

# Nuclear Energy and the Economy Inquiry:

## Cwmni Egino reponse

October 2023

### About Cwmni Egino

Cwmni Egino was established in 2021 by Welsh Government to deliver a Site Development Programme for Trawsfynydd, focused on socio-economic growth.

Cwmni Egino has identified the development of Small Modular Reactors (SMR) as the most credible near-medium term option to deliver this objective and is focused on enabling Trawsfynydd to be the first site in the UK to deploy SMRs.

Our vision is for Trawsfynydd to be the site of the first SMR under construction in the UK, for North Wales to be recognised as a centre of excellence for low carbon energy, and for people's quality of life to be improved.

Trawsfynydd is strongly placed to be the first site in UK to deploy SMRs as a former nuclear site in public ownership with a supportive local community and skilled local workforce. Work completed to date confirms that Trawsfynydd can be one of the projects ready for approval by the UK Government in the next Parliament. Cwmni Egino provides a development vehicle to drive this forward.

Please see our [website](#) for more information.

### What potential economic impact could new nuclear developments in north Wales have on the regional economy?

A study by Oxford Economic, commissioned by Nuclear Industry Association (NIA), shows that the UK's existing civil nuclear industry contributed £700 million to the Welsh economy in 2021, directly employing 800 people, and supporting a total of 10,700 jobs across Wales.<sup>1</sup>

More recently, the NIA's annual Jobs Map report published in September 2023, shows that 825 people work in the sector across Wales, a 3% increase on last year's total. The NIA has also stated that new projects in north Wales would boost jobs and skills, bringing tens of thousands of additional jobs to Wales if they were realised.<sup>2</sup>

Cwmni Egino has evidenced that new nuclear at Trawsfynydd would make a significant contribution to increased energy security and to meeting net zero targets for the UK and Wales, as well as create high quality jobs and growth regionally and nationally.

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<sup>1</sup> [Delivering Value: The economic impact of the civil nuclear industry - Nuclear Industry Association \(niauk.org\)](#)

<sup>2</sup> [Nuclear sector could bring tens of thousands of jobs to Wales if projects happen - Nuclear Industry Association \(niauk.org\)](#)

Deployment of SMR at Trawsfynydd could create over 400 long-term jobs in the local area and would boost the regional economy and productivity, with over £600m GVA for North West Wales and £1.3bn for the whole of Wales during an operational life of around 60 years.<sup>3</sup> It would also create thousands of additional local and regional jobs during the construction stage, as well as through the Welsh supply chain.

In addition to the direct socio-economic impacts, the project could create and influence significant additional social value to support the long-term resilience and sustainability of local communities, in line with the Wellbeing of Future Generations Act.

Alongside existing and proposed low carbon energy projects in north Wales, new nuclear in the region can help maximise benefits to the Welsh economy from export opportunities arising from being a recognised global centre of excellence for low carbon technologies.

## What can be done to ensure that any new nuclear projects maximise local employment and local or Wales-based supply chains?

New nuclear in north Wales presents a huge opportunity to drive economic growth and job creation regionally and across Wales, and to reverse the trend towards outward migration by retaining and attracting back local talent. This has clear potential economic benefits, but it can also contribute to creating sustainable and thriving communities as well as support the Welsh language and culture.

It is very important that these socio-economic aspirations lie at the heart of new nuclear projects from the outset. Early engagement with stakeholders in the education and skills sectors is key in order to nurture understanding of the scale of opportunity and to promote future employment. Likewise, supply chain engagement is vital from an early stage to make sure that they are encouraged, poised and ready to capitalise on future opportunities in Wales.

From the engagement work carried out by Cwmni Eginio to date, we believe that the existing and future workforce, as well as Welsh supply chain companies, will welcome any opportunity to work in Wales. However, without certainty that projects like the one proposed for Trawsfynydd will go ahead, there is a real danger that interest and support will dwindle and that their sights will be diverted to other industries and/or localities.

Advocacy and sponsorship by Welsh Government and other key stakeholders in Wales is critical to ensure that north Wales developments are included within the UK new nuclear programme. This will provide the certainty and confidence for developers (like Cwmni Eginio) to work with partners regionally to prepare the local workforce and supply chain companies.

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<sup>3</sup> Trawsfynydd Economic Assessment (and supporting assessment workbooks) Arup, Nov 2020 (unpublished)

## What challenges could current skills shortages pose and how can these challenges be overcome?

Investment in new nuclear in north Wales would provide an important catalyst for investment in skills development across a range of disciplines – many of which would be transferrable to other low carbon industries. Nuclear projects have a central role to play in developing the skilled workforce required to realise net zero aspirations.

There is a real risk, however, that without early intervention in skills and training, Wales will fail to realise the full socio-economic benefits presented by the new nuclear opportunity and low carbon energy more broadly.

Future project(s) in north Wales will be competing for skills against other large infrastructure projects across the UK and internationally. Investors will need to be confident that the requisite skills and capabilities are in place to deliver projects successfully. There is therefore a need for a co-ordinated strategy to address the existing and future skills shortage in Wales, based on a collaboration between Welsh Government, skills providers and industry. The role of the North Wales Regional Skills Partnership is extremely important in identifying existing and future skills shortages/requirements and bringing together key delivery partners.

Outreach and engagement with schools – at both primary and secondary level – as well as FE/HE institutions will be crucially important to promote future employment opportunities and to influence education and career choices among young people.

In order to meaningfully engage and mobilise the skills, education and training sector, as well as the Welsh supply chain, project certainty is absolutely key. Without clear sponsorship and investment from the UK Government, it is highly unlikely that the relevant organisations will invest in local/regional skills development to support new nuclear projects. This is particularly pertinent in north Wales given the Wylfa Newydd experience.

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