

Riding the Wind: Fueling MV Switchgear Growth with Aggressive Energy Targets



The North Sea is a prime location for offshore wind energy projects. As countries in Europe strive to meet their renewable energy targets, the development of offshore wind farms in the North Sea is driving significant demand for MV Switchgear. This equipment is essential for the efficient transmission and distribution of electricity generated by these offshore wind farms.

The unique challenges posed by offshore environments in the North Sea, including

harsh weather conditions and saltwater exposure, have prompted innovations in MV Switchgear design. Manufacturers are developing specialized equipment that can withstand these conditions, thereby driving advancements in the technology and capabilities of MV Switchgear.

The dynamic growth of the Wind Energy Sector is proving to be a formidable catalyst for the MV switchgear market. With a compelling compound annual

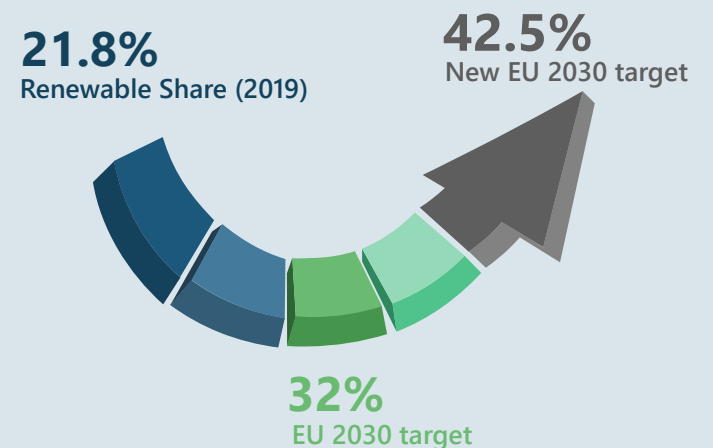
growth rate (CAGR) of 12% projected from 2022 to 2030, the sector is reshaping the landscape of energy distribution. The surge in demand for MV switchgear, driven by the expanding wind energy projects, underscores the pivotal role this technology plays in efficiently channeling and managing the generated power. As the wind continues to propel the energy industry forward, MV switchgear stands as a linchpin for reliable and effective energy transmission.

Renewable Energy Shift

A Trend of moving towards renewable sources

European Union (EU) member states are in the process of reaching a consensus on a forthcoming renewable energy goal.

The objective is to achieve a renewable energy share of **42.5%** for the entire bloc by 2030.

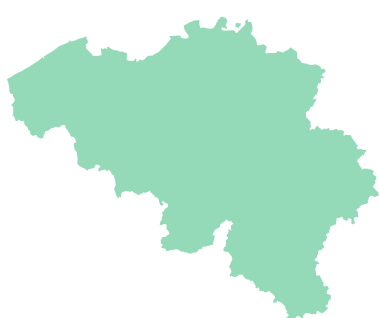


Recent Developments

During a summit on May 18, 2022, the heads of state from Denmark, the Netherlands, Germany, and Belgium, collectively representing **four European Union (EU) nations bordering the North Sea**, made a significant announcement. They have collectively revised and elevated their respective offshore wind energy objectives.

The newly established targets entail achieving a cumulative capacity of 65 gigawatts (GW) by the year 2030 and a remarkable 150 GW by 2050. This collaborative effort is intended to transform the North Sea region into a substantial source of green energy for Europe, reinforcing its position as a prominent **"Green Power House"** within the continent.

Following are the key countries contributing to the demand for MV switchgear in the EU



Belgium



Denmark



Germany



Netherlands

EU MV Switchgear Market

The market is expected to grow considerably by 2030

The ambitious wind energy targets will have a subsequent effect on the market for MV-Switchgear in the region. Anticipated is a substantial cumulative growth rate of 12% in the MV Switchgear market. This growth can be predominantly attributed to the GIS segment of MV Switchgear, primarily due to the substantial demand arising from the Wind Energy Sector.

MV Switchgear market is set to increase due to the EU's ambitious target of achieving a 42.5% renewable share in the energy mix by 2030, which requires installing approximately 510GW of Wind power capacity across the region.

This objective aligns with the energy transition, energy security, and emissions reduction agenda, which also calls for selling at least **55%** of EVs after 2030. These plans are expected to have a positive impact on the growth of the MV switchgear market, as utilities will need to modernize and expand the distribution grid's capacity to meet the growing demand for EV charging infrastructure and overcome the challenges posed by intermittent renewable energy sources.

