Chambers Ireland
Advancing business together

Consultation on Article 26 of the Net-Zero Industry Act for ORESS Offshore Wind Auctions

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About Chambers Ireland

Chambers Ireland is an all-island business organisation with a unique geographical reach. Our members are the Chambers of Commerce in the cities and towns throughout the country – active in every constituency. Each of our member Chambers is central to their local business community and all seek to promote thriving local economies that can support sustainable cities and communities.

Key Recommendations

- Article 26 should be implemented proportionately by preserving competition, limiting costs and supporting timely offshore wind deployment.
- Apply a pre-qualification approach to all offshore non-price criteria and maintain price-led competition between projects that meet the required standards.
- Limit additional compliance requirements and assess their cumulative impact on project costs, auction participation and administrative burden.
- Publish clear guidance, assessment methodologies and standardised evidence requirements well in advance of each auction.
- Accept existing certifications, assessments and regulatory reporting wherever they provide equivalent evidence of compliance.
- Avoid duplicate reporting and overlapping evidence requests across planning, environmental, cybersecurity and other regulatory processes.
- Engage with developers, manufacturers and the wider supply chain to ensure resilience requirements are practical, deliverable and reflective of market conditions.
- Allow flexibility to substitute suppliers or components during project development where compliance with the original requirements is maintained.
- Prioritise sustainability criteria at auction stage where outcomes can be objectively attributed to bidders, assessed consistently and verified without duplicating existing environmental processes. Circular economy criteria provide a practical starting point in this regard.
- Support SME participation throughout the offshore wind supply chain through early market engagement, proportionate requirements and transparent procurement practices.
- Conduct and publish a formal review following the first ORESS auction applying Article 26, examining bidder participation, administrative costs, competition, delivery risk, supply chain outcomes and the effect of non-price criteria on auction prices, and use the findings to inform subsequent auction design.

Our Perspective

Article 26 introduces a number of non-price requirements into renewable energy auctions, covering responsible business conduct, cybersecurity and data security, the ability to deliver projects fully and on time, and sustainability.

The proposed approach of dealing with non-price requirements largely at the pre-qualification stage is a practical starting point. This pre-qualification approach should apply across all offshore non-price criteria in the initial implementation of Article 26. Any future move towards award-based scoring of non-price criteria should be considered separately and subject to further consultation once sufficient experience has been gained and the impacts on competition, project delivery and costs are better understood. It also allows the State to set clear minimum standards while maintaining price-led competition between projects that meet those standards.

The key issue will be how these requirements work in practice. If criteria become overly complex, require significant additional documentation or are set at a level that unnecessarily reduces the number of eligible bidders, the result could lead to higher development costs and weaker competition. These costs then risk feeding through to businesses and consumers.

Given the discretion available in designing and applying these criteria, the first auction should be treated as an opportunity to test their operation in practice, with a formal review informing their application in subsequent auctions.

Procurement, Competition and Cost

Effective procurement and auction design should encourage competition while providing confidence that successful projects can be delivered. This balance is particularly important for offshore wind, where projects already face significant development costs and long lead times. Every additional requirement placed on bidders has the potential to add cost. Individually, these requirements may appear relatively minor in nature, but collectively they increase the overall cost and complexity of participating in an auction.

The Article 26 framework recognises that the criteria should be objective, transparent and non-discriminatory and should not create disproportionate costs or unnecessary barriers to participation.

These principles are equally important further down the offshore wind supply chain. While the ORESS auction itself is distinct from general public procurement, the way in which contracts and opportunities along value chains and supply chains are subsequently structured will have a significant bearing on the ability of domestic contractors to participate.

The implementation of Article 26 should therefore remain proportionate to the objectives being pursued. Measures should be limited to those necessary to meet NZIA requirements and avoid unnecessary costs or restrictions that could weaken competition by reducing participation in auctions themselves.

Keeping the Administrative Burden Proportionate

The proposed use of legally binding declarations at the pre-qualification stage, followed by more detailed evidence at an appropriate point in project development, is important; particularly in the context of supply chain activity. Offshore wind developers may not have selected every supplier or component when entering an auction. Therefore, requiring detailed information on final suppliers too early could encourage developers to lock in supply arrangements prematurely and potentially reduce their ability to secure the most competitive option at a later stage

These new requirements should be kept as simple as possible. Where information has already been provided through planning, environmental assessment, or other regulatory processes, bidders should not have to produce the same information again.

The Department should also consider the cumulative administrative burden created by the criteria. Keeping the process simple and predictable can help maintain competition by making it easier for suppliers to participate, reduce unnecessary bid costs by limiting the time and resources required to prepare tenders, and support value for money by facilitating effective competition between bidders.

A clear evidence framework should be provided before the auction opens, so bidders know what they are required to demonstrate, what evidence will be accepted, when that evidence must be provided, how commercially sensitive information will be treated and what happens if a supplier or component needs to change during project development. Standard templates and clear guidance would also help reduce uncertainty for bidders and make the assessment process more consistent.

Compliance and enforcement arrangements should also be proportionate and flexible. Where non-compliance arises due to circumstances outside a project's reasonable control, it is critical that the party has an opportunity to remedy the issue and demonstrate continued compliance before more significant penalties are applied.

Building Strong Supply Chains

It is important to reduce excessive reliance on individual third-country suppliers and strengthen the resilience of European renewable energy supply chains. Equally, resilience requirements affecting the sourcing of components from third countries must reflect the reality of the offshore wind market. The number of suppliers for some major components remains relatively limited, so any overly restrictive requirements should be avoided.

For some key offshore wind inputs, including turbines, cables, substations and specialised installation vessels, supplier capacity remains limited and demand is increasing across European markets[1]. Lead times for components are often extensive and project timelines are frequently influenced by the availability of specialised equipment and installation services. The design of resilience requirements should strengthen supply chain security without unintentionally narrowing the pool of compliant suppliers or creating challenges for projects seeking to secure critical components within realistic delivery timeframes.

[1] https://windeurope.org/news/offshore-wind-investments-recovering-but-still-way-to-go-including-supply-chain/

Offshore wind projects are not competing solely with other European or EU projects for scarce equipment and manufacturing capacity. Instead they are competing in a global market, including with major economies such as the United States and China, where demand for transformers and other critical energy infrastructure is also increasing. Geopolitical uncertainty coupled with concentrated demand is already challenging supply chains, extending delivery times and putting upward pressure on costs[2]. This underlines the need for resilience requirements to reflect the global nature of these supply chains and to avoid unnecessarily restricting the pool of suppliers available to Irish projects.

Before finalising the auction terms, the Department should engage closely with developers and the wider supply chain to understand the availability, lead times and cost of compliant components. This will help ensure that resilience requirements strengthen supply chains without unintentionally making projects more expensive.

There should also be a practical process for dealing with circumstances where a supplier or component becomes unavailable during project development. Where an alternative component continues to meet the original requirements, developers should be able to make that substitution without difficulty.

This flexibility is particularly important given the long development timelines associated with offshore wind projects and the potential for supplier availability, manufacturing schedules and wider market conditions to change between auction award and project delivery.

Circular Economy

At auction stage, sustainability criteria should focus on outcomes that can be objectively attributed to bidders, assessed consistently and verified through clear evidence requirements. Of the options presented in the consultation, circular economy criteria offer a practical and

[2] https://esb.ie/news---insights/blog/article/esb/2025/12/15/eolas-interview-with-paddy-hayes--esb-chief-executive

proportionate starting point for the initial implementation of Article 26, particularly measures relating to ease of repair, maintenance and asset longevity.

This does not diminish the importance of strong biodiversity safeguards, which should continue to be addressed through the appropriate planning, environmental assessment and licensing processes. However, biodiversity outcomes can be highly location-specific and may depend on conditions outside a developer's control, making them more difficult to assess consistently at auction stage. Circular economy criteria therefore provide greater certainty for bidders and Government while supporting broader environmental objectives

Circular economy requirements are of great importance given the long-term nature of offshore wind infrastructure and the need to maximise the value derived from these assets over their operational lifetime. In particular, requirements that support ease of repair can help extend asset lifetimes, improve resource efficiency and can prove cost-effective over time. Requirements around repair, reuse, refurbishment and end-of-life treatment will need clear and consistent methodologies. These should be developed with industry so that developers and manufacturers understand exactly what information is expected.

Where possible, existing environmental assessments, monitoring arrangements and manufacturer information should be used to demonstrate compliance. This would allow the State to pursue higher environmental standards without creating unnecessary duplication or administrative costs.

Supporting SMEs

More broadly, implementation of Article 26 should consider how requirements introduced through ORESS may affect opportunities throughout the offshore wind supply chain, particularly for SMEs.

The development of offshore wind presents an important opportunity for Irish businesses across a range of sectors. To ensure these opportunities are accessible to SMEs, procurement requirements throughout the supply chain must remain proportionate and manageable.

As a general point regarding procurement, feedback from our members has highlighted concerns around high turnover requirements, the aggregation of contracts into larger lots, administrative complexity and limited transparency around contract awards.[3]

In order to extend the benefits of opportunities to SMEs, offshore wind supply chain opportunities should be communicated early, contracts should be divided into appropriate lots where practical and turnover, insurance and experience requirements should reflect the value and risk of the individual contract rather than the overall scale of the project.

[3] Examples include a case where a business that had successfully delivered work for a public body and previously qualified for individual lots under a €250,000 turnover requirement was subsequently unable to compete when the contracts were consolidated and the turnover requirement increased to €5 million. This shows how contract design and financial thresholds can unintentionally exclude capable SMEs with an established delivery record

Appendix: International Experience

The following examples point towards a relatively simple approach that could be replicated by engaging early, making the rules clear, and avoiding requests for information that does not materially improve the outcome of the auction. This will be particularly important as Article 26 is introduced. We should learn from the first auction and be prepared to refine the approach where requirements are found to add unnecessary cost and complexity.

In the UK, the Sustainable Industry Reward framework has been developed alongside industry engagement, with clearer criteria, standard application material and guidance for participants. The lesson here is the importance of keeping requirements focused and giving bidders certainty about what is expected before an auction begins.

Denmark has also demonstrated the importance of responding to market conditions. Following an offshore wind tender that did not attract bids, Danish authorities engaged with the market and revised the design of subsequent tenders. This highlights the need to test auction requirements against commercial realities and to remain willing to adjust the approach where participation or project viability is at risk.[4]

The Netherlands has similarly made market engagement an important part of offshore wind tender design, including consultation on proposed criteria before requirements are finalised[5]. This helps to ensure that tender requirements remain aligned with supply chain availability, the appetite of investors and wider market conditions.

[4] https://ens.dk/en/press/north-sea-offshore-wind-tendering-procedure-danish-energy-agency-has-not-received-any-bids

[5] https://english.rvo.nl/topics/windenergie-op-zee/how-does-awarding-permit-offshore-wind-farm-work