



# TRACER in Wales: First results of the stakeholder consultation on research & innovation priorities in the Welsh energy sector

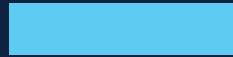
**TRACER Stakeholder workshop**

Wednesday, June 30 2021



# Part 1

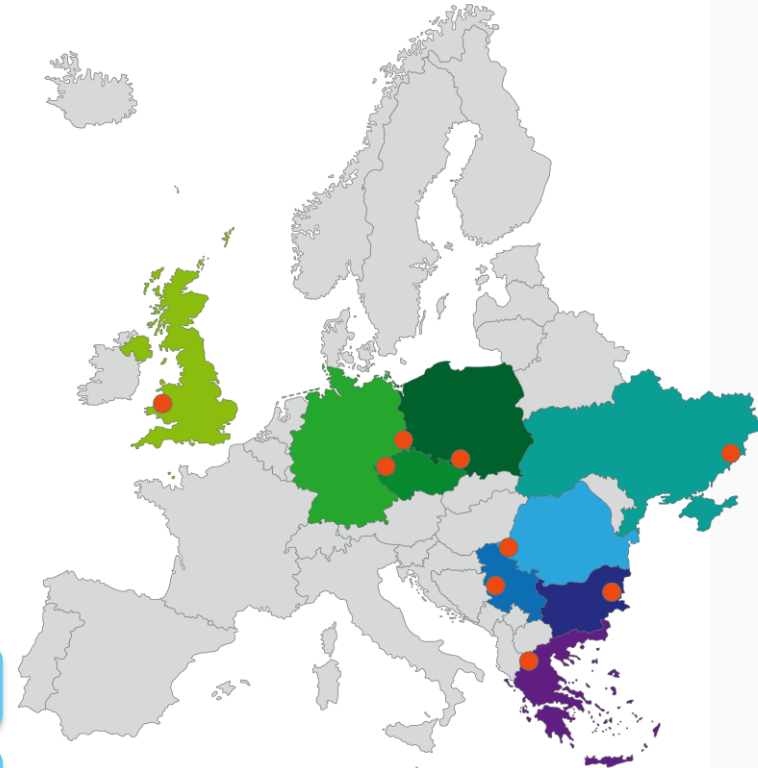
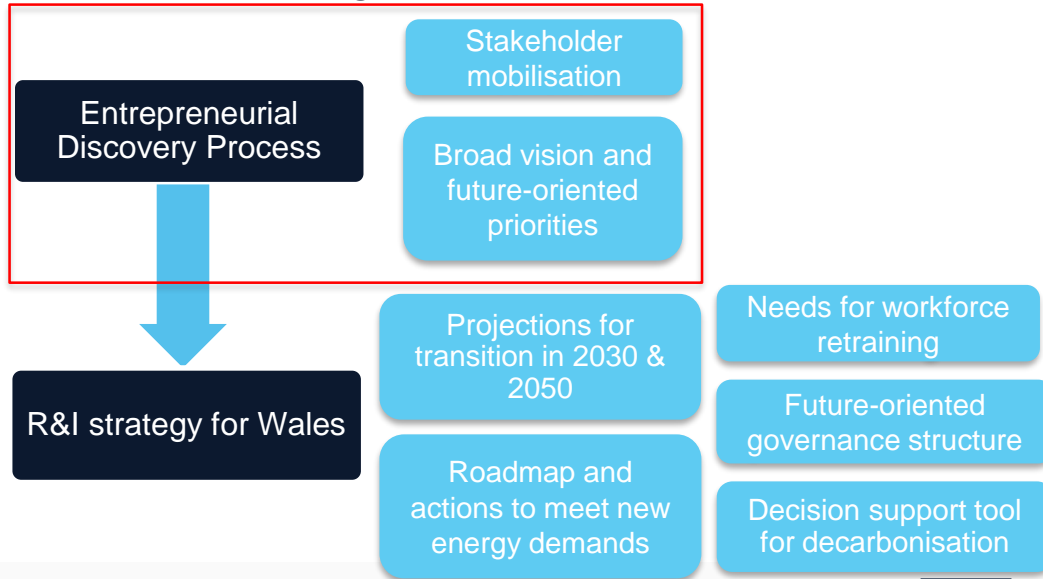
## Context & Mobilisation



# CONTEXT: THE TRACER PROJECT

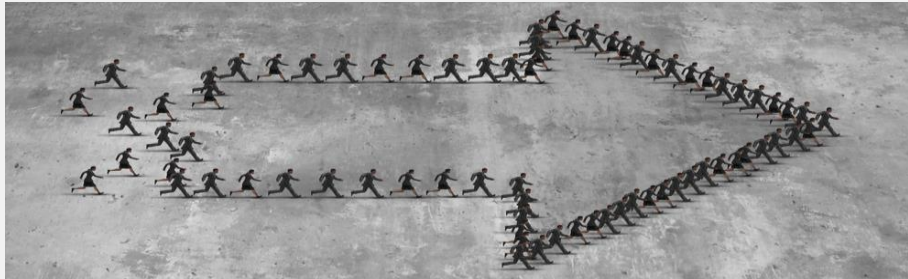
## Smart Strategies for the Transition in Coal-intensive Regions

- Innovation policies in Europe mobilised to respond to regional societal and environmental challenges



# AIM OF THE CONSULTATION

- **Develop a vision** on the energy transition and an R&I strategy that is shared by a broad range of stakeholders, experts and decision-makers (EDP-approach)
- **Collect their views on:**
  - 1) Perceptions of the existing situation in (parts of) Wales
  - 2) Regional opportunities and challenges
  - 3) What needs to be done (priorities)



# CONSULTATION METHODS (1)

## Data Collection and Analysis

- **30 interviews** with gov. bodies, third sector, civil society, business and education institutions
- **This workshop** to sense-check the first results & identify priorities
- **Close collaboration** with Welsh government & TRACER partners (e.g. interview design)
- COVID impact on fieldwork

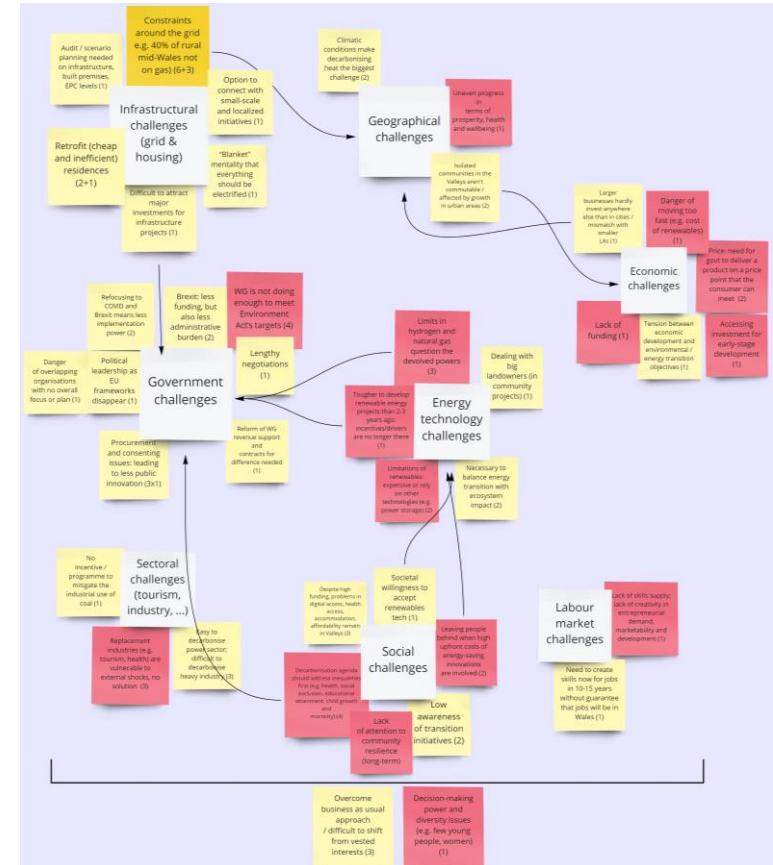


“THERE IS A FUNDAMENTAL STRUCTURAL SHIFT IN THE COMMITMENT BY THE WELSH AND UK GOVERNMENTS TO MOVE TOWARD A NET ZERO CARBON FUTURE IN 2030.”

# CONSULTATION METHODS (2)

## Data Collection and Analysis

- Transcriptions and **interview summaries**
- **Organisation and analysis** of coded interview text
- **Identifying, grouping and re-organising** the key statements
- Creating **six key themes** for presentation and further analysis



# Part 2

## Fieldwork results



# RESEARCH RESULTS

## Six overarching themes

- 1) Perceptions of Wales' **coal transition**
- 2) Views on **policies** addressing the transition out-of-coal
- 3) Challenges for more **sustainable energy systems** in Wales
- 4) Views on **regional strengths**
- 5) Visions for the **future**
  - Political, regulatory & financial
  - Infrastructural and sectoral
  - Labour market, skills and community support
- 6) New **links, networks and horizontal topics**

# PERCEPTIONS OF THE COAL TRANSITION

## A tale of two transitions

Identification of two transitions with separate temporal, geographical and cross sectoral incidence

Transition  
out of coal

Transition to  
renewable  
energy sources

They differ in terms of technologies, R&I needs, policy context and territorial incidence.

“THE ENERGY TRANSITION HAS BEEN FAIRLY SUCCESSFUL, WHEREAS THE TRANSITION AWAY FROM COAL HAS HAD EXTENSIVE LOCALISED EFFECTS.”

# POLICIES ADDRESSING THE TRANSITION(S)

- Historically: mine closures, landscape restoration and re-greening
- Links between former mining communities and renewable energy opportunities?
- Now: intense policy focus on net-zero transition, but with risk of congestion & lack of guidance, mapping and monitoring?



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# STAKEHOLDERS' PERCEPTIONS OF THE TRANSITION

## Regional Strengths

- Natural resources favourable for renewables, tourism & green industries
- Existing value chains with repurposing potential
- R&I and renewable energy clusters and collaborative networks with net-zero commitment

## Regional Challenges

- High demand for heat
- Capacity of electricity and gas grids, and (public) transport networks
- Long-term deprivation in coal mining communities
- Skills mismatch (incl. in other sectors)
- Managing the costs of renewable technologies

# FUTURE VISIONS ON ENERGY R&I

## 1. Political, regulatory and financial incentive frameworks



Areas of Need	Areas of Opportunity
<ul style="list-style-type: none"><li>• Transition incentives</li><li>• Mapping of energy needs and R&amp;D in Wales</li><li>• Align Welsh needs with UK and potentially other funding and development sources</li></ul>	<ul style="list-style-type: none"><li>• Public procurement &amp; seed funding</li><li>• Local leadership (e.g. city-region deals)</li><li>• Alignment with Welsh Government economic, energy and related policies and strategies</li></ul>

# FUTURE VISIONS ON ENERGY R&I

## 2. Infrastructural and sectoral investments



Areas of Need	Areas of Opportunity
<ul style="list-style-type: none"><li>• Decarbonising heat</li><li>• Upgrading and decentralising energy grid</li><li>• Improving public transport</li><li>• Investment in energy storage</li><li>• Reduce energy dependency</li><li>• Sustainable and considered green energy shift.</li></ul>	<ul style="list-style-type: none"><li>• Retrofitting houses &amp; building design</li><li>• Mix of renewables (solar, tidal, wind, nuclear, hydrogen)</li><li>• ICT, artificial intelligence and high-value manufacturing</li><li>• EV infrastructure, methane and CO2 capture</li><li>• Circular economy</li></ul>

# FUTURE VISIONS ON ENERGY R&I

## 3. Labour market, skills and community support



Areas of Need	Areas of Opportunity
<ul style="list-style-type: none"><li>• Public ownership of energy transition</li><li>• Local infrastructure and wealth creation</li><li>• Access to education and training and skills development (incl. creating good quality jobs)</li><li>• Identify locational dynamics (e.g. job &amp; residence location)</li><li>• Effective communication of transition benefits for energy literacy</li><li>• Deprivation, especially in former coal mining areas</li></ul>	<ul style="list-style-type: none"><li>• Digitalisation</li><li>• Large scale initiatives</li><li>• Connecting training providers with businesses and policymakers</li><li>• Create and/or promote “centres of excellence” in energy</li><li>• Community energy projects</li></ul>

# Part 3

Where next?





# CONCLUSIONS & NEXT STEPS

- Wales is undergoing a **dual transition** – an incomplete long-term socio-economic transition from coal mining, and the current energy transition to renewables
- The socio-economic transition from coal has lacked a **long-term spatially focused policy framework** beyond ESIF, with potentially damaging implications for net zero strategies
- A sustainable energy transition faces significant infrastructure and technological barriers. A **shift in policy focus** is needed to address governance, unequal access and societal involvement

# CONCLUSIONS & NEXT STEPS

- **Wales has important strengths:**

- research expertise
- industrial bases
- internal and external linkages
- collaborative networks



- Interviewees' visions highlight the need for **political leadership and collective effort** in the just transition. Recognising mistakes of the past is necessary to seize present and future opportunities

# CONCLUSIONS & NEXT STEPS

- A **just** energy transition: what does this mean to the affected communities?
- Move from “narrative of victimhood and dependence” to **agents of change**
- Industries and sub-regions have different transition pathways  
→ **place-based approach**
- New developments and policy changes
  - Post-Brexit and post-COVID
  - New Welsh Government Policy initiatives
- Inform next phases of **TRACER**
  - Future R&I strategies for energy transition
  - Skills needed for energy transition
  - Stakeholder event on funding sources



**Thank you!**

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