Rialtas na hÉireann
Government of Ireland

Consultation on the application of the Net-Zero Industry Act to offshore wind auctions

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1 Introduction

The European Union's Net-Zero Industry Act (NZIA), adopted in 2024, establishes measures to increase manufacturing capacity for net-zero technologies within the Union, diversify supply chains, and strengthen strategic autonomy in the energy sector.

Article 26 of the NZIA requires Member States to include non-price criteria in national renewable energy auctions for at least 30% of auctioned capacity or 6 GW annually, whichever is lower. The criteria cover sustainability, supply chain resilience, cybersecurity, ability to deliver, and responsible business conduct. The purpose is to ensure that auctions support cost-effective deployment while also contributing to the long-term resilience and sustainability of the European energy industry.

The Implementing Act on Article 26, adopted by the European Commission in June 2025, sets out the detailed rules for applying these criteria in a harmonised way across Member States, with flexibility to reflect national circumstances. These requirements will apply from January 2026.

In Ireland, the Offshore Renewable Electricity Support Scheme (ORESS) is the primary mechanism for delivering offshore renewable electricity generation. Incorporating Article 26 into the ORESS framework will align Ireland's ORESS auctions with the provisions of the NZIA, while supporting the development of robust and diverse supply chains.

This consultation paper sets out the Minister for Climate, Energy and the Environment's initial plan for implementing Article 26 in future ORESS auctions. It explains the proposed approach, identifies areas where stakeholder input is sought, and invites views on how best to ensure the requirements are met in a transparent, proportionate and effective manner.

The Minister reserves the right to modify other elements of the implementation of Article 26 of the NZIA as required.

2 Proposed Implementation

2.1 Scope and coverage

It is proposed that Article 26 requirements will apply to all capacity offered in each ORESS auction that commences from 2026 onwards. There is no policy evidence at present to support limiting the application of NZIA to a portion of auctioned capacity. The criteria selected, and the proposed method of applying them, are designed to ensure that they do not create unnecessary barriers to participation and do not hinder the rollout of renewables. The focus of implementation will be on recognising and rewarding projects that demonstrate certain desirable features.

It is critical that Article 26 of the NZIA is implemented in Ireland in a manner that is consistent with the ORESS auction programme and the Government's broader goal of delivering renewable electricity. As such, the Minister is keen to ensure that implementation is streamlined and that households and businesses continue to benefit from the delivery of renewables while also meeting the requirements and objectives of the NZIA.

2.2 Criteria to be Applied

2.2.1 Approach and Definitions

In auction design, pre-qualification criteria are mandatory entry requirements that bidders must meet to participate. Award criteria are factors used to score and rank eligible bids after pre-qualification.

In line with the Implementing Act for Article 26, the Department proposes to:

• Apply the three mandatory pre-qualification criteria (Responsible Business Conduct, Cybersecurity and Ability to Deliver), and

• Also apply all other non-price requirements at pre-qualification.

2.2.2 Mandatory Pre-Qualification Criteria

The following pre-qualification criteria will apply to all participants:

• **Responsible Business Conduct**. Confirmation that the economic operator (applicant) complies with EU Directives on human rights, labour standards, anti-corruption, and environmental due diligence.

• **Cybersecurity**. Demonstration of appropriate organisational and technical measures to manage cyber risk across project delivery and key supply chains. This is to ensure the

security of the energy system and avoid exposure to hostile third-country cyber threats. It is required that an operator established in the EEA maintains operational control of the installation.

• **Ability to Deliver**. Demonstration of project deliverability, including financial capacity to deliver the project, mitigating risks of non-completion.

2.2.3 Optional Pre-Qualification Criteria

Under Article 26, auctions must assess Resilience and Sustainability. For Sustainability, the Implementing Act provides three dimensions – Environmental Sustainability, Innovation, and Energy System Integration – from which Member States may select one or more. These criteria may be applied at the pre-qualification stage or as part of the award criteria. The Minister proposes to apply them as pre-qualification criteria.

• **Resilience (mandatory).** Contribution to supply chain diversification. The Department proposes to include Resilience as a pre-qualification criterion.

• **Sustainability (mandatory: choose at least one dimension)**

  o **Environmental Sustainability**: performance beyond minimum legal requirements (e.g. lower lifecycle footprint and circularity among others).

  o **Innovation**: Deployment of solutions that are new or materially improve on state-of-the-art.

  o **Energy System Integration**: Capability to support system needs (flexibility, grid support, temporal matching) and reduce whole-system costs.

The Minister is seeking stakeholder feedback on the inclusion of either or both of (1) *Environmental Sustainability – Biodiversity Impact* and (2) *Environmental Sustainability – Circular Economy*, as pre-qualification criterion.

2.3 Evidence Requirements

Article 16.2 of the Implementing Act allows for bidders to commit to comply with each of the non-price criteria. The relevant authorities shall decide at which point in time bidders are required to demonstrate compliance with the non-price criteria, which may take place at different points in time throughout the lifetime of the project or require continuous annual compliance.

However, the Implementing Act requires Member States to perform compliance checks to ensure that bidders are compliant with their initial statements. The Minister proposes using the documentation listed below for each of the criteria.

Any project found not to be in compliance with the documentation submitted in relation to these non-price criteria may be subject to penalties.

2.3.1 Responsible Business Conduct

For compliance assessment, the minimum requirements set out in the Implementing Act are as follows, depending on the bidder's characteristics:

a) Bidders under the scope of Directive 2013/34/EU (Large EU companies, all companies with securities listed on EU regulated markets and non-EU companies with substantial operations in the EU) will provide -

   (i). Supporting statements assured by independent third parties covering the core elements of due diligence set out in Article 5(1) points (a) to (g) of Directive (EU) 2024/1760 on Corporate Sustainability Due Diligence in their business activities related to the auction, and

   (ii). A public statement on their responsible business conduct that covers at least the core elements listed under point 61(a) to (e) of Annex I to Delegated Regulation (EU) 2023/2772.

b) Bidders subject to sustainability reporting under Directive 2013/34/EU may present relevant information on how they comply with the requirements under this criterion by using the format provided in the Directive.

c) Bidders that are out of the scope of Directive 2013/34/EU will report, in their business activities related to the auction, on the core elements of due diligence set out in point 61(c) and (d) of Annex I to Delegated Regulation (EU) 2023/2772 or by using sustainability reporting standards for voluntary use recommended at Union level, where available.

At the pre-qualification stage before the auction takes place, the Minister proposes that bidders may submit a self-declaration stating that they will submit the required documentation at a later stage prior to the achievement of Commercial Operation, the timing of which will be detailed in the ORESS Terms and Conditions for the relevant auction. The documentation required by the Implementing Act will be requested after the projects are awarded a contract.

2.3.2 Cybersecurity

According to the Implementing Act, bidders must:

a) Demonstrate compliance with the principles of security by design and by default to ensure the security of the renewable energy installation's network and information systems including, where relevant, measures listed in Article 21(2) of Directive (EU) 2022/2555, and
b) Present additional information if the bidder is subject to a jurisdiction of a third country considered to pose a potential cybersecurity threat to the European Union, and
c) Ensure and demonstrate that suppliers of Information and Communications Technology (ICT) products used in the installation or ICT services related to its operation comply with point (a) and for ICT suppliers from countries that pose a potential cybersecurity threat to the European Union, that those ICT suppliers comply with point (b), and
d) Ensure that the operational control of the installation is maintained within the European Economic Area (EEA).

According to Article 16.4 of the Implementing Act, bidders shall present a cybersecurity plan of the bidding project and update it on a regular basis during the implementation of the project.

The Minister proposes that this may be done by requesting bidders to provide a self-declaration at the time of auction pre-qualification committing to provide a NIS2 certification in the future when NIS2 comes into effect. Ireland's National Cyber Security Centre is the lead competent authority and is overseeing this certification. A specific cybersecurity certificate for the energy sector will be available in the future.

Until such time as a national NIS2 certification system is available, the Minister may reserve the right to require, in addition to the legally binding self-declaration, another cybersecurity certificate, such as the optional CyFun certificate or another of similar characteristics as documentary evidence of good cybersecurity practices.

There may need to be periodical requests of NIS2 certificates in force after the initial compliance check as the Implementing Act requires projects to "update it on a regular basis during the implementation of the project".

2.3.3 Ability to Deliver

Bidders must demonstrate project viability and delivery capacity by providing two or more documents listed in Article 6 of the Implementing Act.

ORESS already requires the following documents, such as documentation to identify the bidder or bidders in case of a bidding consortium, documentation of the company's financial and economic situation proving their financial capability to complete the project and evidence of the technical feasibility, knowledge and experience to complete the project, as required by Articles 6 and 16 of the Implementing Act.

For that reason, the documentation already required under the current process for the award of an ORESS contract is sufficient to satisfy this requirement. The ORESS scheme is therefore already in compliance, and no further action is deemed necessary.

2.3.4 Resilience

At the time of auction pre-qualification, bidders must submit a self-declaration statement declaring that:

- none of the final products;
- no more than four main specific components; and
- neither the drivetrains (including generator) and/or gearbox drivetrains (including generator),

will originate in a third country in the most recent 'Communication from the Commission' prior to the auction.

The Minister understands that applicants will not have finalised suppliers at the time of the auction pre-qualification and would not be in a position to provide strong documentary evidence of the origin of the main specific components included in the Commission's list for each technology as part of their application.

The Minister therefore proposes that applicants will provide a legally binding declaration confirming that that they will provide this evidence to the Department. Where evidence is not provided or where the information provided shows that the actual origin of materials is inconsistent with the commitments made by the applicant as part of their application, the applicant may be subject to penalties.

Applicants will be required to provide a statement listing the country of origin of each of the components listed in the Commission's list of main specific components for the project's technology. The information required by the Minister to support the Applicant's statement will

include customs clearance documentation and further documentation, e.g., documentation provided by the Original Equipment Manufacturer (OEM) of a product, in cases where main specific components are only a part of the product being imported or the country from where the main specific component was imported is different from the country of manufacture.

As part of the ongoing compliance requirement of the Implementing Act, the successful applicant would be required to notify the Department each time a main specific component within the installation is replaced over the lifetime of the ORESS support. The Generator shall ensure that any such replacement is undertaken in a manner that remains consistent with the original self-declaration regarding the origin of the component being replaced.

If a replacement is found to be inconsistent with the original self-declaration, the applicant may be subject to penalties.

2.3.5 Environmental Sustainability – Biodiversity Impact

The Minister proposes that at the time of auction pre-qualification, applicants must submit a legally binding declaration declaring that from the beginning of installation to the completion of decommissioning:

a) They will have a system to monitor the positive and negative biodiversity impacts of the project during the installation, operation and decommissioning phase, and
b) They commit to implement adaptive solutions to mitigate potential negative impacts on biodiversity as identified under environmental assessments performed if relevant pursuant to Directive 2011/92/EU of the European Parliament and of the Council and/or Council Directive 92/43/EEC and under point (a) of this paragraph and ensure the effectiveness of solutions to contribute positively to biodiversity if such solutions are deployed.

The system in point (a) shall monitor the impact of the project on biodiversity, in water, at the sea floor, above the sea floor, and above the sea surface, including noise and pollution.

The Implementing Act requires that the data and information collected as part of the system to monitor the positive and negative impacts of biodiversity shall be shared with at least the scientific community and relevant public authorities unless it contains commercially sensitive information.

Data and information collected shall be shared with the scientific community and the public authorities on a yearly basis, unless it is commercially sensitive. Evidence of the effectiveness of solutions to mitigate the potential negative impacts on biodiversity shall be submitted to the Department every three years.

Where evidence is not provided to the Department of having effectively implemented the requirements of point (a) and (b) above or where there are inconsistencies with what has been declared and what has been implemented by the applicant, that applicant may be subject to penalties.

N.B. The Minister is seeking stakeholder feedback on the inclusion of either or both of Environmental Sustainability – Biodiversity Impact and Environmental Sustainability – Circular Economy as pre-qualification criterion.

2.3.6 Environmental Sustainability – Circular Economy

The Minister proposes that at the time of auction pre-qualification applicants must submit a legally binding declaration, declaring that they will provide evidence that demonstrates that the main specific components of the offshore wind technologies have been chosen with regard to their ease of repair and maintenance or ease of upgrading, reuse, remanufacturing and refurbishment of products, referring to one or more relevant product parameters set out in points (b), (c) and (e) of Annex I to Regulation (EU) 2024/1781. This declaration will state that evidence of the above will be provided to the Department at a future date and before commercial operation is achieved.

The Minister proposes that evidence in the form of a report detailing how the ease of repair and maintenance or the ease of upgrading, reuse, remanufacturing and refurbishment of products was considered when choosing the final product in line with points (b), (c) and (e) of Annex I to Regulation (EU) 2024/1781.

As part of the ongoing compliance requirement of the Implementing Act, the successful applicant would be required to notify the Department each time a main specific component within the installation is replaced over the lifetime of the ORESS support. The Generator shall ensure that any such replacement is undertaken in a manner that remains consistent with the original self-declaration regarding the origin of the component being replaced.

Where evidence is not provided to the Department or where there are inconsistencies with what has been declared and what has been implemented by the applicant, that applicant may be subject to penalties.

N.B. The Minister is seeking stakeholder feedback on the inclusion of either or both of Environmental Sustainability – Biodiversity Impact and Environmental Sustainability – Circular Economy as pre-qualification criterion.

3 Issues for Consultation

The subjects on which the Minister asks questions and invites feedback in this consultation document are presented below.

Responding to all questions is not required but please provide as much detail and supporting evidence as possible.

Table 1: Questions for Consultation

Number	Question
Scope, timing and coverage	
1	Do you agree with applying Article 26 to all capacity from the 2026 auction? If not, please set out your reasons and any supporting evidence.
2	Are there any circumstances in which a phased introduction would be justified? If so, what would the criteria and timeline be?
Mandatory pre-qualification	
3	Do you agree with requiring a NIS2 certification to assess the Cybersecurity criterion when a specific one for the energy sector becomes available? Please indicate any alternative and potential issues.
4	Are there specific forms of equivalent evidence for any of the three criteria, other than those proposed, that we should accept to reduce administrative burden, bearing in mind that the Implementing Act requires continuous compliance checks?
5	Do you expect any issues with compliance with the EU requirement to ensure that the operational control of the installation is maintained within the European Economic Area (EEA)? Please be specific and provide any supporting evidence available.
6	Alternatively to the approach proposed for providing evidence of compliance with requirements under responsible business conduct, would you be able to provide the documentation requested for verification at the pre-qualification stage?
Optional pre-qualification	
7	Should any alternative Sustainability dimension (Energy Systems Integration or Innovation) be considered now or reserved for a future review? Please set out the case in support of your answer.
8	Do you agree with having all non-price criteria at pre-qualification stage? If not, please set out any evidence for having non-price criteria as award criteria

9	Should alternative Environmental Sustainability criteria be considered now or reserved for a future review? Please set out the case in support of your answer.
Resilience	
10	Are there any implementation issues with using the Commission's annual list of main specific components and the list of third countries of reliance? Although their use is mandatory, feedback will be provided to the Commission to address any concerns.
11	What forms of evidence are most practical and reliable for demonstrating source of origin of components?
12	When is the most appropriate time to provide evidence to the Department of the country of origin of products and components as required by the resilience criteria?
Evidence and compliance	
13	Do you agree with the requirement of submitting self-declaration statements in respect of all non-price criteria at an initial stage and require evidence documentation at later stage? Are the evidence requirements clear, proportionate, and achievable? Self-declaration for Ability to Deliver will remain consistent with that provided for in ORESS auctions to date and will only be required to be submitted at the initial pre-qualification stage.
14	Do you recommend any remedies for non-compliance with self-declarations in cases of force majeure that preclude bidders from incorporating the promised features in the project? Please suggest any alternatives or cases where non-compliance could be justifiable. Provide evidence for your support if available.
15	Do you foresee any confidentiality or commercial sensitivity issues with the proposed documentation requirements? How should these be mitigated?
16	What is an appropriate enforcement mechanism or penalty for non-compliance with any non-price criteria? Should non-compliance with some have greater penalties than non-compliance with others?
Environmental Sustainability – Biodiversity Impact	
17	Would the data collected for the purposes of fulfilling the criteria set out in this non-price criteria likely to be considered commercially sensitive?
18	Will compliance with this non-price criteria have a significant impact on project costs?
19	With what public body would it be most suitable to share the information and data collected?

20	Do you have any concerns over the regularity with which data and information collected must be shared with the scientific community?
21	Do you have any concerns over the regularity with which evidence must be provided to the Department on the potential negative impacts of biodiversity?
Environmental Sustainability – Circular Economy	
22	The Implementing Act allows for the choice between three parameters to be used under the Environmental sustainability – circular economy non-price criteria. Would you recommend choosing one of the other two parameters (recyclability of products or content of recycled materials in products) instead of ease of repair and maintenance?
23	Will compliance with this non-price criteria have a significant impact on project costs?
Other comments	
24	Please include in this section any suggestion, feedback or comments not covered in the previous points.

4 Submission of Consultation Responses

All responses and submissions from interested parties are welcome and will be considered in the development and implementation of the final implementation of Article 26 of the NZIA.

Given the volume and the variety of comments anticipated, the Department does not intend to respond to individual submissions but may seek clarity from individuals where submissions or proposals are unclear.

Submissions on this consultation should be sent by email only to ORESS@dcee.gov.ie

The closing date for submissions is **9 October 2026**.

Submissions to this consultation are subject to the provisions of the **Freedom of Information Act 2014 and Access to Information on the Environment Regulations 2007-2014.**

This means that they may be released in response to a request under the Act and the Regulations. Respondents are therefore asked to clearly identify any information that they consider to be commercially sensitive, confidential, or personal in nature, and to provide a justification for the sensitivity of such material. The Department will take this into account when processing FOI requests and may redact or withhold such material where appropriate under the exemptions provided for in the Act.

We would draw attention to the Department's privacy statement which states: 'The Department of Climate, Energy and the Environment requires responders to provide certain personal data in order to provide services and carry out the functions of the Department. Your personal data may be exchanged with other Government Departments and agencies in certain circumstances, where lawful. Full details can be found in our Data Privacy Notice.

Annex A

Offshore Wind

A total of 9 main specific components were identified in the 2025 Commission list:

- Nacelles (assembly)
- Rotor hubs
- Main, yaw and pitch bearings
- Direct drive drivetrains (including generator) and/or gearbox drivetrains (including generator)
- Permanent magnets of wind turbines
- Blades
- Towers
- Foundations/ floaters