

£64 million for Port Talbot offshore wind hub in the Celtic Sea

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Up to £64 million to back Port Talbot's development as the first port in the Celtic Sea specifically developed to support floating offshore wind - a major step in delivering the clean power mission

- The new port will help unlock at least 4.5 GW of floating offshore wind in the Celtic Sea - helping deliver clean, homegrown electricity, protect households from volatile fossil fuel markets and create up to 5,000 new jobs
- Builds upon work from the UK government to support the steel industry in Port Talbot, and to allocate of all the £122 million funding to providing training for Tata Steel workers and businesses to regenerate the town

Port Talbot will be the forefront of a pioneering new clean energy industry, backing thousands of good jobs and driving growth across South Wales, thanks to a £64 million grant from the UK government.

The funding will enable Associated British Ports (ABP) to complete the essential design and engineering work needed to build one of the first floating offshore wind ports in the UK at Port Talbot.

The Celtic Sea offers some of the best conditions for floating offshore wind in Europe. Unlike traditional offshore wind farms, floating turbines are based in deeper waters, where they can harness stronger and more consistent wind speeds.

The new port will unlock an initial 4.5 GW of floating offshore wind projects in the Celtic Sea - enough to power 6.5 million homes - following last year's successful seabed leasing round by The Crown Estate.

ABP expect that, once completed, the new port will support thousands of jobs and unlock over £500 million in investment for Port Talbot.

The conflict in the Middle East has once again exposed that families and businesses will continue to pay the price if the UK is dependent on fossil fuel markets that we do not control.

The only way to take back control of Britain's energy and bring down bills for good is with clean, homegrown power. Funding for Port Talbot is another step in learning the right lessons from the conflict, while bringing jobs and the industries of the future to South Wales.

Energy Secretary Ed Miliband said:

From floating offshore wind in Port Talbot to a new generation of small modular reactors at Wylfa - this government is putting Wales at the heart of our clean energy superpower mission.

With its deep waters and strong winds we are supporting to Wales to storm ahead in

floating offshore wind - a pioneering industry that will support thousands of good jobs, drive growth across the country and unlock the next generation of clean, homegrown power.

Henrik L. Pedersen, Chief Executive Officer of ABP, said:

Today's visit marks real progress on the shared ambition between ABP and the UK government to secure the infrastructure needed to deliver floating offshore wind at scale. Agreeing terms on government support is a critical step towards further ABP investment at Port Talbot and establishing the port as a cornerstone of the Celtic Sea floating offshore wind industry. This development would drive industrial regeneration, support thousands of skilled jobs and ensure Wales and the UK captures the full economic benefit of this emerging sector.

Secretary of State for Wales Jo Stevens said:

This is a significant moment for Port Talbot and a major step forward for the growing clean energy industry in Wales. This investment will further cement Port Talbot as a hub of the industries of the future, and heralds the next chapter of jobs, and investment to the area.

The UK government has backed steelworkers and the community in Port Talbot with £100 million in direct support, and £500 million for the construction of a new Electric Arc Furnace ensuring that the town will manufacture clean steel into the future.

Thanks to our investment, the work of trade unions and local businesses, and the dedication and spirit of local people - Port Talbot and the whole region have a very bright future.

Grant terms have been agreed with ABP and the funding will be subject to the outcome of the mandatory Subsidy Advice Unit referral and final government approvals.

This funding is the latest decisive action by the UK government to secure Port Talbot's industrial future, including supporting Tata Steel with £500 million to deliver a state-of-the-art Electric Arc Furnace, ensuring Port Talbot will remain a steel-producing town.

It also comes a week after the launch of the government's Steel Strategy which, backed by up to £2.5 billion, will help it meet its target of supplying 50% of domestic demand for steel and secure the industry's role in supporting vital UK sectors such as infrastructure, defence, and clean energy.

Alongside this, the UK Government allocated all £122 million of The UK government Port Talbot Transition Board funding to support thousands of workers, businesses and communities affected by the transition at Tata Steel, helping to regenerate the town and support new economic opportunities.

As well as securing the future of steelmaking the UK government has also made the Port Talbot the home of the Celtic Freeport which will bring thousands of new jobs.

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wind mean Port Talbot is firmly at the heart of South Wales's growing clean energy economy, supporting thousands of new, high-quality jobs and helping deliver Britain's clean power mission.

Note for editors

So far, Transition Board funding has delivered:

- financial support for the creation of 85 new businesses, through equipment grants from the Start-Up Fund
- grants to 59 companies in Tata Steel UK's supply chain through the Supply Chain Transition Fund
- support for 141 local businesses through the Resilience and Business Growth Funds
- thousands of training courses for individuals affected by the Tata Steel transition

As well as securing the future of steelmaking the UK government has also made the Port Talbot the home of the Celtic Freeport which will bring thousands of new jobs. Clean steelmaking, the development of the Celtic Freeport and the expansion of floating offshore wind mean Port Talbot is firmly at the heart of South Wales's growing clean energy economy, supporting thousands of new, high-quality jobs and helping deliver Britain's clean power mission.

<https://www.gov.uk/government/news/64-million-for-port-talbot-offshore-wind-hub-in-the-celtic-sea>