



# Market Report

A Snapshot of your Market Sector

## Offshore and onshore wind market

This pack has been designed to provide information on setting up a business in the **offshore and onshore wind** industry in Scotland, as well as helping to inform the market research section of your business plan. You can find more information on how to write a business plan from the Business Gateway website ([www.bgateway.com/businessplan](http://www.bgateway.com/businessplan)), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in **January 2024**. If you find the information contained in this document useful, tell us about it! Send us feedback [here](#); we will use your comments to help improve our service.

## What do I need to know about the offshore and onshore wind market?

The following summary statistics have been taken from market research reports and reliable resources that the Information Service uses to compile industry information. They should give you an indication of how your industry is faring at present and whether there is demand for your type of business:

- ◆ The UK's wind generating capacity increased from **20.9 gigawatts in Q1 2018-19 to 29.3 gigawatts in Q4 2023-24**, fuelled mainly by growth in offshore capacity. Following public opposition to onshore developments and a government ban, growth has been slower in this sector, with new onshore power falling to its **lowest level in ten years in 2020**. However, with the ban lifted in 2021, this was predicted to pick up in coming years. (IBISWorld, *Wind Power Generation in the UK*, September 2023).
- ◆ Between 2021 and 2022, cumulative installed capacity for offshore wind in the UK increased by 2.4% while onshore capacity increased by a massive 23.9%, perhaps reflecting the lifting of a ban on new onshore developments ([Department for Energy Security and Net Zero, Energy Trends: UK Renewables, January 2024](#))
- ◆ The UK has the biggest floating offshore wind pipeline in the world of **37 GW** (one fifth of the global pipeline) and the government has set an ambition for **5 GW** of installed floating wind capacity **by 2030**. (Mintel, *Renewable Energy*, January 2024).
- ◆ In terms of global operational capacity, the UK is the second largest country, with **23% (or 13.7GW)** of the total market. China leads the global market, **with 47% (or 28.3GW)** of operational capacity. In 2022, 90% of new offshore wind capacity, which went operational was in these two markets. However, there is increasing growth in new markets like Australia, the USA and Brazil, which challenges the UK's dominance. ([Renewable UK, UK offshore wind pipeline reaches nearly 100 gigawatts – while global pipeline hits over 1,100 GW, Feb 23](#))
- ◆ Scotland is home to nine out of the top ten onshore wind farms (by total capacity (MW) in the UK and three of the top ten offshore wind farms (Global Data, *Power Plants Database*).
- ◆ Industry bodies for the wind power industry include [Department for Energy Security and net zero](#), [Scottish Renewables](#), [Offshore Wind Scotland](#), [Offshore Wind Industry Council \(OWIC\)](#), [Renewable UK](#) and [Wind Europe](#).



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## Where can I find more information on my market?

The Information Service has access to a number of databases which can offer more detail on this industry. Some of these reports are listed below - if you would like to be sent extracts from any of these reports, please contact us on **0300 013 4753** or email [info@bgateway.com](mailto:info@bgateway.com).

- ◆ Over the five years **from 2023-24 through to 2028-29**, engine and turbine manufacturing revenue is expected to dip at a compound annual rate of **3.4% to £5.1 billion**. Profits have declined due to economic uncertainty and import competition. While the UK led new installations of wind turbines in Europe in 2021, this largely benefitted manufacturers of large-scale offshore wind turbines in Germany and the USA (IBISWorld, *Engine & turbine manufacturing in the UK*, October 2023)
- ◆ Offshore wind power generation in the UK is forecast to reach **117.1 TWh by 2030**, while onshore wind power generation is forecast to reach **48.6 TWh** (GlobalData, *Wind Power Market*, Update 2022, December 2022)
- ◆ In 2022, offshore wind provided **13.8%** of the UK's electricity generation. There were 50 wind farms either operating or under construction in the UK at the end of 2022 (Mintel, *Renewable Energy*, January 2024).
- ◆ Between **2012 and 2021**, the number of jobs in the UK wind power market has increased considerably. In **2021**, there were **54,000** jobs in the wind power market in the UK, an increase of **93%** since **2012**, when there were just **28,000** jobs (GlobalData, *Wind Power Market*, Update 2022, December 2022).
- ◆ In **2022**, the UK had the largest operating capacity of floating offshore wind energy in the world, with **80 megawatts**. The next closest country, Portugal, had less than half that capacity, with **25 megawatts**, followed by Norway with **5.9 megawatts** and China with **5.5 megawatts** (Statista, *Wind energy in the UK*)

There are also a number of online resources you may find helpful:

- ◆ **Scottish Industry Directories – Offshore Wind** ([osw.directories.scot](http://osw.directories.scot)) A directory of offshore wind supply chain companies and organisations in Scotland.
- ◆ **Department for Energy Security and Net Zero – Research & Statistics** ([www.gov.uk/government/organisations/department-for-energy-security-and-net-zero](http://www.gov.uk/government/organisations/department-for-energy-security-and-net-zero)) Provides some useful research and statistics on the renewable energy industry.
- ◆ **Scottish Renewables – Onshore and Offshore Wind Pipeline Analysis (Dec 23)** ([www.scottishrenewables.com/publications/1483-scottish-onshore-wind-project-pipeline-analysis-dec-23-full-report](http://www.scottishrenewables.com/publications/1483-scottish-onshore-wind-project-pipeline-analysis-dec-23-full-report)) Data on onshore and offshore wind projects in Scotland.
- ◆ **Renewable UK Supply Chain Map** ([www.renewableuk.com/page/SupplyChainMap](http://www.renewableuk.com/page/SupplyChainMap)) Map of supply chain companies, which can be filtered by company specialisation.
- ◆ **Office for National Statistics – Wind energy in the UK (June 2021)** (<https://www.ons.gov.uk/economy/environmentalaccounts/articles/windenergyintheuk/june2021>) Data on the wind energy industry in the UK, covering energy generation, turnover and employment.

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## How can I find out about my competitors?

Business Gateway's online guide to [Competitor Analysis](#) explains how to find your competitors, how to research what they're doing and how to act on what you learn about them.

Immediate competition will be from other businesses in your local area. There are several online directories which can be used to find company information and generate lists easily and at no expense. Many Local Authorities also publish local business directories on the web. Below are some key web resources:

- ◆ General business directories such as [Yell](#) ,[Thomson Local](#) or [Google Maps](#)
- ◆ Trade specialists like [EuroPages](#) (European directory), [The Wholesaler](#) or [Free Index](#)
- ◆ Business to business (B2B) specialists such as [Kompass](#)

Likewise, your local Chamber of Commerce may publish a members' directory; find your local Chamber on the [Scottish Chambers](#) website.

Once you've identified who your competitors are, the next step is to gather information on the way they do business. Which services do they provide? How do they market themselves? How much do they charge?

To learn about your competitors:

- ◆ Look for articles or adverts in local newspapers, trade press and directories.
- ◆ Try to read their marketing material; if the company has an online presence, visit the company's website as a first port of call. Not only does it give you a better understanding of the company's activities, it can also offer a wealth of information such as a company history or staff biographies, as well as the company's partners or suppliers
- ◆ Search for information on limited UK companies via the [Companies House](#) website
- ◆ Gain an insight into your competitor's performance using credit checks and the accounts that limited companies are required to submit to Companies House each year.

We can provide credit checks free of charge; if you are interested in using this resource, or looking for us to help you find relevant publications, please contact us by emailing [info@bgateway.com](mailto:info@bgateway.com) or by calling **0300 013 4753**



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## What about suppliers?

[Choosing and Managing Suppliers](#) can help you decide what you need from a supplier, how to identify one and how to choose one to deal with.

Trade associations or industry specific organisations may also be able to recommend suppliers or contacts. You can also use the aforementioned resources for finding competitors to find suppliers.

Once you have decided on a supplier, we can run a credit check on the company to help assess their financial stability. We provide credit checks free of charge; if you are interested in using the resource please [info@bgateway.com](mailto:info@bgateway.com) or by calling **0300 013 4753**.

## Who are my customers?

Your business plan should include information about the customers you would expect. Business Gateway's guides on [Market and customer research](#) will help you to identify new trends, opportunities, customers and competitors.

It can be useful to group your customers by geographical location, age or lifestyle. The websites listed below are freely available and can provide most of this information. If you can't find what you're looking for from these websites, please contact us and one of the team will be happy to help:

- ◆ Access the latest population estimates from the [National Records of Scotland \(NRS\)](#). NRS also offers demographic factsheets for each council area in Scotland, which can provide summary statistics for the area you will be based in.
- ◆ Information from the most recent census in 2011 is released via the official website. See in particular the [Census Area Profiles](#). Clicking on your area of interest will give the latest population figures, including estimates by age.
- ◆ [Understanding Scottish Places](#) has interactive profiles of towns and cities across Scotland. It can be useful for understanding the interrelationships and flows between towns, and also gives comparisons between two or more places.
- ◆ [Scottish Government Statistics](#) provide accurate and up-to-date statistics on Scotland, covering population, health, education and housing.
- ◆ [The Scottish Household Survey](#) provides information on the structure, characteristics, attitudes and behaviour of Scottish households, both at a national and local level.
- ◆ [Office for National Statistics \(ONS\)](#) is the recognised national statistical body for the UK. ONS covers a wide range of demographic, economic and social issues at a UK level.

## How can you help me with other aspects of starting my business?

The Business Gateway website has guides, videos, online tutorials and tips on all aspects of starting up a business in Scotland. Follow the links below to explore each resource:

### Accountancy

Institute of Chartered Accountants of Scotland's (ICAS) ["Find a Chartered Accountant"](#) tool

### Funding

[Practical information](#) on finance and funding for starting and growing your business

### Insurance

[Business insurance guide](#)

### Legal Help

Gov.uk ["Licence Finder"](#) tool

Law Society of Scotland's ["Find a Solicitor"](#) tool

### Pricing

Business Companion [Pricing & payment guide](#).

**Please note:** the most effective way to research pricing is to conduct your own research – visit wholesalers or suppliers to obtain price lists, find quotes from similar companies and work out what other businesses in your area are charging

### Promotion

[BG guides to Marketing](#)

### Training

[Skills Development Scotland's My World of Work](#)

[Funding for training](#)

[Small Business Bonus Scheme \(Scotland\)](#)

Your local Business Gateway can offer events, workshops and 1:2:1 support on all aspects of starting and developing your business. Call the helpline on **0300 013 4753** to find out what is available in your area.

We hope you find this Market Report useful and we'd love to hear your feedback [here](#).

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You must not rely on the information in the report as an alternative to advice from an appropriately qualified professional. If you have any specific questions speak to your Business Gateway Advisor or consult an appropriately qualified professional.

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**Updated by: Louise**

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