <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
Accompanying Ministerial staff	Tim Sonnreich, Chief of Staff Office of the Hon Lily D'Ambrosio MP	
Countries visited	United Kingdom Spain Denmark	
Date of travel	11 March 2023 – 24 March 2023	
Number of official travel days (include day of departure and day of return)	14	
Funding source (list Department/s or Agency)	Minister's Private Office and the Department of Energy, Environment and Climate Action	

EXPENSES	\$
<i>Include combined expenses for Minister, accompanying staff and spouse (if accompanying in an official capacity)</i>	
Air fares (including taxes and fees)	21,599.86
Accommodation (including taxes and fees)	8,402.78
Other expenses (including surface travel and travel allowances)	917.24
Travel cost for Minister and ministerial staff (<i>and spouse or de facto partner if applicable</i>)	30,919.88
Are the above costs final and complete?	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>

Purpose of travel

- To strengthen Victoria's position as a key investment destination in the Asia Pacific region in the emerging offshore wind sector and explore other complementary energy activities in Europe.
- Gain insights into offshore wind and associated supply chains and complementary technologies.
- Develop knowledge about other jurisdiction's offshore wind, hydrogen, solar and other renewable energy activities.
- Learn from Denmark, the world's most sophisticated offshore wind regulatory framework, and hear from offshore wind projects that are seeking to invest outside of their home markets.

Benefits of travel to the State of Victoria

- While there is enormous interest in Victoria's world class offshore wind resources, and an emerging presence by some global offshore wind industry participants in the Victorian market, there is not yet an operational offshore wind sector in either Victoria or Australia.
- Countries in northern Europe have over two decades of experience in developing offshore wind.

- They are also home to the most experienced offshore wind developers and manufacturers in the world – with experience of delivering multiple projects in different geographical locations. A key aspect of the trip was to better understand how to attract these businesses to invest in Victoria, acknowledging that this will bring experience and know-how to delivering our offshore wind targets.
- The trip included visits to United Kingdom, Spain and Denmark, where I met with key global offshore wind sector participants.
- Across these countries I met 15 offshore wind developers and investors, and several supply chain manufacturers, including three of the world’s leading offshore wind original equipment manufacturers. I hosted four industry events with diverse attendees to forge deeper connections with the offshore wind industry.
- I met with multiple energy ministers and relevant government agencies to discuss potential collaboration on the offshore wind industry in the Asia-Pacific region, as well as key policy, regulatory and industry development insights from each jurisdiction.
- These governments have direct experience of putting in place – and amending - the regulatory and legislative frameworks that will enable the delivery of offshore wind. These processes have provided valuable lessons when it comes to implementing our own frameworks.
- I met with global leaders in industry development, supply chains and skills development when visiting several training, research and development facilities to understand the skills needs of the offshore wind industry, and approaches to developing training and innovation in Victoria.
- I also undertook a range of site visits to gain first-hand experience of offshore wind development. This included:
 - Ports in both the UK and Denmark that identified the importance of creating clusters of offshore wind industries around port infrastructure.
 - Offshore wind farms in Denmark to understand operations and maintenance needs, in addition to gaining direct experience of visual amenity impacts of wind farms from shore.
 - Supply chain facilities in Denmark, including manufacturers of wind farm components such as nacelles and turbines.
 - A facility in Spain to understand the potential and opportunities provided by green hydrogen.

- Offshore wind and marine training facilities in all three countries.
- The stakeholders I engaged, with extensive international experience in offshore wind, provided the following valuable insights:
 - global best practice in offshore wind research and policy
 - feedback on Victoria's approach to offshore wind development
 - their interest in investing in Victorian projects
 - attracting project investment and delivery
 - priority next steps for offshore wind implementation.

Thematic insights for Victoria's offshore wind industry

A total of 40 meetings and site visits were conducted during the trip with a range of different stakeholders. Each of the meetings scheduled contributed to important knowledge gain for Victoria and the formation of important strategic relationships. Global players across all three countries provided invaluable insights and advice to support Victoria to develop its offshore wind industry as outlined under key themes below:

Port infrastructure

In our engagement, I provided direct briefings on the Victorian Renewable Energy Terminal proposed for the Port of Hastings, including:

- The capability to support generation of 13 GW by 2040; and
- The capability to support installation of fixed-bottom foundations of up to 18 MW.

Key themes discussed with the sector, port executives and government representatives, included:

- Optimisation of port development, logistics efficiency to support the rapidly increasing scale of turbines, other equipment and global supply chains.
- Port development planning to support timely establishment of port infrastructure to provide certainty to developers and investors.

- Ease of installation and site conditions: ensuring that there are sufficient lay down areas, storage space for components and capability to support multiple projects
- Benefits of industry confidence in dedicated construction port capacity development for clustering of supply chain partners and developers.
- Ensure the port is future-proofed as the OSW industry matures

Supply chains and local content

Suppliers and developers discussed the opportunities and challenges in global supply chains, which are constrained in the face of global economic pressures and exceptional demand growth in the booming offshore wind sector.

- Benefits of procurement practices tailored to the features of the offshore wind supply chain, particularly as global development increases and demand for manufacturing, transportation assembly and other infrastructure services increases.
- The option of setting ranges and timeframes for local content targets, to signal direction and ramp-up.
- The need to consider contributions across the entire value chain, such as investment in training and research and development.
- The importance of a workforce strategy that addresses regulation; remuneration; inclusion in labour and industry statistic classifications; occupation and labour market dynamic analysis; and a place-based approach.

Skills and workforce

Our engagement with international leaders in offshore wind demonstrated direct experience of jurisdictions which take a strategic approach to workforce planning. It highlighted the opportunities to successfully support our domestic skills and training to achieve workforce development and sustainable, skilled jobs in the growing offshore wind sector.

Some of the key insights discussed with the sector participants included:

- The impact of addressing sector uncertainty, which inhibits informed training and workforce decisions. This can be tackled by:

- Articulating local content policies, as well as producing supply chain demand estimates to aid adjacent industries.
- Determining applicable workforce regulations and expected offshore wind worker remuneration ranges.
- Advocating for offshore wind sector representation in labour and industry statistic classifications to ensure that data is captured, ensuring greater visibility of the sector.
- Understanding and responding to labour availability including:
 - Analysis to identify key areas of offshore wind occupation shortages and develop worker attraction strategies from domestic and international industries, as well as creating greater awareness of offshore wind career opportunities more broadly.
 - Understanding labour market dynamics in the labour pool, and deploying a place-based approach to regional areas.
- Aligning skills and experience so the labour pool contains the specialised skills required for a future offshore wind industry. This includes:
 - Identifying the clusters and quantum of offshore skills required and address offshore wind qualification and training gaps.
 - Promoting education pathways for offshore wind occupations and encourage recognition and transfer of previous qualifications to offshore wind.
 - Growing training and education opportunities in regional areas, for example, reskilling of power and mining engineers from the coal and other sectors.

Policy, markets and approvals.

Offshore Wind Industry developers, supply chain participants and capital providers highlighted the important of industry confidence in government policy and regulatory settings to de-risk the significant private capital investment required, thereby putting downward pressure on the cost of capital and delivered levelized cost of energy in Victoria's offshore wind industry.

Some of the key themes discussed with industry participants included:

- The importance of supporting robust and coordinated statutory processes for key data repositories which support medium and long-term planning and impact assessment, such as marine spatial data.

- The need to coordinate offshore wind policy and frameworks between jurisdictions to support clear guidance for industry.
- Policy evaluation of industry development and stages of industry growth to maximise potential benefits of an efficient and smooth industry development pathway.
- The need to ensure energy market signals and rules support the development, integration and operation of OSW.
- The unique advantages offshore wind development sites.
- The need to include offshore wind in scenario analysis into transmission infrastructure development.
- The potential benefits of integrated development of Offshore Wind and storage.
- Harness opportunities to participate in partnerships and memberships overseas to share lessons in policy, technology and supply chain.

In addition to the advice and insights advice under these themes, the Victorian government received feedback on its Offshore Wind Implementation Statement 2. This Statement was released in March 2023. I provided personal briefings at senior levels with developers and supply chain participants on our Government's next steps towards developing the offshore wind sector, including:

- Victoria's support for offshore wind industry development and a world class approach to delivering the first tranche of offshore wind power;
- The commencement by VicGrid of community consultation in 2023 to identify the preferred connection points and high-level route corridors by the end of the year;
- The establishment of the Victorian Renewable Energy Terminal at the Port of Hastings;
- The delivery of a three-stage, fit for purpose regulatory framework to support offshore wind legislative and regulatory reform; and
- Our approach to working with key stakeholders and supply chain participants to ensure that jobs and businesses benefit from offshore wind power.

Our international engagement received favourable feedback on Victoria's approach with key stakeholders confirming the benefits of the Victorian Government framework. Indeed, there was support for key elements to be considered by other jurisdictions. Participants provided strong feedback on the progress in port development, transmission capacity and connection planning, Commonwealth licencing, and the design of the offshore wind procurement process. The timely delivery of these key activities was acknowledged as essential to realising Victoria's 2032 offshore wind target.

Background: Victoria's offshore wind policy

Offshore wind energy is a part of Victoria's switch to renewables, and vital to Victoria's renewable energy transition. Victoria has set ambitious targets of at least 2 GW of offshore generation capacity by 2032, 4 GW by 2035 and 9 GW by 2040.


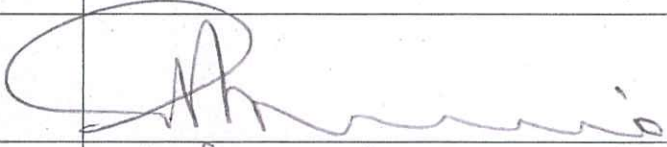
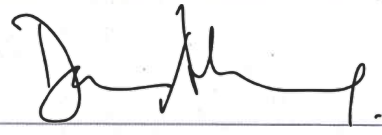
In October 2022, the Victorian Government released Offshore Wind Implementation Statement 1, outlining the government's plans for the establishment of an offshore wind industry. The statement focuses on four key pillars to achieving Victoria's offshore wind targets:

- Procurement
- Transmission
- Ports
- Policy, workforce, and industry development.

In March 2023, the Victorian Government released the Offshore Wind Implementation Statement 2. Implementation Statement 3 is expected to be released in late 2023.

Next Steps / Follow Up

- Maintain dialogue with stakeholders in the UK, Spain and Denmark and explore opportunities to strengthen ties and utilise international expertise.
- Continue to embed lessons learnt into the work of Department of Energy, Environment and Climate Action, including future implementation statements and immediate action to prepare for and grow the offshore wind industry in Victoria.

Noted by Department Secretary (Signature)	
Name	John Bradley
Date	30/05/2023
Approved by Minister (Signature)	
Name	Lily D'Amico
Date	15/6/23
Approved by Premier (Signature)	
Name	The Hon Daniel Andrews MP
Date	6 / 7 / 2023