

## Offshore Wind Foundations Alliance position paper – A well-implemented Net Zero Industry Act would propel the European offshore wind industry forward

The Offshore Wind Foundations Alliance (OWFA) fully endorses the EU's ambitions set in the Net Zero Industry Act and welcomes its focus on offshore renewable energies. Without foundations, there would be no offshore wind. OWFA represents the five largest foundation manufacturers in the EU, and we believe that strategic renewable energy technologies such as foundations will be able to scale up more rapidly through effective implementation of the instruments laid out in the NZIA. To make the NZIA as effective as possible, OWFA stresses that:

- **The scope of the NZIA should remain focused on the selected renewable energy technologies**
- **Non-price selection criteria in tenders should be mandatory**
- **Shortening permitting times alone will not solve other significant bottlenecks**
- **Harmonised standards are necessary to increase capacity and future-proof the offshore wind industry**
- **Developing the right skills will require the right infrastructure and adequate funding opportunities**

### Scope of NZIA (Annex 1)

OWFA is pleased to see offshore renewable energies specifically mentioned as a strategic net zero technology. Offshore wind is a mature renewable industry, and there is broad alignment that it will play a key role towards achieving the EU's 2030 and 2050 targets. Attempts to further expand the definition of strategic technology are concerning and risk diluting the main purpose of the NZIA. OWFA believes that the **list of technologies** considered under the NZIA **should not be broadened**.

### Non-price selection criteria to ensure a level playing field (Article 19)

OWFA is pleased to see that non-price selection criteria are included in the NZIA. These criteria are key to ensuring a sustainable renewable energy transition.

To ensure their efficacy, **non-price selection criteria should be applied to each major part of the value chain individually**, not to the project as a whole, thereby ensuring that all aspects are included and there are no shortcuts.

We are concerned that the text keeps the door open towards waiving non-price selection criteria when the price difference exceeds 10%. **There are certain criteria that are non-negotiable, no matter the price difference**, which is why OWFA suggests removing this loophole.

Foundations are large (~10 meters in diameters and ~100 meters in length) and heavy (~2000 tonnes) – when they are produced within Europe, the environmental footprint is drastically lower than when they are shipped from outside of the EU. Therefore, we believe **transport distance should matter** as a non-price criteria, beyond the 50% of maritime emissions from extra-EU voyages currently covered in the Carbon Border Adjustment Mechanism (CBAM). Additionally, **decreasing the distance between manufacturing facility and the point of installation should be an issue of priority**.

The tender's contribution to sustainability should be based on a **reliable assessment, taking into account existing industry standards and certification schemes**. The sustainability criteria should be clearly described in the tender materials and should be transparent and harmonised across all tenders.

Additionally, **high-impact raw materials such as steel** should be certified as a **low or zero-emission products in the future**, when supply chain bottlenecks to obtaining sufficient amounts of these products have been resolved. In addition, all tender applications should be **weighted against existing due diligence and forced labour regulations**.

### **Bottlenecks beyond permits (Article 13)**

OWFA recognises that permitting times are a bottleneck, but stresses that solutions to solving these bottlenecks should be realistic and that the Commission should acknowledge that permitting is only one aspect hindering the completion of a wind farm project. When determining the decreased permitting times, the time needed to conduct the Mandatory Environmental Impact Assessment and Strategic Environmental Assessment must be kept in mind.

Additionally, a major issue the foundations industry faces is the long lead times, and the ability of other actors in the supply chain to delay the process. This occupies valuable space in the manufacturing capacity of OWFA members and negatively affects investment certainty. Therefore, the NZIA should attempt to **streamline the entire process of setting up new offshore wind farms**, and not focus only on permitting. **Utilising a standard contract (such as FIDIC) could be useful to further address this issue**.

### **Increasing capacity through product standardisation (Recital 60)**

As noted in recital 60, the Commission can request that the European standards body drafts new standards to support the Net Zero Industry Act objectives. Current standards for wind farms do not apply to the offshore sector, which increases uncertainty and leads to a disharmonised market. Harmonising standards at EU level is necessary to ensure investment certainty and longevity in the industry.

A straightforward first step would be to **finalise and harmonise the extension of the general standard for steel structures (EN1090)**. It currently does not include a specific chapter on offshore wind foundations, which means that designers and manufacturers use several standards that are not harmonised, and requirements that are not consistent across markets. While the CEN Committee is in advanced stages of finalising an update to address these issues the standard will not be mandatory unless enshrined in EU law. Therefore, OWFA calls for **the EN1090 process to be completed as quickly as possible, and for a legislative harmonisation process to follow soon thereafter**.

In addition to a lack of harmonised standards for offshore wind, OWFA members are also dealing with the engineering challenge of rapidly increasing turbine sizes. While OWFA welcomes innovation in turbine production capacity, there is a risk of delay to the overall capacity increase if turbine sizes change too quickly, obliging foundations manufacturers to adapt their production lines constantly. This creates a mismatch with stable and predictable production volumes and risks undermining the ramping up of offshore wind in line with the EU Green Deal's ambitions. OWFA notes that **optimising current turbine sizes and introducing standardisation for major offshore wind components**, such as foundations, would help meet market demand.

## Skills and infrastructure (Chapter V)

OWFA supports the Commission's focus and support of skills, as additional workers trained in specific tasks will be integral to meeting the EU's green goals. OWFA members alone estimate that they would create 2000+ skilled jobs with a 100% capacity increase, in varied fields including engineers, welders, rollers, assembly experts, grinders fitters, Non-Destructive Testing (NDT) personnel, electricians and process operators.

However, it is not only skills that should be supported, but also facility upgrades or new installations, as these are also necessary to meeting the goals laid out in this proposal. The capacity for offshore wind energy cannot be doubled by only hiring more personnel. **Facilities need to be upgraded or additional facilities need to be built.** Further **clarification around the financial instruments** attached to this act are necessary. Within this framework, OWFA stresses that funding should **not be tied only to technology breakthroughs**, as expanding the offshore wind value chain is primarily a volume challenge.