

Order of the Minister of Climate and Green Growth of ..., no. WJZ/ ..., containing rules for granting the permit for Site Gamma-A in the IJmuiden Ver Wind Farm Zone (Ministerial Order for granting the permit for IJmuiden Ver Wind Farm Site Gamma-A)

The Minister of Climate and Green Growth,

Having regard to Sections 10 (2) and (3), 12a (2), (3), (5) and (6), 14 (2), 14a (2) and (4), 15a (2) and (4), 24 (3) and (4) and 25b (3) and (4) of the Offshore Wind Energy Act (*Wet windenergie op zee*);

Has decided the following:

#### Article 1

For this Ministerial Order, the following definitions apply:

Applicant: The party that has submitted the application;

*Group or group company*: Group or group company as referred to in Article 24b of Book 2 of the Dutch Civil Code;

*Capital commitment*: Binding reservation of investment capital by an investor, made to a fund whose fund manager is subject to financial supervision and is subject to authorisation pursuant to Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010 (OJ 2011, L 174);

*Site*: Site Gamma-A in the IJmuiden Ver Wind Farm Zone as designated in Wind Farm Site Decision for Site Gamma-A in the IJmuiden Ver Wind Farm Zone (PM Government Gazette number);

Minister: The Minister of Climate and Green Growth;

*P50 value for net electricity production*: The expected annual energy production for a particular offshore wind farm at a specific location, determined with a probability of 50%;

*Partnership*: A non-legal entity, consisting of at least two participants not affiliated with a group, that has been established for the purpose of carrying out activities, not being a company;

Act: Offshore Wind Energy Act (Wet windenergie op zee).

## Article 2

1. A application for a permit for the site must be submitted in the period from [PM] 2025 to [PM] 2025, 17:00 hours.

2. An applicant may submit a maximum of one application.

3. For the purposes of the second paragraph, legal entities and companies in a group or group company shall be regarded as a single applicant.

## Article 3

1. The design of the wind farm, as referred to in Section 12a (4a) of the Act, includes at least:

a. A wind energy yield calculation prepared by an independent organisation with expertise in the field of wind energy yield calculations, using reputable calculation models, environmental models, wind models and wind



maps and that at least includes the location data, brand, type, technical specifications of the wind turbines (including shaft height, rotor diameter and power curve), the local wind data for the wind farm and a calculation of the P50 value for net electricity production of the wind farm;

b. The calculation models, environmental models and wind models used for the wind energy yield calculation;

c. Documents that show compliance with the applicable Wind Farm Site Decision; and

d. Information demonstrating that the statement referred to in Article 7.34 (2c) of the Environmental Activities Decree (*Besluit activiteiten leefomgeving*) can be submitted in a timely manner.

2. The calculation of the P50 value for net electricity production includes availability, wake effects, electricity losses and curtailment losses, with only the wake effect of the wind farm for which the application is made being taken into account.

3. The timetable for construction and operation of the wind farm, referred to in Section 12a (4b) of the Act, shall state completion dates for the following activities:

a. The wind farm operator's consent to offshore grid operator's conditions for connection and transmission of electricity in accordance with the Electricity Act 1998 (*Elektriciteitswet 1998*);

b. Award of contracts to manufacturers, suppliers and installers;

c. Installation of first foundation;

- d. Installation of first wind turbine;
- e. Start of pulling the 66 kV cables on the offshore grid substation platform;
- f. Start of electricity supply;
- g. Readiness to supply full power for the test phase of the offshore grid; and
- h. Decommissioning of the wind farm.

4. The estimate of the costs and revenues, referred to in Section 12a (4c) of the Act, shall in any case include an operating calculation with:

a. Specification of investment costs per component of the offshore wind farm;

b. An overview of all costs and revenues of the offshore wind farm; and

c. A calculation of project return over the lifespan of the project

5. The parties involved in construction and operation of the wind farm, as referred to in Section 12a (4d) of the Act, include:

a. The applicant and, if the applicant is a partnership, any participant in the partnership;

- b. The manufacturer(s) of the foundations;
- c. The installer(s) of the foundations;
- d. The manufacturer(s) of the wind turbines;
- e. The installer(s) of the wind turbines;



f. The manufacturer(s) of the wind farm cabling;

g. The installer(s) of the wind farm cabling; and

h. The parties responsible for operation and maintenance of the wind farm.

6. The description of the knowledge and experience of the parties involved, as referred to in Section 12a (4e) of the Act, concerns knowledge and experience of offshore wind farms and includes:

a. Installed capacity of the offshore wind farms or the number of offshore energy projects for which the applicant has carried out project management during construction;

b. The number of foundations produced by the manufacturer(s);

c. The number of foundations installed by the installer(s);

d. The number of wind turbines produced by the manufacturer(s);

e. The number of wind turbines installed by the installer(s);

f. The number of offshore electricity connections for which cabling has been supplied by the manufacturers;

g. The number of wind turbines connected by the wind farm cabling installer(s); and

h. The installed capacity of the wind farms the party/parties responsible for operation and maintenance have operated and maintained.

## Article 4

In addition to Section 12a (4) of the Act and Article 3 (above) of this Ministerial Order, the application shall contain:

a. A summary description of the realisation plan and supporting documents which illustrate that the applicable delivery dates stated in the Offshore Wind Energy Development Framework, referred to in Article 16e of the Electricity Act 1998, can be met;

b. A summary of the operation and removal (decommissioning) plan of the wind farm;

c. A financing plan, including the intended financiers/investors and the intended share they would bear;

d. If the applicant is a partnership, a declaration of participation in the partnership signed by each participant;

e. The most recently adopted annual accounts of the applicant, its parent company, each of the members of the partnership or the parent companies of the members of the partnership, whereby the annual accounts relate to a year that is no more than three calendar years before the year in which the application is submitted;

f. If the applicant includes a capital commitment in the application, an auditor's report listing the investor and the reserved amount;

g. An organisation chart of the applicant;

h. If the applicant belongs to a group or group company, an organisation chart of the group or group company



and the registration numbers in the trade register of the legal entities and companies in the group or group company;

i. Where applicable, a description of the degree of compliance with the principles of the International Responsible Business Conduct (IRBC) Agreement for the Renewable Energy Sector, as referred to in Table 4 of the Appendix;

j. If applicable, a description of raw materials consumption, environmental impact and value retention in the design, construction, operation and removal of the wind farm, as referred to in Table 5 of the Appendix;

k. If applicable, a description of the contribution of the wind farm to reducing ecological pressures, as referred to in Table 6 of the Appendix; and

I. If applicable, a description of the contribution to the integration of the electricity produced at IJmuiden Ver Site Gamma-A into the Dutch energy system, as referred to in Table 7 of the Appendix.

## Article 5

1. The costs for processing an application for a permit, as referred to in Section 12a (6) of the Act are €0.

2. The period referred to in Section 14 (1d) of the Act is 53 months after the permit has become irrevocable.

## Article 6

1. When assessing the technical feasibility of the construction and operation of a wind farm, the following shall, in any case, be taken into account:

a. The design for the wind farm submitted by the applicant, as referred to in Section 12a (4a) of the Act; and

b. The information submitted by the applicant with regard to knowledge and experience with offshore wind farms, as referred to in Article 3 (6) of this Ministerial Order.

2. When assessing the financial feasibility of the construction and operation of a wind farm, the estimate of the costs and revenues submitted by the applicant, as referred to in Section 12a (4c) of the Act, and the data referred to in Article 4 (c, d, e and f) of this Order, shall in any case be taken into account. The combined size of the applicant's equity and capital commitments, shall amount to at least 20% of total investment costs for the wind farm to which the application relates.

3. At the request of the applicant, the following shall be taken into account for the purpose of determining the combined size of the equity and capital commitments, as referred to in the second paragraph above:

a. If the applicant is a partnership, the equity capital of the participants, or capital commitments made to the participants in the partnership;

b. If the applicant or a member of a partnership is a subsidiary, the equity capital of the parent company or capital commitments made to the parent company.

4. When assessing the feasibility that construction and operation of a wind farm can start within 53 months of the date on which the permit becomes irrevocable, the timetable provided by the applicant, as referred to in Section 12a (4b) of the Act, shall in any case be taken into account.



5. When assessing the economic feasibility of the construction and operation of a wind farm, the estimate of the costs and revenues submitted by the applicant, as referred to in Section 12a (4c) of the Act, shall in any case be taken into account.

## Article 7

1. A permit shall be granted by applying the procedure of a comparative test with a financial bid.

2. In addition to Section 25b (2) of the Act, the Minister shall take into account the following criteria in the ranking:

a. Compliance with the principles of the International Responsible Business Conduct (IRBC) Agreement for the Renewable Energy Sector, referred to in Table 4 of the Appendix;

b. Consumption of raw materials, environmental impact and value retention in the design, construction,

operation and removal of the wind farm, as referred to in Table 5 of the Appendix;

c. Contribution of the wind farm to reducing ecological pressures factors, as referred to in Table 6 of the Appendix; and

d. Contribution to integration of the electricity produced at IJmuiden Ver Site Gamma-A into the Dutch energy system, as referred to in Table 7 of the Appendix.

## Article 8

1. The weighting of the ranking criteria referred to in Section 25b (2a, b and c) of the Act and Article 7(1 and 2a, b, c and d) of this Order, will take place in accordance with the assessment in points as included in the Appendix, whereby a higher number of points leads to a higher ranking.

2. If, in the ranking of the applications according to the weighting of the ranking criteria referred to in the first paragraph (above), two or more applications are equally ranked as highest, the criterion referred to in Article 7 (2d) of this Order shall have more weight than the criteria referred to in Section 25b (2a, b and c) of the Act and Article 7 (2 a, b and c) of this Order combined.

3. If, when applying the second paragraph (above), two or more applications are ranked equally highest, the criterion referred to in Article 7 (2c) of this Order shall have more weight than the criteria referred to in Section 25b (2a, b and c) of the Act and Article 7 (2a and b) combined.

4. If, when applying the third paragraph (above), two or more applications are ranked equally highest, the criterion referred to in Section 25b (2b) of the Act shall have more weight than the criteria referred to in Section 25b (2a and c) of the Act and Article 7 (2a and b) of this Order combined.

5. If, in applying the fourth paragraph (above), two or more applications are ranked equally highest, the criterion referred to in Section 25b (2c) of the Act shall have more weight than the criteria referred to in Section 25b (2a) of the Act and Article 7 (2a and b) of this Order combined.

6. If, in applying the fifth paragraph (above), two or more applications are ranked equally highest, the criterion referred to in Article 7 (2b) of this Order shall have more weight than the criteria referred to in Section 25b (2a) of the Act and Article 7 (2a) of this order combined.



7. If, in applying the sixth paragraph (above), two or more applications are ranked equally highest, the criterion referred to in Article 7 (2a) of this Order shall have more weight than the criterion referred to in Section 25b (2a) of the Act.

8. If, in applying the seventh paragraph (above), two or more applications are equally ranked highest, the assessment in points for the financial bid submitted shall have greater weight.

## Article 9

1. The cost referred to in Section 10 (1) of the Act amounts to approximately €18,000,000.<sup>36</sup>

2. The party granted the permit shall reimburse the cost referred to in the first paragraph (above) and pay it into an account published by the Minister no later than the day on which the period referred to in Article 10 (2) of this Order expires.

## Article 10

1. The amount of the deposit or bank guarantee referred to in Section 15a (1) of the Act is €100,000,000.

2. The period within which the deposit or bank guarantee must be provided is four weeks after the date on which the Minister granted the permit.

3. The period for which the deposit or bank guarantee must be provided shall end at the latest when the Minister has been notified of the readiness to supply full power for the test phase of the offshore grid.

4. The amount of the deposit or bank guarantee forfeited pursuant to Section 15a (4) of the Act is:

a. €10,000,000 for the period during which the permit holder has not carried out the activities specified in the permit for that period; and

b. €10,000,000 for each month following the period during which the permit holder has not carried out the activities specified in permit for that period.

5. The security referred to in Section 15a (1) of the Act shall be taken out with an insurer that has at least a long-term rating A issued by a credit rating agency in accordance with Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies.

6. The bank guarantee referred to in Section 15a (1) of the Act shall be issued by a bank established within the European Economic Area.

## Article 11

This Ministerial Order shall enter into force on PM.

## Article 12

This Order is referred to as: Ministerial Order for granting the permit for IJmuiden Ver Wind Farm Site Gamma-A.

This Order will be published in the Government Gazette with the explanatory notes.

<sup>&</sup>lt;sup>36</sup> The exact costs still depend on ongoing studies and will be determined in the final regulation.



The Hague,

The Minister of Climate and Green Growth,



# APPENDIX TO ARTICLE 8 (1) OF THE MINISTERIAL ORDER FOR GRANTING THE PERMIT FOR IJMUIDEN VER WIND FARM SITE GAMMA-A

Weighting of the ranking criteria referred to in Section 25b (2a, b and c) of the Act and Article 7 (1 and 2) of this Ministerial Order.

## Table 1 Criterion: Amount of the financial bid (Section 25b (2a) of the Act). Maximum points: 60

		Qualitative criterion	Assessment measure	Pts.
1	Amount of the financial bid	The amount of the financial bid that will be unconditionally paid by 31 July each year from 2031 until the end of the permit period	Number of points = $\frac{\text{financial bid}}{\notin 150,000,000} \cdot 60$	0 – 60, rounded to two decimal places

### Table 2 Criterion: Certainty of the wind farm being realised (Section 25b (2b) of the Act). Maximum points: 40

		Qualitative criteria	Assessment measure	Pts.
-	Knowledge and experience of the	The applicant has carried out project management for	These wind farms have a combined capacity of less than 100 MW, or there are less than 5 offshore energy projects	0
1	applicant	offshore energy projects offshore energy projects offshore energy projects energy projects.		10
2	Knowledge and experience of the	The party/parties has/have produced foundations for	Less than 50 foundations produced	0
	foundation manufacturer(s)	offshore wind farms	50 or more foundations produced	2
3	Knowledge and experience of the	The party/parties has/have installed foundations for	Less than 50 foundations installed	0
5	foundation installer(s)	offshore wind farms	50 or more foundations installed	2
4	Knowledge and experience of the wind	The party/parties has/have produced wind turbines for	Less than 50 wind turbines produced	0
-	turbine manufacturer(s)	offshore wind farms	50 or more wind turbines produced	2
5	Knowledge and experience of the wind	The party/parties has/have installed wind turbines for	Less than 50 wind turbines installed	0
5	turbine installer(s) offshore wind farms		50 or more wind turbines installed	2
	Knowledge and experience of the manufacturer(s) of the	The party/parties has/have	Cabling produced for less than 50 offshore connections	0
6	(inter-array) cabling that connects the individual wind turbines and connects them to the substation platform	produced cabling that has been used for offshore electricity connections	Cabling produced for 50 or more offshore connections	2
	Knowledge and experience of the installer(s) of the (inter-	The party/parties has/have	Cabling installed for the connection of less than 50 wind turbines to a platform	0
7	array) cabling that connects the individual wind turbines and connects them to the substation platform	installed cabling that connects individual wind turbines and connects them to an offshore platform	Cabling installed for the connection of 50 or more wind turbines to a platform	2
8	Knowledge and experience of the party/parties responsible	The party/parties has/have carried out operation and	Experience in operation and maintenance of offshore wind farms with a combined capacity of less than 100 MW	0
5	for the operation and maintenance of the offshore wind farm	maintenance of offshore wind farms	Experience in operation and maintenance of offshore wind farms with a combined capacity of 100 MW or more	2



		Qualitative criteria	Assessment measure	Pts.
			The combined size of equity and capital commitments is less than 20% of the investment costs of the wind farm	Pts. 0 2 5 8 11 14 0 0 2 2 2 2 2
			The combined size of equity and capital commitments is at least 20% and less than 40% of the investment costs of the wind farm	2
9	Financial strength of the	The combined size of the equity and capital commitments of the	The combined size of equity and capital commitments is at least 40% and less than 60% of the investment costs of the wind farm	5
9	party/parties responsible for the project	party/partiies in relation to the investment costs of the offshore wind farm	The combined size of equity and capital commitments is at least 60% and less than 80% of the investment costs of the wind farm	8
			The combined size of the equity and capital commitments is at least 80% and less than 100% of the investment costs of the wind farm	11
			The amount of equity is at least 100% of the investment costs of the wind farm	14
	Contribution to sufficient internships for	The applicant finances and/or offers at least 2 internships per school year for students who have completed the elective course "Wind turbine maintenance" (currently known as electives K1312 and K0350). The applicant can demonstrate this by committing to the implementation of the Wind Netherlands Internship Covenant ( <i>Convenant</i>	The applicant does not commit to the implementation of the Wind Netherlands Internship Covenant, nor to making the equivalent of 2 internships available annually (i.e. an amount of €22,000).	0
10	professionals in the wind sector	Stageplaatsen Wind Nederland), drawn up and agreed in July 2024, or by making an annual amount of €22,000 available to an educational institution that offers the elective "Wind turbine maintenance" course or an equivalent. The applicant must start this, at the latest, in the calendar year in which maintenance of the offshore wind farm starts and offer these internships until the wind farm is	The applicant commits to the implementation of the Wind Netherlands Internship Covenant and offers and finances at least 2 internships per school year for students who have completed the elective course "Wind turbine maintenance" (currently known as electives K1312 and K0350) or an equivalent.	2



Qualitative criteria	Assessment measure	Pts.
decommissioned. From the start of the maintenance period, the applicant will report annually on how the above-mentioned internship positions have been filled, communicating the progress and results with regard to the training of technical talent.	The applicant does not commit to the implementation of the Wind Netherlands Internship Covenant, but will make an annual amount of €22,000 (equivalent to 2 internships) available without conditions to an educational institution that offers the elective course "Wind turbine maintenance" (currently known as electives K1312 and K0350) or an equivalent. The educational institution is free to spend this money on improving the aforementioned elective subjects and anything directly related to them. The applicant will start this, at the latest, in the calendar year in which the maintenance of the offshore wind farm starts and will report on this annually by showing proof of payment(s).	2

## Table 3 Criterion: Contribution of the wind farm to energy supply (Section 25b (2c) of the Act). Maximum points: 20

		Qualitative criteria	Assessment measure	Pts.
			Less than 3,800,000 MWh per year	1
			Equal to or more than 3,800,000 MWh and less than 3,900,000 MWh per year	4
	The contribution of the offshore wind farm to	The calculated P50 value for net electricity production per year fed into the offshore grid	Equal to or more than 3,900,000 MWh and less than 4,000,000 MWh per year	8
1	energy supply		Equal to or more than 4,000,000 MWh and less than 4,100,000 MWh per year	12
			Equal to or more than 4,100,000 MWh and less than 4,200,000 MWh per year	16
		Equal to or more than 4,200,000 MWh per year	20	



Table 4 Criterion: Compliance with the principles of the International Responsible Business Agreement (IRBC) for the Renewable Energy Sector (Section 25b (3) of the Act and Article 7 (2) of the Ministerial Order). Maximum points: 40

		Qualitative criteria	Assessment measure	Pts.	
		Integrating corporate social responsibility into policy and management systems. Parties must be able to demonstrate that: • They have a human rights and		Parties referred to in Article 3(5a)	11
		<ul> <li>environmental due diligence policy;</li> <li>Through this policy, they explicitly endorse the OECD Guidelines and UNGPs;</li> </ul>		Parties referred to in Article 3(5b)	3
		<ul> <li>This policy is published on their website(s);</li> <li>This policy is updated regularly;</li> <li>This policy is proactively</li> </ul>		Parties) referred to in Article 3(5c)	3
		<ul><li>communicated within the company; and</li><li>The key aspects of this policy are</li></ul>	Proof of participation in the IRBC Renewable Energy Agreement.	Parties referred to in Article 3(5d)	11
		communicated to and requested from suppliers and other business partners in the supply chain, for example through a supplier code of conduct.	Points will only be awarded if accession to the IRBC Renewable Energy Agreement takes place by 31 August 2025 at the latest.	Parties referred to in Article 3(5e)	3
	Applying due diligence in compliance with the Organisation for Economic Co-operation	Identifying human rights and environmental risks in the supply chain. Parties must be able to demonstrate that: • They make efforts to increase the		Parties referred to in Article 3(5f)	3
	and Development Guidelines for Multinational Enterprises <sup>37</sup> (OECD	understanding of the supply chain ('chain transparency'). This can be demonstrated with documented procedures which outline steps and		Parties referred to in Article 3(5g)	3
1.	Guidelines) and the United Nations Guiding Principles on Human Rights and Business 2011	activities to increase supply chain transparency. This can also be demonstrated by participation in and successful implementation of		Parties referred to in Article 3(5h)	3
	(hereinafter referred to as 'UNGPs'), updated in 2023 by the parties, as referred to in Article	<ul> <li>obligations resulting from multi- stakeholder initiatives;</li> <li>They, individually or together with other companies and parties active in</li> </ul>		Parties referred to in Article 3(5a)	11
	3(5a, b, c, d, e, f, g and h) of this Ministerial Order (hereinafter referred to as "the Parties")	the sector (through IRBC agreements, sector organisations or other cooperations in the chain), carry out or have carried out a chain risk	Having due diligence policies based	Parties referred to in Article 3(5b)	3
		analysis. This can be done, for example, by means of a joint sectoral study into chain risks and by consulting civil society organisations	on the qualitative criteria. This can be demonstrated by participating in another multi-	Parties referred to in Article 3(5c)	3
		to gain more insight into existing and possible risks to human rights and the environment. This can be demonstrated by participating in	stakeholder initiative similar to the IRBC Renewable Energy Agreement.	Parties referred to in Article 3(5d)	11
		<ul> <li>multi-stakeholder initiatives;</li> <li>They prioritise identified risks in collaboration with relevant parties, such as: wind turbine manufacturers,</li> </ul>	Points will only be awarded if accession to another multi- stakeholder initiative similar to the IRBC Renewable Energy Agreement	Parties referred to in Article 3(5e)	3
		civil society organisations, trade unions, knowledge institutions and other parties active in the sector. Preventing, stopping and/or mitigating the	takes place before the end of the application period.	Parties referred to in Article 3(5f)	3
		negative impact of business activities on people and the environment in the supply chain. Parties must be able to demonstrate that:		Parties referred to in Article 3(5g)	3

<sup>&</sup>lt;sup>37</sup> MNE Guidelines - Organisation for Economic Co-operation and Development (oecd.org).



	Qualitative criteria	Assessment measure	Pts.	
	<ul> <li>They prevent or address negative effects on people and the environment in cooperation with other companies, civil society</li> </ul>		Parties referred to in Article 3(5h)	3
	organisations and trade unions. This can be demonstrated by participating in multi-stakeholder initiatives or by initiating and/or participating in (collective) projects. Evaluating and monitoring due diligence measures. Parties must be able to demonstrate that:		Parties referred to in Article 3(5a)	6
	<ul> <li>They evaluate the implementation and effectiveness of due diligence activities in order to improve their due diligence practices. This can be done, among other things, through audits and participation in multi- stakeholder initiatives where monitoring and assessments are carried out.</li> </ul>		Parties referred to in Article 3(5b)	2
	<ul> <li>Reporting on due diligence efforts and results. Parties must be able to demonstrate that:</li> <li>They publicly report annually on: their due diligence procedure, the main actual or potential adverse impacts in the supply chain, what activities have</li> </ul>	Having a due diligence policy based on the qualitative criteria, without	Parties referred to in Article 3(5c)	2
	been undertaken to identify and monitor those impacts, and any measures taken by the company to prevent, mitigate, remedy or bring to an end actual or potential adverse impacts, and the outcome of such measures. Providing access to recovery and redress.	demonstrable participation in the IRBC Renewable Energy Agreement or another multi-stakeholder initiative comparable to the IRBC Renewable Energy Agreement. Points will be awarded if the applicant can demonstrate the	Parties referred to in Article 3(5d)	6
	<ul> <li>Parties must be able to demonstrate that:</li> <li>They either have their own effective redress mechanisms or that they are cooperating with existing collective grievance mechanisms or are in the process of establishing such mechanisms.</li> </ul>	above by providing insight into this due diligence policy.	Parties referred to in Article 3(5e)	2
	When participating in the IRBC Agreement for the Renewable Energy Sector under the leadership of the Social and Economic Council of the Netherlands (hereinafter referred to as the "IRBC Renewable Energy Agreement"), the permit holder achieves at least an orange score <sup>38</sup> from the moment the permit becomes irrevocable or – if there is no participation in the IRBC Renewable Energy Agreement – shows at		Parties referred to in Article 3(5f)	2
	Renewable Energy Agreement – shows at least a best-efforts obligation that is comparable to the orange score from the IRBC Renewable Energy Agreement. The permit holder reports on this annually until the wind farm is ready for supply of full power for the test phase.		Parties referred to in Article 3(5g)	2

<sup>&</sup>lt;sup>38</sup> Defined in Section 5.4 of the Explanatory Notes.



	Qualitative criteria	Assessment measure	Pts.	
			Parties referred to in Article 3(5h)	2



Table 5 Criterion: Consumption of raw materials, environmental impact and value retention in the design, construction, operation and removal of the wind farm (Section 25b (3) of the Act and Article 7 (2) of this Ministerial Order). Maximum points: 40

		Qualitative measure	Assessment criterion	Pts.
		1.1 Circular strategies In the application, the applicant substantiates how the design of this wind farm will focus on each of the following circular strategies: (1) reducing the use of raw materials, (2)	The applicant does not address a circular strategy in the substantiation.	0
	substituting raw materials and components, (3) high-quality processing of raw materials and (4) extending the lifespan of the components of the wind farm. For each strategy, the applicant must at least address:	In the application, the applicant substantiates how the design of this wind farm will focus on a single circular strategy referred to in Section 1.1 of this table.	3.5	
		<ul> <li>address:</li> <li>Why the chosen design is appropriate for the relevant circular strategy;</li> <li>What the total additional costs, rounded to fifty thousand euros, are compared to a design where these design choices for implementing the</li> </ul>	In the application, the applicant substantiates how the design of this wind farm is based on two circular strategies referred to in Section 1.1.	7
1	Circular design of a	<ul> <li>chosen circular strategies are not applied for this wind farm;</li> <li>In which phase of development the circular innovations, if applied, are and what the expected development is in the next ten years on an annual</li> </ul>	In the application, the applicant substantiates how the design of this wind farm will focus on three circular strategies referred to in Section 1.1.	10.5
		basis. The applicant undertakes that the design choices described for implementing the chosen circular strategies will be applied for this wind farm.	In the application, the applicant substantiates how the design of this wind farm will focus on all four circular strategies referred to in Section 1.1.	14
	<ul> <li>1.2. Optimisation of the construction and operation phases         <ul> <li>In the application, the applicant substantiates how shipping has been optimised in the construction and operation phases, taking into account the effects on local nature, the environment, climate and lifespan extension of the wind farm's components.</li> </ul> </li> <li>The applicant shall at least address:         <ul> <li>Use of sustainable fuels and/or electrification of the intended ships</li> <li>Transport movements of the intended vessels</li> <li>Noise level of shipping during construction and operation phases</li> <li>Use of antifouling on ships</li> </ul> </li> </ul>	In the application, the applicant does not substantiate how shipping in the construction and operation phases could be optimised to take account of the effects on local nature, the environment, climate and lifespan extension of the wind farm's components.	0	
		<ul> <li>Use of sustainable fuels and/or electrification of the intended ships</li> <li>Transport movements of the intended vessels</li> <li>Noise level of shipping during</li> </ul>	In the application, the applicant substantiates how shipping in the construction and operation phases could be optimised to take account of the effects on local nature, the environment, climate and lifespan extension of the wind farm's components.	6



		Qualitative measure	Assessment criterion	Pts.
		2.1. Raw materials No later than 18 months after the permit for construction and operation of the wind farm becomes irrevocable, the permit holder must submit a report about all raw materials and components, processed in tonnes in the product, on the basis of the life cycle inventory (LCI) requirements from ISO 14044 and on the basis of the Product Decomposition List.		
		The scope of the reporting concerns modules A1- A3 (production phase), A4 and A5 (construction phase) based on the EN 15804_2012+A2 of core processes (infrastructure, operation) and on the basis of the Product Category Rules (PCR) 2007:08 electricity, steam and hot/cold water generation and distribution (5.0.0). For each line in the report, based on ISO 14044 and in accordance with EN 15941:2024, the following are indicated: a. All raw materials and components in type and quantity grouped by module or process, including fuel consumed directly; b. The type and quantity of recycled raw materials, in tonnes incorporated in the product and in % of the total weight;	The applicant does not undertake to provide insight into the qualitative criterion referred to in Section 2.1 of this table.	0
2	Life cycle analysis	c. The quantity and type of critical and strategic raw materials, based on Annex I (Section 1) and Annex II (Section 1) to Regulation (EU) 2024/1252, incorporated in kilograms into the product; d. The quantity and type of biotic raw materials grouped by module or process, based on Annex I of Regulation (EU) 2023/1115; and e. The quantity and type of Substances of Very High Concern (SVHC), based on the European Chemicals Agency (ECHA) candidate list, in kilograms, incorporated into the product. The permit holder provides the data on the basis of a product decomposition list. The product decomposition list is a list of products to be used at least at the level of the Classification of Products by Activity (CPA) with the code up to 6 digits places and in any case relates to the following parts of the wind farm: a. The wind turbine, consisting of a tower (mast), nacelle, rotor blades and any measuring equipment of the wind turbines; b. The foundation including erosion protection and any transition piece; and c. The cabling that connects the individual wind turbines and connects them to a connection point (inter-array cables).	The applicant undertakes to provide insight into the qualitative criterion referred to in Section 2.1 no later than 18 months after the permit has become irrevocable.	3



Qualitative measure	Assessment criterion	Pts.
2.2 Climate No later than 18 months after the permit for the construction and operation of the wind farm becomes irrevocable, the permit holder shall submit a report showing the quantity of: a. Tonnes of CO2 equivalent declared as global warming potential (GWP) total (); and b. Environmental Cost Indicator (ECI) in the production phase (A1-A3), construction phase (A4-A5), operational phase (B1-B4) and end-of-	The applicant does not undertake to provide insight into the qualitative criterion referred to in Section 2.2 of this table.	0
life phase (C1-C4), calculated on the basis of EN 15804+A2:2019 (A+B) and/or ISO 14067:2018 (A), using Ecolnvent 3.9.1. The calculation has been externally validated in accordance with the requirements of a type 3 environmental declaration (ISO 14.025). The permit holder shall provide the data on the basis of a product decomposition list as referred to in qualitative criterion 2.1.	The applicant undertakes to provide insight into the qualitative criterion referred to in Section 2.2 no later than 18 months after the permit has become irrevocable.	3
2.3. Biodiversity The permit holder must submit a report on the impact of the life cycle on biodiversity on the basis of the product decomposition list no later than 18 months after the permit for construction and operation of the wind farm becomes	The applicant does not undertake to provide insight into the qualitative criterion referred to in Section 2.3 of this table.	0
irrevocable. For the impact assessment, the following must be used: ReCiPe2016, IMPACT World+, LC-IMPACT, PBF or BIA+. The permit holder shall provide the data on the basis of a product decomposition list as referred to in qualitative criterion 2.1.	The applicant undertakes to provide insight into the qualitative criterion referred to in Section 2.3 no later than 18 months after the permit has become irrevocable.	3
<ul> <li>2.4. Expected lifespan of wind farm components No later than 18 months after the permit for construction and operation of the wind farm becomes irrevocable, the permit holder must submit a report containing: <ul> <li>A) The expected lifespan in years, including (possible) reuse. The service life is the total usage (operational) phase of the product in years;</li> <li>B) The product warranty in years (possibly determined by law); and</li> </ul> </li> </ul>	The applicant does not undertake to provide insight into the qualitative criterion referred to in Section 2.4 of this table.	0



Qualitative measure	Assessment criterion	Pts.
<ul> <li>C) The number of years of full product support offered with, at least, (preventive) maintenance, repair and availability of spare parts.</li> <li>The report is based on the product decomposition list. The level of detail is formed by individual market products, described on the basis of the Product Decomposition List.</li> <li>The permit holder shall provide the data on the basis of a Product Decomposition List as referred</li> </ul>	The applicant undertakes to provide insight into the qualitative criterion referred to in Section 2.4 no later than 18 months after the permit has become irrevocable.	2
to in qualitative criterion 2.1. 2.5. Reuse of wind farm components No later than 18 months after the permit for construction and operation of the wind farm becomes irrevocable, the permit holder must submit a report outlining to what extent components of the product or the product as a whole can be reused. For each component, described on the basis of the Product	The applicant does not undertake to provide insight into the qualitative criterion referred to in Section 2.5 of this table.	0
Decomposition List, the use case for reuse and an indication of the current state of the market for end-of-life processing are described. The permit holder shall provide the data on the basis of a Product Decomposition List as referred to in qualitative criterion 2.1.	The applicant undertakes to provide insight into the qualitative criterion referred to in Section 2.5 no later than 18 months after the permit has become irrevocable.	2
2.6. Recyclability of wind farm components No later than 18 months after the permit for construction and operation of the wind farm has become irrevocable, the permit holder must submit a report on the extent to which materials and raw materials of components or the product as a whole can be recycled. For each component, described on the basis of the Product Decomposition List, the use case for recycling is	The applicant does not undertake to provide insight into the qualitative criterion referred to in Section 2.6 of this table.	0
described, including the intended application of the recyclate and an indication of the market for end-of-life processing per material and/or raw material. The permit holder shall provide the data on the basis of a Product Decomposition List as referred to in qualitative criterion 2.1.	The applicant undertakes to provide insight into the qualitative criterion referred to in Section 2.6 no later than 18 months after the permit has become irrevocable.	2
<ul> <li>2.7. End-of-life plan for wind farm components No later than 12 months before the expiry date of the permit for construction and operation of the wind farm, the permit holder must submit a report based on the Product Decomposition List containing:</li> <li>a. The status of the component, substantiating whether this component is suitable for reuse, refurbishment, remanufacturing, or recycling, including the intended application of the recyclate;</li> </ul>	The applicant does not undertake to provide insight into the qualitative criterion referred to in Section 2.7 of this table no later than 12 months before the expiry date of the permit for construction and operation of the wind farm.	0



	Qualitative measure	Assessment criterion	Pts.
	<ul> <li>b. The expected residual value of the component; and</li> <li>c. An overview of the necessary documents and permissions to demonstrate the status of the components after the removal of the wind farm.</li> <li>The permit holder shall provide the data on the basis of a Product Decomposition List as referred to in qualitative criterion 2.1.</li> </ul>	The applicant undertakes to provide insight into the qualitative criterion referred to in Section 2.7 no later than 12 months before the expiry date of the permit for construction and operation of the wind farm.	2
2.8 Knowledge sharing The permit holder shall disclose (make public) the data referred to in Sections 1.1 to 2.7 of this table – with the exception of confidential business information.	The applicant does not agree to disclose (make fully public) the promised information under Sections 1.1 to 2.7 of this table - with the exception of confidential business information.	0	
	table – with the exception of confidential	The permit holder undertakes to fully disclose (make public) the promised information under Sections 1.1 to 2.7 – with the exception of confidential business information - no later than 18 months after the permit has become irrevocable.	3



## Table 6 Criterion: Contribution of the wind farm to reducing ecological pressure factors (Section 25b (3) of the Act and Article7 (2) of this Ministerial Order). Maximum points: 40

		Conditions	Assessment criterion	Pts.
		<ul> <li>1.1 Objectives: Reduce the disruptive effect of light on target species during the construction and operation phases and reduce light pollution.</li> <li>Target species: Migratory bird species.</li> <li>Measure: Relative reduction of average light intensity (compared to the current state of the art at the time of submitting of an application) of aeronautical obstacle lights on wind turbines by using</li> </ul>	Not applying ADLS to wind turbines throughout the wind farm during the entire lifespan of the wind farm.	0
		<ul> <li>Aircraft Detection Light System (ADLS).</li> <li>In the explanatory notes, the applicant discusses: <ul> <li>A) The chosen technology and its effectiveness and feasibility; and</li> <li>B) How the application of the measure will be reported to the permitting authority for at least 5 consecutive years after implementation of the measure.</li> </ul> </li> </ul>	Application of ADLS to all wind turbines in the wind farm during the entire lifespan of the wind farm.	10
	Taking measures at IJmuiden Ver Site Gamma-A to reduce	<ul> <li>1.2 Objective: Reduce harbour porpoise disturbance days during the installation of the foundations in the construction phase of the wind farm compared to [the requirements specified] in the IJmuiden Ver Gamma-A Wind Farm Site Decision (WFSD).</li> <li>Target species: Marine mammals.</li> <li>Measure: Reducing harbour porpoise disturbance days during</li> </ul>	Harbour porpoise disturbance days more than 50,000*overplanting factor	0
1	negative ecological effects of the wind farm on locally occurring birds and marine mammals	foundation installation in the construction phase compared to the requirements set in the WFSD. The expected disturbance should be quantified in number of harbour porpoise disturbance days. Where possible, it should be calculated by empirically measured values such as sound frequencies and amplitudes. If these values are not known for a construction technique, the calculation should be substantiated on the basis of current (scientific) knowledge.	Harbour porpoise disturbance days equal to or less than 50,000*overplanting factor and more than 41,250*overplanting factor	5
		The overplanting factor is defined as: <u>number of turbines proposed * power capacity per wind turbin</u> 1000 MW The application's information on the measure(s) to be used must meet the following conditions to be eligible for assessment: A) It explains which measure(s) are applied; B) Insight is given into the methodology used to calculate the number of harbour porpoise disturbance days. These calculations are traceable and reproducible. The	Harbour porpoise disturbance days equal to or less than 41,250*overplanting factor and more than 32,500*overplanting factor	10
		<ul> <li>assumptions are substantiated and are in accordance with the assumptions used in the EIA. The model used must also be substantiated;</li> <li>C) A bandwidth approach is used in the calculation and the values for the worst-case situation are reported; and</li> <li>D) The calculation of porpoise disturbance days must be tested by an independent organisation with expertise in the field of underwater noise and porpoise disturbance days.</li> </ul>	Harbour porpoise disturbance days equal to or less than 32,500*overplanting factor	20



		<ul> <li>1.3 Purpose: Reduce pressure factors in the form of underwater noise during the operational phase.</li> <li>Target species: Marine mammals.</li> <li>Measure: Optimise logistical planning during the operational phase so exposure of target species to underwater noise from ships is</li> </ul>	No application of the measure	0
	<ul> <li>minimised.</li> <li>The application's information on the measure(s) to be used must meet the following conditions to be eligible for assessment: <ul> <li>A) It substantiates how the presence of target species is taken into account; and</li> <li>B) It explains how this is related to the disturbance of other underwater (marine) life.</li> </ul> </li> </ul>		Application of the measure	4
2	Contribute to knowledge and research to reduce negative ecological effects in IJmuiden Ver Site Gamma-A and/or in future Dutch offshore wind farms	<ul> <li>e and o</li> <li>gative gative leffects</li> <li>en Ver ma-A future shore</li> <li><b>2.1 Objective:</b> Contribute to research into monitoring of relevant species on a North Sea scale</li> <li>Measure: The permit holder makes a one-off financial contribution to a fund or agency to be determined</li> </ul>	No financial contribution or less than €1 million	0
			Financial contribution of at least €1 million and less than €1.5 million	3
			Financial contribution of at least €1.5 million	6



## Table 7 Criterion: Contribution to integration of the electricity produced at IJmuiden Ver Site Gamma-A into the Dutchenergy system (Section 25b (3) of the Act and Article 7 (2) of this Ministerial Order). Maximum points: 160

		Conditions for application of the assessment criterion	Assessment criterion	Pts.	
		1.1 The applicant undertakes to stimulate new electricity demand by concluding one or more supply agreements with one or more		0 - 50 MW	0
		business customers who will use the renewable electricity produced by the offshore wind farm for direct or indirect electrification in one or more installations		50 - 60 MW	5
		<b>1.2</b> The installation referred to in Condition 1.1 is not physically operational, present or under construction at the time the period for submitting an application for a permit		60 - 70 MW	10
		for the IJmuiden Ver Gamma-A Site ends (PM DATE).		70 - 80 MW	15
	<ol> <li>Stimulating new electricity demand onshore</li> </ol>		installation referred to in Condition 1.1 will be connected to the electricity grid within a municipality of the province of South Holland (Zuid-Holland). This geographical area is shown in Figure 1.	80 - 90 MW	20
			1.4 The applicant undertakes that the supply agreement, referred to in Condition 1.1, has a minimum term of 48 months and has	The sum total of the capacity that the offshore wind farm permit holder	90 - 100 MW
		a minimum consumption of the renewable electricity produced by the offshore wind farm of 1000 hours per year.	fshore wind agreement(s), for new onshore electricity demand	100 - 110 MW	85
1.		nore permit issuer, no later than 36 months	<ul> <li>will make available to the grid operator without compensation by means of a capacity limitation contract.</li> <li>the tition 1.1 will elivery Date d Energy ivery of e date for nnection for</li> <li>to report econditions ment have rom the grid, in n the ment</li> <li>ondition 1.1</li> </ul>	110 - 120 MW	90
				120 - 130 MW	95
				130 - 140 MW	100
		<ul><li>the site in question.</li><li>1.7 The permit holder undertakes to report annually for four years that the conditions</li></ul>		140 - 150 MW	105
		<ul> <li>applicable to the supply agreement have been met. This will take place from the date of delivery of the offshore grid, in accordance with the date set in the Offshore Wind Energy Development Framework.</li> <li><b>1.8</b> The installation referred to in Condition 1.: is not part of a previously awarded permited to the take taken the taken taken taken the taken taken</li></ul>		150 - 160 MW	110
				160 - 170 MW	115
		for construction and operation of an offshore wind farm.		170 - 180 MW	120



		Conditions for application of the assessment criterion	Assessment criterion	Pts.	
				180 - 190 MW	125
	<b>2.1</b> The capacity limitation contract can be used by the grid operator for a maximum		190 - 200 MW	130	
Allowing a temporary restriction of part	<ul> <li>of 15% of the number of hours in a calendar year for the part of the capacity offered to restrict transmission capacity on the connection of the offshore wind farm.</li> <li>2.2 The permit holder will not receive any compensation for the capacity that is part of the capacity limitation contract for the grid operator to restrict transmission capacity.</li> </ul>	200 - 210 MW	135		
		210-220 MW	140		
2.	of the maximum transport capacity of the wind farm at IJmuiden Ver Site	2.3 The applicant undertakes that the capacity limitation contract will have a term of 48 months from Delivery Date 3 referred to in		220 - 230 MW	145
	Gamma-A without compensation	the Offshore Wind Energy Development Framework: "Delivery of direct current connection"; the date of delivery of the offshore grid for the site in question.		230 - 240 MW	150
		2.4 The applicant undertakes to inform the licensing authority of the capacity to which the capacity limitation contract will apply no later than 36 months after the permit		240 - 250 MW	155
		becomes irrevocable.		250 MW or more	160



#### **Explanatory Notes**

### 1. Reason and objective

The Dutch Climate Act sets a target for a 55% reduction in greenhouse gas emissions by 2030 and climate neutrality by 2050. This is in line with the climate ambitions of the European Union and its aim to accelerate and increase production of energy from renewable sources. The European Climate Act<sup>39</sup> includes a target of 55% emissions reduction by 2030 for each Member State, with further focus on offshore wind energy. On 25 April, the updated schedule for the Dutch Additional Offshore Wind Energy Roadmap was published, with the aim of achieving 21 gigawatts (GW) of installed offshore wind capacity by end 2032.<sup>40</sup>

This Ministerial Order contains the regulations for granting of the permit for Site Gamma-A in the IJmuiden Ver Wind Farm Zone (IJVWFZ). At the same time, the Ministerial Orders for granting permits for Site Gamma-B in IJVWFZ and Site I-A in the Nederwiek Wind Farm Zone (NWWFZ) have also been published. These sites are part of the 21 GW Offshore Wind Energy Roadmap. Together, the three sites offer space for approximately 3 GW.

The originally proposed Site Gamma (2 GW) in IJVWFZ has been split into Sites Gamma-A and Gamma-B (IJV Gamma-A and IJV Gamma-B) with an installed capacity of 1 GW per site. This was decided because it will reduce required investment per wind farm and thus reduce financial risks.

To date, under the Offshore Wind Energy Act, permits for the construction and operation of offshore wind farms have been granted for 14 other sites: Borssele Sites I, II, III and IV, Borssele Innovation Site V, Hollandse Kust (zuid) Sites I, II, III and IV, Hollandse Kust (noord) Site V, Hollandse Kust (west) Sites VI and VII and IJmuiden Ver Sites Alpha and Beta.

The Offshore Wind Energy Act (hereinafter referred to as the Act) is the legal framework underpinning the roll-out of offshore wind energy in the Netherlands. The Act outlines four procedures for granting permits for construction and operation of offshore wind farms, namely: a procedure with subsidies, a comparative test, a comparative test with a financial bid and an auction procedure. This Ministerial Order uses the procedure of a comparative test with a financial bid, as announced in the 31 May 2024 Letter to the House of Representatives.<sup>41</sup>

Pursuant to Section 14a (3) of the Act, market conditions were examined and consultations were held with the Minister of Finance before choosing which procedure to apply. The procedure of a comparative test with a financial bid has been chosen because, in addition to the main objective of realising an offshore wind farm, parties can be stimulated to come up with solution-oriented applications for related social goals, such as integration of the wind farm within the ecological carrying capacity at sea and in the onshore energy system. Solutions that contribute to these goals can ensure that (future) bottlenecks for the construction and operation of offshore wind farms are reduced. By adding a financial bid, parties can also offer a sum of money for the right to build and operate the offshore wind farm, to the extent that there is still financial room in the business case. In this way, any excess profits will go to society.

#### 2. Designation of offshore wind energy sites

Sites are only designated [for development] in a wind farm zone that has been designated in the North Sea Programme. The North Sea Programme is a policy plan adopted under the Water Act. The IJVWFZ

<sup>&</sup>lt;sup>39</sup>Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality, and amending Regulations (EC) No 401/2009 and (EU) 2018/1999.

<sup>&</sup>lt;sup>40</sup> Parliamentary Paper 33561, no. 61.

<sup>&</sup>lt;sup>41</sup> Parliamentary Paper 33561, no. 62.



was designated in the North Sea Policy Document 2009 – 2015, among other things. This policy has continued under the frameworks of the North Sea Policy Document 2016 – 2021 and the North Sea Programme 2022 – 2027.<sup>42</sup> A Wind Farm Site Decision (WFSD) determines where and under what conditions a wind farm may be built and operated. TenneT has been appointed as the offshore grid operator and is therefore responsible for connection of the wind farms to the offshore grid, connection to onshore landing points and integration into the onshore electricity system. In line with the Offshore Wind Energy Development Framework <sup>43</sup> (hereinafter: the Development Framework), TenneT's technical concept is based on substation platforms to which a maximum of 2 GW of wind capacity can be fed in.

Under the conditions of the WFSD, all installed turbines are considered to be part of a wind farm. Any other generation techniques, such as offshore floating solar energy, and other activities, such as energy storage, do not fall under the Act and are not covered by the WFSD or the permit that can be applied for under this Ministerial Order. Other permits are required for these activities, including a permit under the Environment and Planning Act. In addition, other applicable regulations, including the Electricity Grid Code and TenneT's model agreements (Realisation Agreement and a Connection and Transmission Agreement) also apply.

#### 3. Applying for a permit

For granting the permit for construction and operation of a wind farm at the IJV Gamma-A site, this Ministerial Order sets out additional rules in connection with the application, the assessment of the application and the respective weighting of the ranking criteria required in the event that two or more applications are eligible for the permit.

Under the Act, one permit is granted per site. Article 2(1) of this Ministerial Order sets out the period within which applications for the permit for IJV Gamma-A may be submitted. This period runs parallel to the application period for the permit for IJV Gamma-B (Ministerial Order for granting the permit for IJmuiden Ver Wind Farm Site Gamma-B) and the permit for the NW I-A site (Ministerial Order for granting the permit for Nederwiek Wind Farm Site I-A).

Article 2(2) of this Ministerial Order sets the number of applications that can be submitted per applicant to a maximum of one application. Article 2(3) of this Ministerial Order stipulates that legal entities and companies in a group or group company are to be regarded as a single applicant. The definition of 'group or group company' is based on Article 24b of Book 2 of the Dutch Civil Code. A group is (i) an economic unit, (ii) in which legal persons and companies are organisationally linked and (iii) with central or common management. Group companies are legal entities and companies that are linked to each other.

It has been decided to limit the possibility of applications in this way, so that parties can be prevented from submitting strategic applications to increase the chance of obtaining a permit. Alignment with existing definitions and therefore also with existing doctrine of 'group' and 'group society' promotes the comprehensibility of the provision.

If an applicant is part of a group or group company, an organisation chart of the group or group company must be attached to the application, stating the registration numbers in the trade register.

An application will be considered to be made by a partnership if it is submitted by a non-legal entity,

<sup>&</sup>lt;sup>42</sup> North Sea Policy Paper 2016-2021; North Sea Programme 2022-2027.

<sup>&</sup>lt;sup>43</sup> Offshore Wind Energy Development Framework adopted by the Minister in April 2024. https://open.overheid.nl/documenten/71431357-9c64-4fb6-b75d-85f345a8b08c/file

https://open.overheid.nl/documenten/71431357-9c64-4fb6-b75d-85f345a8b08c/file.



consisting of at least two participants not affiliated with a group, that was established for the purpose of carrying out activities, other than as a company, in accordance with the definition in Article 1 of the Framework Decision on National Subsidies of the Ministries of Economic Affairs and Climate Policy and Agriculture, Nature and Food Quality. If several parties jointly establish a company that then submits the application, the application is regarded as an application from this company and not as an application from a partnership.

A resource is made available for the application via the website of the Netherlands Enterprise Agency (RVO). This indicates the address to which the application should be sent. The information and documents that must be submitted with the application are outlined in Articles 3 and 4 of this Ministerial Order. In accordance with Article 3 (5 and 6), it may concern one or more parties.

No costs are charged for processing an application for a permit. Article 5 of this Ministerial Order therefore sets the costs for this at  $\notin 0$ . However, the costs incurred by the Government in preparing the WFSD for Site Gamma-A will be charged to the party granted the permit. This amount is set in Article 9 at approximately  $\notin 18,000,000^{44}$ . This Article also states when and how this amount must be paid. Finally, the party awarded the permit must pay its submitted bid annually, starting in 2031. The permit will specify the period within which and how this must be done.

The rules regarding the bank guarantee or deposit as a suspensive condition referred to in Section 15a of the Act are laid down in Article 10 of this Ministerial Order. Under this regulation, it is also possible for an insurer that has at least a long-term A rating, which has been issued by a rating agency<sup>45</sup>, to issue a deposit. This ensures a level playing field between banks and insurers and also offers the permit holder more opportunities to comply with this suspensive condition. The bank guarantee must be issued by a bank established within the European Economic Area.

## 4. Assessment of applications

#### 4.1 Introduction

Section 1 of these Explanatory Notes explains that the Act provides for four procedures for granting permits for construction and operation of offshore wind farms, namely: a subsidy procedure, a procedure with a comparative test, a procedure with a comparative test plus a financial bid and an auction procedure. In all procedures, the permit will only be granted if it is sufficiently plausible that construction and operation of the wind farm is technically, financially and economically feasible, can be started within the period referred to in Article 5 (2) of this Ministerial Order, and complies with the WFSD. Article 4 of this Ministerial Order contains additional rules regarding these assessment criteria where necessary.

4.2 Assessment of the feasibility of the envisaged planning for the construction of the offshore wind farm The electricity from the IJV Gamma-A site will land on the Maasvlakte. The IJV Gamma-A and Gamma-B sites will be connected by TenneT to the same 2 GW direct current (DC) platform. The updated Development Framework<sup>46</sup>, adopted by the Minister of Climate and Green Growth on PM, includes provisions on the planned delivery procedure and dates for DC connections. The delivery of the planned DC connections requires a separate procedure because, unlike alternating current connections, the entire wind farm must be connected and ready to supply the full power for a DC connection to be tested. Due to the mutual dependencies and obligations between TenneT and the permit holder, set out in the

<sup>&</sup>lt;sup>44</sup> The exact costs still depend on ongoing studies and will be determined in the final Ministerial Order.

<sup>&</sup>lt;sup>45</sup> In accordance with Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies.
<sup>46</sup> Offshore Wind Energy Development Framework adopted by the Minister in April 2024.

https://open.overheid.nl/documenten/71431357-9c64-4fb6-b75d-85f345a8b08c/file, 4.2.2 2 GW DC connections.



Development Framework, to follow this delivery procedure and realise it in accordance with the delivery dates, the applicant is requested in Article 3(3) of this Ministerial Order to state, in the timetable completion of construction and operation of the wind farm, the dates for the start of pulling of the 66 kV cables onto the offshore grid substation platform and being ready to deliver full power for the joint test phase. The final delivery dates for the offshore grid have been set and published before publication of this Ministerial Order in the Development Framework (in Table 4) that was updated on PM.

In view of the delivery dates for the offshore grid, the period referred to in Article 5 (2), of this Ministerial Order has been set at 53 months after the permit has become irrevocable. This is based on the assumption that the permit will become irrevocable on 8 March 2026. The permit can only be granted if, based on the application, it is sufficiently plausible that construction and operation of the wind farm can be started within this period. This period of 53 months therefore only applies to the assessment of the application and not to the periods that will be included in the permit. The periods specified in the permit regulations will be linked to the milestones for delivery of the offshore grid, as stated in the Development Framework.

The permit holder can assume and will be held in the permit to the milestones of the Development Framework, namely: the platform is ready for pulling the 66 kV cables onto the offshore grid platform (cable pull-in), the wind farm is ready to supply full power and delivery of the DC connection. There is a possibility that, due to the objection and appeal procedure that can be initiated by another party, the permit will become irrevocable considerably later than 8 March 2026. If the period between the permit becoming irrevocable and the platform being ready for cable pull-in is less than 48 months, due to an objection and appeal procedure initiated by another party, the Minister of Climate and Green Growth will consult with TenneT and the permit holder and determine a new schedule for the delivery milestones for the grid and wind farm. In that case, the Minister of Climate and Green Growth will, in principle, make use of the option pursuant to Section 15 (4) of the Act to grant an exemption from the obligations to carry out certain activities within certain periods stated in the permit. The Minister of Climate and Green Growth will also, in principle, make use of the option to grant an exemption from the obligations to carry out certain activities within certain periods, if the offshore grid platform is not ready for pulling the 66 kV cables by the delivery date, as stated in the Development Framework. Granting an exemption prevents the bank guarantee or deposit from being forfeited because the permit holder, due to circumstances within the control of the offshore grid operator, can no longer complete the wind farm in time for supply of full capacity and thus cannot meet its obligation.

#### 4.3 Assessment of financial feasibility

The assessment of financial feasibility will take into account, among other things, the combined size of equity and capital commitments. Capital commitments will only be taken into account they meet the definition included in Article 1 of this Ministerial Order. The construction and operation of a wind farm will only be considered financeable if the application shows that the combined size of the applicant's equity and capital commitments is at least 20% of the total investment costs for the wind farm. To determine the combined size of equity and capital commitments, if the applicant is a partnership, the equity and capital commitments of the participants in the partnership and their parent company/companies shall be taken into account at the applicant's request. If the applicant is part of a group, the equity and capital commitments of the parent company will be included at the request of the applicant.

The capital requirement in Article 6 (2) of this Ministerial Order is intended to prevent the permit from being granted to parties that are not financially sound. An applicant may also be sufficiently financially sound on the basis of the assets of others participating in the application. This is explained in Article 6 (3) of this Ministerial Order. The assets of other entities are only taken into account at the request of the



#### applicant.

It is not intended that someone else should be responsible for the applicant's obligations. Therefore, the terms parent and subsidiary in Article 6 of this Ministerial Order must be interpreted broadly. For example, if the applicant is a joint venture, the combined size of the equity and capital commitments of all joint venture partners and their parent companies may be taken into account. In the case of a private limited company in formation, both the assets of the parent company/companies and the founding party can be included. In the case of an application by a limited partnership (hereinafter: CV), in addition to the separate assets of the CV, the combined size of the equity and capital commitments of the managing partner and its parent company/companies can also be included.

The site for which a permit is granted under this Ministerial Order is not located in a territorial sea. Therefore, no right of superficies (building rights) will be established for the construction of installations on the seabed of the site, which will have to be paid for by the permit recipient.

A financial bid must be submitted as part of the application. If an application does not contain a financial bid, the application will be rejected pursuant to Section 25a of the Act. Therefore, to assess the financial and economic feasibility of a project, whether the applicant has taken into account the costs that must be paid under Article 9 of this Ministerial Order and the financial bid this party has made will also be examined.

## 4.4 Permit requirements that may result from the application

After the permit has become irrevocable, the permit holder is obliged to carry out all activities related to the permit in accordance with: the Act; this Ministerial Order; the WFSD; the permit; and the information submitted with the application and on the basis of which the application was assessed in the comparative test, including any conditions for the application of the assessment criteria. In the event of a violation of this obligation, the authority exists to impose an administrative coercion order (Section 27 of the Act) or revoke the permit (Article 17 (2), opening words and (b), of the Act). An applicant should not include any reservations in its application regarding ability to carry out an activity, for example about: obtaining a subsidy; a positive business case; or obtaining a connection from a network operator. This ensures the applications can be assessed fairly. For assessment of an activity from the application, it does not matter whether a subsidy has already been awarded for that activity or has yet to be applied for. After all, the permit holder of IJV Gamma-A is obliged to carry out the activities offered. To receive a subsidy for the activity offered, it is required that the subsidy to be awarded meets the requirements regarding incentive effect, in accordance with the Climate, Energy and Environmental Aid Guidelines (CEEAG), and other requirements that apply to the relevant subsidy scheme. A subsidy for the offered activity that is applied for and granted after the permit application has been submitted or the permit has been obtained, can therefore still have an incentive effect.

The permit conditions will require that, after the permit has become irrevocable, the permit holder reports annually to the permit issuer on: progress on the realisation of wind farm, until it is commissioned; progress on the activities the permit holder has committed to in response to the ranking criterion referred to in Table 4 'Compliance with the principles of the International Responsible Business Conduct (IRBC) Agreement for the Renewable Energy Sector' in the Appendix to this Ministerial Order; and annual electricity production from wind energy (per site and per wind turbine).

If the permit holder is awarded points for Sections 2.1 to 2.6 and 2.8 of Table 5 'Consumption of raw materials, environmental impact and value retention in the design, construction, operation and removal of the wind farm', the permit conditions will include that the permit holder supplies a one-off report with the information promised no later than 18 months after the permit has become irrevocable. The permit conditions will also require the permit holder to report on the plan for the end-of-life phase of the



components of the wind farm, no later than 12 months before the expiry date of the permit, if the permit holder has been awarded points for this.

If the permit holder is awarded points on the basis of Table 7 'Contribution to integration of the electricity produced at IJmuiden Ver Site Gamma-A into the Dutch energy system', the permit will include a provision stating that the permit holder must inform the licensing authority of the manner in which the new electricity demand, in the amount of the capacity offered, will be realised and when it will be operational. The new electricity demand will be operational no later than the date set in the Offshore Wind Energy Development Framework for delivery of the offshore grid for the site in question. In addition, in that case, the permit conditions will state that the permit holder will report to the licensing authority for a period of four years that the conditions applicable to the supply agreement have been met. This will take place from the date of delivery of the offshore grid according to the date set in the Offshore Wind Energy Development Framework.

#### 5. Ranking of applications

#### 5.1 Introduction

Pursuant to Section 25b (4) of the Act, if two or more applications for a permit meet the requirements referred to in Sections 12a and 14 of the Act, the permit is granted according to the ranking based on the three criteria referred to in Article 25b (2) of the Act. In addition, it is possible to lay down further rules on the criteria and to establish additional criteria for the ranking based on Section 25b (3) of the Act, as is the case in this Ministerial Order.

Tables 1 to 7 in the Appendix to this Ministerial Order describe how the ranking criteria are weighed against each other. The emphasis here is on the additional qualitative criteria. In the ranking of applications, the most weight is given to the criterion: 'Contribution to integration of the electricity produced at IJmuiden Ver Site Gamma-A into the Dutch energy system' (Table 7 in the Appendix). Therefore, this criterion receives a maximum of 40% of the total score, with a maximum of 160 points.

It is possible that two or more applications will be awarded the same number of points in the assessment. In that case, the ranking criteria will be weighted in accordance with Article 8 (2 to 8). In this weighting, according to Article 8 (2), the criterion Contribution to integration of the electricity produced at IJmuiden Ver Site Gamma-A into the Dutch energy system' is decisive. If two or more applications per site are still ranked as (joint) highest, Article 8 (3) will be applied, meaning the criterion 'Contribution of the wind farm to reduction of ecological pressure factors' is decisive. In accordance with the above, if necessary, the ranking according to the criterion 'Certainty of realisation of the wind farm' in Article 8 (4) will be applied. If necessary, the fifth and sixth paragraphs, Articles 8 (5 and 6), will then be applied, meaning the ranking will be based on the criterion 'Contribution of the wind farm to energy supply' and the criterion 'Consumption of raw materials, environmental impact and value retention in the design, construction, operation and removal of the wind farm', respectively. Subsequently, if necessary, the principles of the International Responsible Business Conduct (IRBC) Agreement for the Renewable Energy Sector' is decisive. Finally, if necessary, Article 8 (8), concerning the amount of the financial bid, will be applied.

#### 5.2 Amount of the financial bid

Based on the criterion 'Amount of the financial bid' (Table 1 in the Appendix to this Ministerial Order), an application receives more points as the amount offered increases. The maximum number of points can be earned with an annual financial bid of €150 million or more. The financial bid explicitly includes a maximum number of points and an amount to which this maximum number of points is linked. The aim



is to give the criteria referred to in Article 7 (2) of this Ministerial Order an objective form to create clarity for the applicants and assessors of the applications about the way in which the maximum number of points can be achieved. Since the aim is to objectify the additional qualitative ranking criteria in such a way that the differences between applications may be limited, the size of the financial bid offers room for variation between applications. Given the necessary investments and costs required for the additional qualitative ranking criteria and the value of the site, it is not expected that the maximum number of points will be scored on the financial bid. The permit conditions will include that the amount offered in the financial bid must be paid annually by 31 July from 2031 until the end of the permit period. This means the permit holder must pay the offered amount annually for 35 years. This amount will not be indexed. A staggered payment of the financial bid has been chosen, because this gives the permit holder the opportunity to include a large part of this amount in the operational costs of the wind farm and thus reduces the financing requirement for the realisation of the wind farm as a condition precedent for obtaining the permit.

#### 5.3 Certainty of realisation of the wind farm

For the criterion 'Certainty of realisation of the wind farm' (Table 2 in the Appendix to his Ministerial Order), points are awarded based on experience, financial strength and the degree of commitment to internships for future technical personnel. In other words, the more experience the main parties involved in the construction and operation of the wind farm have in realising an offshore wind farm and the greater the combined size of the equity and capital commitments in relation to the investment costs in the wind farm, the more points the application will receive until the maximum number of points for this criterion is reached. An application can also receive points if an applicant has experience in realising other types of offshore energy projects, such as the realisation of mining platforms. In this way, parties that already have experience in carrying out complex offshore projects do not have to hire another party for project management to be ranked higher. This can help reduce development costs. Furthermore, points are awarded if the applicant commits to guaranteed internships for the training of technical personnel during the maintenance period of the wind farm. This can be done by participating in the Wind Netherlands Internships Covenant' or by making an annual amount of €22,000 (the equivalent of two internships) available to an educational institution that offers the relevant elective subjects.

#### 5.4 Contribution of the wind farm to energy supply

For the criterion 'Contribution of the wind farm to energy supply' (Table 3 in the Appendix tot his Ministerial Order), points are awarded based on the amount of electricity the permit holder expects to feed into the offshore grid each year – within the limits of the WFSD. If investments are also made in electricity production from sources other than wind energy, these do not count towards the contribution of the wind farm to energy supply.

## 5.5 Adherence to the principles of the International Responsible Business Conduct Agreement

For the criterion 'Compliance with the principles of the International Responsible Business Conduct (IRBC) Agreement for the Renewable Energy Sector' (Table 4 in the Appendix to this Ministerial Order), an application is ranked higher if it can be demonstrated that the parties, as referred to in Article 3 (5 a, b, c, d e, f, g and h) of this Ministerial Order, apply due diligence in terms of IRBC. Applicants can demonstrate this by:

- Participation in the IRBC Agreement for the Renewable Energy Sector, which is run under the leadership of the Social and Economic Council (SER) (hereinafter: IRBC Renewable Energy Agreement) and the associated annual monitoring of the supply chain(s) of parties, as described in the IRBC Renewable Energy Agreement;
- 2. Participation in another multi-stakeholder initiative comparable to the IRBC Renewable Energy Agreement, monitoring the supply chain of the participating parties in a similar way; or
- 3. Having its own due diligence policy, if there is no participation in the IRBC Renewable Energy



Agreement or a multi-stakeholder initiative comparable to the Agreement. In this case, less points will be awarded, because there is no multi-stakeholder initiative.

The aim of this criterion is to apply a lifecycle and broader sustainability approach by anticipating EU legislation in the field of IRBC in line with the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, the United Nations (UN) Guiding Principles on Business and Human Rights and the IRBC Renewable Energy Agreement signed on 6 March 2023.<sup>47</sup>

The scoring system of the IRBC Renewable Energy Agreement consists of a green, orange and red score. The green score means the participant in the IRBC Renewable Energy Agreement meets the requirements that apply to the relevant number of years they have participated in the Agreement. This is the highest score. The orange score means the participant in the IRBC Renewable Energy Agreement does not fully meet the requirements that apply to the relevant number of years it has participated in the Agreement, but still implements the requirements. The red score means the participant in the IRBC Renewable Energy Agreement does not meet all the requirements and that other participants in the Agreement do not expect the participant to meet these requirements within the current reporting year. The SER annually assesses the requirements of the IRBC Renewable Energy Agreement and awards one of these scores. Participants must show progress in in terms of IRBC each year by, for example, identifying risks in the chain and setting up projects to correct abuses.

If the applicant is awarded points for this criterion, the permit conditions will include a requirement for the permit holder to report annually to the permit issuer on the progress it and its supply chain, as referred to in Article 3 (5 a to h), have achieved in the IRBC Renewable Energy Agreement. The permit holder and its supply chain referred to in Article 3 (5 a to h) must achieve at least an orange score from the moment the permit becomes irrevocable, i.e. either a green or an orange score. This ensures that the permit holder and its supply chain actually take steps in terms of IRBC. To date, all parties already signed up to the IRBC Renewable Energy Agreement have received at least an orange score. Points will only be awarded for participation in the IRBC Renewable Energy Agreement by 31 August 2025 at the latest. RVO will ask the steering committee of the IRBC Renewable Energy Agreement to share information about the scores achieved with them. The steering group is authorised, on the basis of Article 2.2a of the Confidentiality Protocol to the IRBC Renewable Energy Agreement, to take a decision on sharing of this information. In principle, they will vote on this by consensus.

This reporting will take place annually until the wind farm is ready to supply full power for the test phase, as stated in the periods in the permit. The permit will also state that in the event of participation in a similar IRBC multi-stakeholder initiative or without demonstrable participation in it, the permit holder will report annually on the progress on IRBC and will demonstrate at least a progress effort that is comparable to the orange score from the IRBC Renewable Energy Agreement. On 25 July 2024, Directive (EU) 2024/1760 on corporate sustainability due diligence<sup>48</sup> entered into force. This Directive must be implemented in Dutch legislation by 2026 at the latest. After this implementation, large companies are obliged to look at (possible) adverse consequences for human rights and the environment and to prevent, limit or stop these adverse consequences as much as possible. This means that any reporting under this permit may overlap with the statutory reporting obligation that will apply to large companies from 2026.

In the event that the IRBC Renewable Energy Agreement is terminated earlier by a decision of the General Meeting of the IRBC Renewable Energy Agreement, the permit holder must report on the

<sup>47</sup> SER (March 2023)

<sup>&</sup>lt;sup>48</sup> The Corporate Sustainability Due Diligence Directorate (CSDDD).



progress made on IRBC and must demonstrate at least a progress effort that is comparable to the orange score from the IRBC Renewable Energy Agreement.

A multi-stakeholder initiative similar to the IRBC Renewable Energy Agreement must meet the following conditions to be eligible for assessment:

- 1. This multi-stakeholder initiative focuses on renewable energy;
- 2. It includes all six steps of due diligence, as defined by the OECD;
- 3. It has a multi-stakeholder approach with NGOs, trade unions, governments and the business community, which can put forward the different perspectives on the risks of human rights violations and negative environmental impact in the chain; and
- 4. There is a monitoring process, in which the secretariat of the multi-stakeholder initiative or another independent organisation checks the compliance of the participants.

In this tender, points are only awarded for participation in another multi-stakeholder initiative comparable to the IRBC Renewable Energy Agreement if accession has taken place in time for assessment of the applications.

# 5.6 Consumption of raw materials, environmental impact and value retention in the design, construction, operation and removal of the wind farm

#### 5.6.1 Introduction

Increasing geopolitical uncertainty and the need to achieve our economic and sustainability goals towards 2030 and 2050 require an acceleration of the transition to a circular, climate-neutral and autonomous European economy. The Netherlands also stresses that circular measures contribute to climate and energy objectives. Availability of materials is crucial for the feasibility and practicality of the energy transition. The Government wants to strengthen the innovative power of the Netherlands by, among other things, focusing on circular design, production and business models.<sup>49</sup> Through the National Circular Economy Programme (Nationaal Programma Circulaire Economie, NPCE), the Government is committed to the broad raw materials transition. The NPCE includes measures for the manufacturing industry to increase security of supply and, at the same time, reduce the environmental and social impact of raw materials. In addition to the NPCE, the Government is strengthening security of supply of critical raw materials through the National Raw Materials Strategy (Nationale Grondstoffenstrategie, NGS). The European Commission has also set several strategic goals in the European Regulation on Critical Raw Materials to achieve a long-term sustainable economy. The goals aim to strengthen the value chain by striving for a substantial degree of self-sufficiency in strategic and critical raw materials for European consumption. The Government is currently investigating how this can lead to implementing legislation for the aforementioned Regulation.<sup>50</sup>

### 5.6.2 Circular strategies

Basically, the NPCE proposes four strategies to make a design or product more circular. These strategies stem from an advice from the Netherlands Environmental Assessment Agency.<sup>51</sup> These strategies represent a simplified representation of the R-ladder.<sup>52</sup> The four circular strategies are: (1) reducing the use of raw materials; (2) substituting raw materials and components; (3) high-quality processing of raw materials; and (4) extending the lifespan of the wind farm components.

<sup>&</sup>lt;sup>49</sup> Government programme | Government | Rijksoverheid.nl

<sup>&</sup>lt;sup>50</sup> See footnote 49.

<sup>&</sup>lt;sup>51</sup> National Circular Economy Programme 2023 - 2030 | Policy brief | Rijksoverheid.nl

<sup>&</sup>lt;sup>52</sup> The R-ladder indicates the degree of circularity. As a rule of thumb, the higher a strategy (such as refuse and rethink) is on the R-ladder, the more raw material use can be avoided. However, this must be considered per product group. For example, to extend the lifespan of an elevator, it may be necessary to initially use more raw materials so that the elevator lasts longer. This reduces the total use of raw materials and the associated environmental pressure.



For the substantiation required in Table 5, Section 1.1, the applicant must answer the following questions: (1) Why is the chosen (circular) design appropriate for the circular strategy in question?; (2) What are the total additional costs, rounded to €50,000, compared to a conventional design?; (3) In which development phase(s) are the circular innovations, if applied, and what is the expected development over the next 10 years at an annual level?

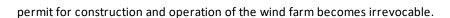
Here, the applicant can refer to the Technology Readiness Level (TRL) or to the production capacity. This information can be used in the future to evaluate the effectiveness, proportionality and feasibility of the circular designs submitted.

In Table 5, Section 1.2, the applicant is asked to substantiate how shipping will be optimised in the construction and operational phases to take account of effects on nature, the environment, the climate and lifespan extension of wind farm components. For example, operation and maintenance activities can be considered in the operational phase. The applicant is asked to at least address the use of sustainable fuels and/or electrification of the intended ships, transport movements of the intended ships, shipping noise level during various phases and the use of antifouling on ships. 'Nature' refers to local fauna in and around the wind farm. 'The environment', for example, relates to particulate matter and nitrogen emissions. 'Effects on the climate' include greenhouse gas emissions. 'Lifespan extension' relates to various forms of preventive and corrective (smart) maintenance. The applicant is only assessed on the fact that it provides insight into the requested optimisation. The applicant will receive full points if the substantiation meets assessment condition.

#### 5.6.3 Life cycle assessment

For Table 5, Section 2, the applicant is asked to commit to producing a number of reports to provide insight into all raw materials and components, greenhouse gas emissions, the impact on biodiversity and various data on the lifecycle of the products used. For cost-effective deployment of offshore wind energy, it is essential that a transition takes place from a linear supply chain to a circular one, which allows for more effective and efficient use of scarce materials and products within future wind sites. It is desirable that regulations are eventually drawn up for the use of materials for wind farm components to protect the environment. At present, regulations to sufficiently safeguard the public value of environmental protection cannot be adequately defined, partly due to the information asymmetry between market parties and the Government. In addition, the wind energy sector is still in the early stages of the transition to circular design. Promoting transparency by means of ranking criteria is a first step in this regard and gives the wind energy sector, as well as the Government, more insight into consumption of raw materials, environmental impact and value retention of the components of an offshore wind farm. Moreover, this type of reporting can ensure the permit holder has sufficient insight into raw material consumption, environmental impact and value retention across the entire chain of wind farms early in the process and continuously throughout all phases of the project. Finally, the prescribed ranking criteria for the entire chain, with regard to the intended and/or applied materials and products, are a necessary first step towards industry standards for the products, materials and services within future wind farms. Finally, there are also process-related improvement opportunities to be achieved within the wind energy sector, such as embracing a sectorspecific Life Cycle Assessment (LCA) methodology. Encouraging this type of reporting will increase transparency about the products and services traded between companies.

For Table 5, Sections 2.1 to 2.6 an applicant will be awarded the points if it undertakes to submit the requested reports to the permit issuer no later than 18 months after the permit for construction and operation of the wind farm has become irrevocable. If the permit holder submits a request to change the turbine modification in the period after 18 months and up to and including 40 months after the permit for construction and operation of the wind farm becomes irrevocable, the permit holder must update the information from section 2.1 to 2.6 and submit it to the permit issuer no later than 48 months after the



For Table 5, Section 2.7, the requested information must be submitted no later than 12 months before the expiry date of the permit for the construction and operation of the wind farm.

## Product Decomposition List

The applicant must submit the (above-mentioned) data based on a Product Decomposition List. The Product Decomposition List is a list of the products to be used at least at the level of the Classification of Products by Activity (CPA) with the code up to six digits places and, in any case, relates to the following parts of a wind farm:

a. The wind turbine, consisting of a tower (mast), nacelle, rotor blades and any measuring equipment of the wind turbines;

b. The foundation, including erosion protection and any transition piece; and

c. The cabling that connects the individual wind turbines and connects them to a connection point (interarray cables).

If the permit holder is awarded points on the basis of Table 5, Sections 2.1 to 2.6, the permit will include a requirement that the permit holder provides the data on the basis of a production decomposition list.

## Raw material and greenhouse gas analysis

Sections 2.1 and 2.2 of Table 5 relate to the scope of the raw materials and greenhouse gas analysis. The wind energy sector does not yet have sector-wide accepted reporting and/or calculation methodologies that provide insight into the consumption of raw materials, environmental impact and value retention of products and materials throughout the value chain of all parts of the wind farm. This can be done, for example, in the form of a standardised LCA or a digital product passport. Such a standard promotes transparency in the sector and makes it easier to compare, assess or share data and assumptions. This allows everyone in the sector to learn from each other, and the sector as a whole can go through the raw materials, environment and climate transition more quickly.

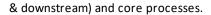
Where possible, the ranking criterion includes internationally accepted methodologies and standards. This is in line with the Product Category Rules (PCR) for LCA for the production and supply of electricity, drawn up in collaboration with the wind energy sector, and with the standard for LCA of construction products that is customary in tenders for the infrastructure of wind farms. The applicant must at all times use the internationally accepted methodologies and standards that apply when producing the raw materials, environment, climate and product analysis.

## Classification of products linked to activities

Sections 2.1 to 2.7 of Table 5 deal with the Classification of Products by Activity (CPA). The CPA provides a common European framework for the comparison of statistical data on goods and services. The CPA forms the basis for the classification of goods and services in the Supply and Use tables for National Accounts. The Netherland's Central Bureau of Statistics (Statistics Netherlands) uses this for the specification of industrial purchases in part of the Production Statistics. The European starting point is that the structure of the CPA must reflect the economic origin of products. The CPA can be seen as the European version of the Central Product Classification (CPC) recommended by the United Nations.

## Scope of raw material consumption and greenhouse gas analysis

Sections 2.1 and 2.2 of Table 5 contain conditions for assessment of the scope of the raw material composition and the greenhouse gas analysis. The usual LCA breakdown is used and is based on modules based on EN 15804\_2012+A2, broken down by the production phase (A1-A3), construction phase (A4, A5), operational phase (B1 to B5) and end-of-life phase (C1 to C4) or the classification of PCR 2007:08 Electricity, steam and hot/cold water generation and distribution (5.0.0), broken down by chain processes (upstream



#### Raw materials

Table 5, Section 2.1, deals with critical, strategic and biotic raw materials and substances of very high concern. Critical raw materials are raw materials that are economically most important and for which the risk of supply being disrupted is greatest. Strategic raw materials are raw materials for which demand is expected to increase exponentially, with a complex production process and a greater risk of supply problems. Biotic raw materials are extracted from living sources, of plant or animal origin (including algae and bacteria). Substances of Very High Concern (SVHC) are substances that are dangerous to humans and the environment, for example because they impede reproduction, are carcinogenic or accumulate in the food chain.

### Environmental Cost Indicator (ECI)

Section 2.2 of Table 5 asks for a report with the Environmental Cost Indicator (ECI). The ECI is a weighted environmental cost indicator commonly used by the Ministry of Infrastructure and Water Management (Rijkswaterstaat) for civil engineering projects to express environmental impact over the entire life cycle of a project into a single score of environmental costs (in Euros). For the ECI, environmental impacts are weighted based on the so-called 'shadow price method'. Each specified environmental effect/impact category (calculated per specified unit e.g. kg CO<sub>2</sub>) is multiplied by a fixed price reflecting the real societal and environmental costs (i.e. the weighting factor for scores is  $\notin$ /unit) and then all scores are added together to give a single overall score for total costs. This ECI is already requested by TenneT in tenders for the offshore grid. The use of ECI within civil engineering is anchored in the circular climate policy of the Minister of Infrastructure and Water Management and the policy is being further scaled up. The underlying LCA method for the ECI or a specific environmental impact such as CO<sub>2</sub> equivalent is identical. There is therefore no question of an increase in the burden by requesting both parts.

#### Environmental Statement

In Section 2.3 of Table 5, the validation of the data by means of an environmental statement<sup>53</sup> is a condition for assessment. The external assessment, as prescribed in the ECI methodology based on the assessment protocol of the National Environmental Database Foundation, meets the requirements of a Type 3 environmental statement. Type 3 (ISO 14025) or Environmental Product Declarations (EDP) are verified by an independent third party. A 'product' refers to the level of the CPA on the 6 digits level.

#### <u>Maintenance</u>

In Section 2.4 of Table 5, insight into product support is requested. Part of this is (preventive) maintenance that can contribute to value retention of products within their value chain. This means maintenance also contributes to value retention after the operational period of the wind farm.

#### **Bundling reports**

The reports for Table 5, Sections 2.1 to 2.6, may be bundled together into a single report.

#### Residual value

Section 2.7 of Table 5 encourages the permit holder to further elaborate on the residual value of the components in the wind farm. By paying attention to value retention, the residual value of the wind farm remains higher. Being able to separate into elements, building components, materials or raw materials increases the value retention of individual products (or components of these products) and thus the residual value of these individual products. The ecological value retention increases as materials, components and products are reused as high as possible on the R-ladder. The R-ladder indicates the degree

<sup>&</sup>lt;sup>53</sup> An environmental statement is a communication and transparency tool that makes it possible to present the environmental impact of a product over its entire life cycle.



of circularity with 'reject/refuse' and 'reconsider/rethink' on the top step to 'reclaim/recover' on the bottom step.

## Knowledge sharing

Section 2.8 of Table 5 asks the permit holder to make the insights, with the exception of confidential information, public. This data is essential to ultimately make a transition to circular offshore wind farms. Above all, this information is needed to ultimately work towards industry standards. The transition towards the circular economy is gaining momentum and it is essential that parties learn from each other. For this reason, the permit holder is asked to make this information publicly available.

## 5.7 Contribution of the wind farm to reducing ecological pressure factors

The North Sea Agreement<sup>54</sup> outlines the ambition that new installations should be realised with the smallest possible negative ecological footprint (Agreement 5.2). In line with this, applicants are encouraged to reduce pressure factors during both the construction and operational phases of the wind farm, focusing on different target species.

The Nature Restoration Regulation<sup>55</sup> highlights the negative effects of artificial light on ecosystems. This light is expected to have a disruptive effect on, among other things, migratory birds. Applicants are therefore encouraged in Table 6, Section 1.1, to reduce the light intensity of top lights (i.e. aircraft warning lights on the nacelle), whenever possible, by means of Aircraft Detection Light System technology.

For the future roll-out of offshore wind energy, it is essential to continue to develop techniques to reduce underwater impulse noise (i.e. foundation pile-driving noise) during the construction phase, measured as the number of harbour porpoise disturbance days. This is in line with Agreements 5.6 and 5.7 in the North Sea Agreement. Various options can be used for this, such as mitigating measures, noise reduction systems, installation of fewer turbines and innovative construction techniques. For Section 1.2 in Table 6, an application will be awarded more points if the number of harbour porpoise disturbance days during the construction phase is reduced - that is, less than the maximum number of harbour porpoise disturbance days allowed under the WFSD. During the operational phase, noise nuisance for marine mammals and other underwater life can also be caused by the use of maintenance vessels in the wind farm. Section 1.3 of Table 6 encourages the applicant to limit this noise nuisance by optimising logistical planning.

For all sections of the criterion, an application is ranked higher the more points it is awarded by the independent expert committee responsible for assessing it. For the criterion in Table 6, various conditions are set for the measures required and these must be met for an application to be evaluated against the assessment criteria. For each measure, the applicant must substantiate that these conditions and assessment criteria have been met. The independent expert committee will assess whether these conditions and assessment criteria have been met.

The impact of the roll-out of offshore wind for certain species is not yet sufficiently known. To be able to give special attention to species for which this impact can only be measured on a North Sea-wide scale, a financial contribution to a fund or organisation, still to be determined, is requested in Table 6 Section 2. More information about this will follow soon. The permit will state that this payment must take place after the permit has become irrevocable and how this will be done.

<sup>&</sup>lt;sup>54</sup> <u>https://www.rijksoverheid.nl/documenten/rapporten/2020/06/19/bijlage-ofl-rapport-het-akkoord-voor-de-noordzee</u> <sup>55</sup> Regulation (EU) 2024/1991 of the European Parliament and of the Council of 24 June 2024 on nature restoration and amending Regulation (EU) 2022/869



## 5.8 Contribution to integration of the electricity produced at IJmuiden Ver Site Gamma-A into the Dutch energy system

#### 5.8.1 General

For the criterion 'Contribution to integration of the electricity produced at IJmuiden Ver Site Gamma-A into the Dutch energy system' (Table 7 in the Appendix), an application is ranked higher if it offers a greater cumulative capacity for the sum total of new electricity demand to be created by means of supply agreements and the amount it makes available under a capacity limitation contract without compensation with the grid operator. The applicant must substantiate that these conditions and the assessment criteria will be met.

5.8.2 Integration of the electricity produced at IJmuiden Ver Site Gamma-A into the Dutch energy system The additional approximately 10 GW of offshore wind – as included in the Additional Offshore Wind Energy Roadmap 2030 to achieve approximately 21 GW of total installed offshore wind capacity – cannot simply be fed into the national high-voltage grid. The development of offshore wind and the realisation of the plans for the development of electricity demand are not necessarily aligned. This can create a (temporary and geographical) difference between electricity supply and demand. At times of high electricity supply, partly as a result of high offshore wind energy generation, this can lead to significant bottlenecks in the onshore electricity grid. If the lagging demand development continues and more offshore wind farms become operational, there may come a time when the offshore grid system operator is forced to withhold the transmission rights for offshore wind farms yet to be developed.

TenneT's grid analysis shows that some congestion points have a high correlation with times of feed-in by offshore wind farms. However, the identified congestion points with a correlation with the feed-in from offshore wind farms are such that they pose a risk to a future-proof roll-out of offshore wind energy. The focus is expected to be on the Krimpen-Geertruidenberg high-voltage connection. The investments proposed for this by TenneT in its latest investment plan (IP2024) will solve the expected congestion, but the necessary grid expansions are not expected to be completed until between 2033 and 2035. This is after (yet to be developed) offshore wind farms, planned under the Additional Roadmap, are due to be put into operation.

Therefore, following the permit tenders for Hollandse Kust (west) Site VII and IJV Site Beta – applicants participating in the permit tender for IJV Sites Gamma-A and Gamma-B are encouraged to take measures to mitigate the extent of anticipated congestion. By encouraging action now, the negative impact of the measures per offshore wind farm will be smaller than if it is limited to the last offshore wind farms to be connected.

Reducing the difference between electricity supply and demand can be done by taking measures on both the demand side and supply side. Measures that stimulate demand development are of the highest social value. The renewable electricity produced is then used to the maximum. In the short term, however, demand is stagnating. It is therefore unclear whether demand development can provide sufficient demand in time to mitigate the anticipated congestion. To be able to supply future electricity demand with the required renewable electricity in a timely manner, permitting of the required offshore wind farms must start now. Therefore, the criterion for integration of the electricity produced at IJmuiden Ver Site Gamma-A into the Dutch energy system consists of two parts, in which the applicant has the opportunity to take measures with regard to both supply and demand:

- 1. Stimulating new electricity demand onshore; and/or
- 2. Allowing a temporary restriction of part of the maximum transport capacity of the wind farm at IJmuiden Ver Site Gamma-A without compensation.



## 5.8.3 Stimulating new electricity demand onshore

By encouraging development of new electricity demand onshore, the aim is to reduce the risk of a difference in supply and demand and the adverse effects thereof. Due to the weather-dependent nature of electricity supply from offshore wind, it will be of added value in the future if demand moves operationally with supply. At present, however, TenneT's task for the electricity grid mainly requires development of demand in general (baseload and flexible). For this reason, this Ministerial Order does not specifically focus on a specific delivery profile. As a result, the total number of potential customers for the electricity produced by the offshore wind farm is larger, which contributes to reducing market and investment risks.

As well as the assessment criterion and associated points for this qualitative criterion on stimulating new onshore electricity demand, Table 7 contains various conditions (Sections 1.1 to 1.8) be met for applying the assessment criterion. Where necessary, these are explained in more detail below.

## Condition for applying the assessment criterion 1.1

New electricity demand is stimulated by an offshore wind farm operator by concluding one or more supply agreements for the renewable electricity produced by the offshore wind farm with one or more onshore business customers. The customer(s) will have to use the renewable electricity produced by the offshore wind farm in one or more installations for direct or indirect electrification. This will alleviate the anticipated congestion and reduce greenhouse gas emissions, thereby contributing to climate objectives, including the objective of developing offshore wind energy.

Direct electrification includes replacing/converting existing fossil fuel-powered installations with/to installations that use renewable electricity. Indirect electrification involves the use of renewable electricity in installations for the production of other energy carriers that can be used to make fossil processes more sustainable. This includes, but is not limited to, production of green hydrogen. It is assumed that the hydrogen or other energy carrier produced leads to the sustainability of a process that uses the hydrogen or other energy carrier as fuel.

## Condition for applying the assessment criterion 1.2

The installation must increase demand for electricity compared to the moment that the period for submitting an application for a permit for IJmuiden Ver Site Gamma-A closes. To make this verifiable, the installation may not be physically operational, present or under construction at the time the permit application period closes.

## Condition for applying the assessment criterion 1.3

To alleviate the anticipated congestion, at times of high feed-in of offshore wind energy, the electricity will have to be absorbed as much as possible between the landing point of the electricity and the congestion point. Therefore, a geographical area has been determined where new electricity demand can be stimulated by means of one or more supply agreements for the consumption of the renewable electricity from the offshore wind farm in one or more installations.

The installation that leads to new electricity demand must be connected to the electricity grid within the geographical area of the province of South Holland. This is shown in Figure 1 for illustrative purposes. In this geographical area, new demand development can contribute to the effective integration of offshore wind energy into the Dutch electricity system.





*Figure 1. Permit tender IJmuiden Ver Site Gamma-A: marking (yellow line) of the geographical area of the province of South Holland wherein new installations that leads to new electricity demand must be connected to the electricity grid.* 

## Condition for applying the assessment criterion 1.4

To ensure the supply agreement leads to the realisation of an installation with new electricity demand that is operational in the energy system for a longer period, the supply agreement for the consumption



of renewable electricity must be agreed for at least 48 months for a period of at least 1000 hours per calendar year from the moment the direct current connection is delivered under Delivery Date 3: "delivery of direct current connection" for the site in question, as referred to in the Offshore Wind Energy Development Framework.

#### Condition for applying the assessment criterion 1.5

When awarding the permit for IJV Site Beta, due to the requirement to monitor the threshold value, it was necessary for the applicant to provide specific insight into the installation to be contracted or contracted with the new electricity demand in the application. This made it possible to assess whether the threshold value could reasonably be monitored by the applicant. In the tenders for IJV Sites Gamma-A and Gamma-B, the threshold value has been abandoned. It is therefore not necessary to have contracted new electricity demand at the time of the permit application or for there to be far-reaching concepts. Reasonable future developments of new electricity demand may be anticipated, which do not coincide in time with the moment of the permit application, but which do have added value and require a supply agreement.

To ensure the installation with the new electricity demand is also reasonably ready in time and operational (Condition 1.6), the permit holder must inform the permit issuer, no later than 36 months after the permit becomes irrevocable, about which installation(s) with new electricity demand has been contracted and for how much capacity, how the installation(s) will be realised and when the installation(s) will be operational. After 36 months, there will still about two years left to operationalise the installation with the new electricity demand before the offshore grid is completed and the offshore wind farm is operational.

These conditions give the supply and demand markets more time to find each other. As a result, it is expected that the total of potential new electricity demand that can be contracted will be larger. This should contribute to both reducing market and investment risks for wind farm developers and stimulating demand development.

Condition 1.5 must be seen in conjunction with Condition 2.4 of the same table. It follows that, no later than 36 months after the permit becomes irrevocable, the permit holder must inform the permit issuer of the assets to which the capacity limitation contract (*capaciteitsbeperkingscontract*, CBC) will apply. This means the permit holder can still fill in the exact distribution between new electricity demand and the CBC without compensation until that moment. The permit holder is obliged to fill in the capacity offered in the application.

#### Condition for applying the assessment criterion 1.6

The anticipated congestion that is correlated with the feed-in of offshore wind energy is the result of times of high wind energy generation and insufficient offtake at the right location. This will occur from the moment the offshore wind farm is fully operational, i.e. from the moment the offshore grid is completed. Therefore, the new electricity demand must also be operational from the date of delivery of the offshore grid in accordance with the Offshore Wind Energy Development Framework.

The Offshore Wind Energy Development Framework sets a specific date by which the developer of the new electricity demand can adjust its planning. If, for whatever reason, delivery of the offshore grid is later than the date in the Development Framework, the permit holder, in consultation with the permitting authority, can agree on a reasonably later date for operationalisation of the new electricity demand.

Condition for applying the assessment criterion 1.7



To establish that the installation with the new electricity demand has been operational in accordance with the conditions attached to the permit and thus to the supply agreement – for example, such as the minimum number of hours, the location, the capacity, the fact that the installation is new and the time of commissioning – the permit holder must submit regular reports on the operations of the installation(s) which will use the renewable electricity from the wind farm. These reports must be submitted every year from the date of delivery of the offshore grid as specified in the Development Framework.

The permit holder will agree with the permit issuer about how the information will be provided. This includes, but is not limited to, the supply agreement(s), proof of the write-off of guarantees of origin for renewable electricity from the wind farm by the installation(s), etc. The permit issuer reserves the right to request additional information.

If a later date has been agreed with the permit issuer, due to delayed delivery of the offshore grid, this obligation will apply from that newly agreed date.

#### Condition for applying the assessment criterion 1.8

An installation with new electricity demand that is already included for a previously awarded permit for an offshore wind farm does not qualify for the points available on the basis of Table 7.

# 5.8.4 Allowing a temporary restriction of part of the maximum transmission capacity of the wind farm at IJmuiden Ver Site Gamma-A without compensation

To offer the applicant more flexibility, this Ministerial Order contains a second option that contributes to reducing the anticipated congestion. In addition to stimulating demand development by concluding one or more supply agreements with business customers, the applicant can also choose to offer part of the capacity offered – as part of this criterion – to the network operator for a CBC without compensation as a restriction on transmission capacity. The CBC may lead to a temporary limitation of the maximum transport capacity on the connection (transmission line) of the wind farm to the electricity grid.

## Condition for applying the assessment criterion 2.1

The part of the capacity offered under a CBC can be used by the grid operator for a maximum of 15% of the number of hours per calendar year, to the extent that this can lead to mitigation of congestion. The grid operator applies the standard rules for congestion management. For the first and last year the CBC applies, this 15% is calculated over the number of hours of the year that the CBC applies.

#### Condition for applying the assessment criterion 2.2

The permit holder does not receive any compensation for the capacity that is part of the CBC for limitation of transmission capacity by the grid operator.

#### Condition for applying the assessment criterion 2.3

The term of the CBC is 48 months from the date of delivery of the offshore grid as specified in the Offshore Wind Energy Development Framework. At the time of publication of this draft Ministerial Order, this is the period until the time it is expected that the expansion of the electricity grid will be completed, which should lead to fewer bottlenecks caused by the feed-in of electricity from the offshore wind farm. After this period, the need to maintain the CBC without compensation will lapse.

#### Condition for applying the assessment criterion 2.4

Condition 2.4 must be seen in conjunction with Condition 1.6 in the same table. This means that, no later than 36 months after the license becomes irrevocable, the permit holder must inform the permit issuer which new electricity demand is stimulated by means of a supply agreement and which capacity is offered within a CBC without compensation. This means the permit holder can still fill in the exact



distribution between new electricity demand and the CBC without compensation until that time. The permit holder is obliged to fill in the total sum of the assets offered in the application.

## 5.8.5 Assessment criterion and points

Sections 1 and 2 of Table 7 have the same assessment criterion with corresponding points scale. Points are awarded on the basis of the total sum of the capacity offered in the application for new electricity demand and capacity for the accepted limitation of the maximum transmission capacity through a CBC without compensation. This offers the applicant flexibility and freedom of choice to implement measures that contribute to alleviating the anticipated congestion at the lowest possible cost, and thus contribute to a more future-proof roll-out of offshore wind energy.

The points system is constructed regressive. This is designed to meet a desired minimum growth of electricity demand in the electricity grid. The first 49 MW therefore receive no points. After that, 5 points are awarded for every 10 MW, with an intermediate jump of 60 points from 100 MW.

#### 6. Legal aspects

Under this Ministerial Order, a permit will be granted for construction and operation of an offshore wind farm. This is a rare permit and therefore potential candidates are given the opportunity to compete for it in a competitive and non-discriminatory manner. Since the procedure for awarding the permit is set up in this way, there is no question of state aid. There would have been a question of granting prohibited state aid in the form of avoided costs for studies in the context of the Environmental Impact Assessment and Appropriate Assessment, which were made by the Minister of Climate and Green Growth during the preparation of the WFSD. To avoid this, these costs are charged to the final permit holder.

#### 7. Consultation

The draft Ministerial Order was consulted from PM November 2024 to PM January 2025 via the RVO website.<sup>56</sup> Prior to this consultation, potential applicants were given the opportunity to express their views on the regulation to be drawn up in writing or orally in a meeting and one-on-one discussions. These meetings and discussions took place in January 2024 and summer 2024. These views have been taken into account where possible. Further clarifications that have been requested will be made available via the RVO website.

[PM: changes compared to consultation version.]

#### 8. Regulatory burden

## 8.1 Introduction

Under this Ministerial Order, the applicant must provide information for the various ranking criteria included. This information is largely already available to applicants, because it is relevant for internal decision-making about the application. It is possible that applications submitted under this Ministerial Order will vary in terms of commitment, preparation time, complexity and size. However, by designing the ranking criteria as objectively as possible, as explained in Section 5 of these Explanatory Notes, it is expected that these differences between applicants will be limited. The degree of objectivity also limits the regulatory burden, because it is clearer in advance which activities are needed to obtain points for the ranking criteria. It is not unusual for permanent employees to make preparations for this (far) in advance of the publication of the Order or, if desired, for additional expertise to be deployed.

<sup>&</sup>lt;sup>56</sup> <u>https://www.rvo.nl/onderwerpen/windenergie-op-zee/ijmuiden-ver.</u>



Determining the administrative burden for this Ministerial Order is therefore mainly an approach based on a number of general principles (see explanation below). The selection of this permit tender procedure is based, among other things, on the results of a confidential market consultation, as explained in Section 7 of these Explanatory Notes. Market parties that have indicated an interest in a site in the IJmuiden Ver and Nederwiek wind farm zones participated in this consultation. This consultation showed that only a very small proportion of market parties prefer a different procedure, such as an auction, which entails less administrative burden.

This Ministerial Order includes similar ranking criteria as in the Ministerial Order for IJmuiden Ver Beta. A total of one permit is available under this Ministerial Order. In accordance with Article 2 (3) of this Ministerial Order, an applicant must submit a maximum of one application. In addition, it is not necessary for applicants to submit proof of financial guarantees from parent organisation(s). This will reduce the regulatory burden compared to the previous Ministerial Orders for Hollandse Kust (west) Sites VI and VII.

#### 8.1 Application

For an application, the applicant must submit information on the basis of which the technical and financial feasibility is assessed. The production estimates are also part of this. Articles 3 and 4 of this Ministerial Order further elaborate on this information obligation, also for the purpose of assessment against the ranking criteria. When calculating the administrative burden, the deployment of approximately 12 full-time jobs over a period of six months and a fixed hourly rate of  $\in 60$  were assumed. This results in approximately  $\notin 748,800$  in administrative costs for submitting an application. Based on the market consultation, it is expected that approximately six applications will be submitted. Total costs for this phase are therefore estimated at  $\notin 4,492,800$ .

#### 8.2 Monitoring/Accountability

During construction of the offshore wind farm, annual reports must be submitted on the progress in realising the wind farm until the time it is commissioned. This requires a brief description of the progress of the project in relation to a number of benchmarks. In this way, it can be assessed when the wind farm can be put into operation and whether this will happen within the set period. The annual obligations are based on four hours per year. This results in approximately €240 per permit. One permit is granted. This brings the annual cost to about €240. For a period of five years, the cost therefore amounts to €1,200.

In addition, the permit holder is subject to a number of reporting obligations based on the ranking criteria, insofar as the permit holder has indicated in its application that it will meet the relevant ranking criteria. In all, the permit holder could report annually on electricity production, number of internships and the contribution of the wind farm to the goals and principles of the IRBC Agreement for the Renewable Energy Sector. Finally, the permit holder could report once on the use of raw materials, environmental impact and value retention in the design, construction, operation and removal of the wind farm.

The reporting obligation on the number of internships is based on eight hours per year. This amounts to annual costs of approximately  $\leq$ 480. During the total operational life of the wind farm (approximately 35 years), these costs amount to  $\leq$ 16,800.

The reporting obligation on electricity production is based on two hours per month. This amounts to annual costs of approximately €1,440. During the total operational life of the wind farm (approximately 35 years), these costs amount to €50,400.

The reporting obligation for the IRBC Agreement is based on one full-time equivalent (FTE) employee per year. This results in approximately €124,800 in costs annually. The permit holder will report every year



until the wind farm is ready to supply full power for the test phase, as stated in the periods in the permit. This is a maximum of five years. For this period, these costs amount to  $\leq 624,000$ .

The reporting obligation for the use of raw materials, environmental impact and value retention in the design, construction, operation and removal of the wind farm is based on half a FTE job for one year. The permit holder will report once, within the period of 18 months after the permit becomes irrevocable. This results in approximately €62,400 in costs.

The criterion 'Contribution to integration of the electricity produced at IJmuiden Ver Site Gamma-A into the Dutch energy system' is subject to an annual reporting obligation for a period of four years, from the moment the wind farm is completed, in which the applicant demonstrates that the conditions for the supply agreement have been met. It is assumed that this costs the permit holder one day per year. This results in an annual cost of approximately  $\xi$ 480. The total cost during the four-year reporting obligation amounts to approximately  $\xi$ 1,920.

The total cost for the monitoring and accountability phase are expected to amount to a maximum of €756,720.

## 8.3 Bank guarantee or security deposit

When applying for a bank guarantee or deposit, the regulatory burden for parties will increase. This is due to the fact that it must be applied for and that a monthly amount will have to be paid during the term of the bank guarantee or deposit. A period of up to five years is assumed between the application and the use of the bank guarantee or deposit for (partial) payment of the amount due. Compared to the other option offered under the law, a security deposit, the regulatory burden with a bank guarantee is relatively greater, due to the additional costs during the term of the bank guarantee. The applicant can choose between a bank guarantee or a security deposit.

Assuming an average security of  $\leq 100,000,000$  and costs of 1% per year, the cost of a bank guarantee comes to an average of approximately  $\leq 1,000,000$  per year. This amounts to approximately  $\leq 5,000,000$  in total.

#### 8.4 Objection procedures

Every applicant has the option to file an objection and then appeal against the award of the permit and the decision on the objection respectively. A total of three objection and appeal procedures are assumed to determine the administrative burden. The costs of objections must be included in the concept of regulatory burden costs. The costs arising from any appeal procedures are not regarded as a regulatory burden, because they are related to the guarantee function of a fair and efficient administration of justice. The administrative burden for objection procedures is approximately €10,000 per procedure. The total one-off cost for objection procedures are therefore expected to be €30,000.

#### 8.5 Total regulatory burden costs

This Ministerial Order potentially results in the following regulatory burden:

Phase	One-off regulatory burden for all applicants combined	Cumulative annual regulatory burden for the permit recipient
Application	€4,492,800	-
Monitoring/accountability	-	€756,720
Bank guarantees	-	€ 5,000,000
Objection procedures	€30.000	-
Total	€6,020,400	€5,756,720



The total for one-off costs of this Ministerial Order therefore amounts to approximately  $\leq 6,020,400$  and total cumulative annual costs amount to a maximum of approximately  $\leq 5,756,720$ , depending on what the applicant promises in its application.

For comparison – to the extent it is possible to give an indication within the margins of uncertainty – at an estimated average electricity price of  $\xi$ 75 per megawatt hour, a 1 GW wind farm, assuming 4000 full-load hours over 35 production years, will have an expected turnover of approximately  $\xi$ 10.5 billion. In this comparison, the one-off regulatory burden costs amount to 0.057% of the expected hypothetical turnover and the cumulative annual costs amount to 0.055% of the expected hypothetical turnover as a percentage.

Finally, this Ministerial Order has no regulatory impact on citizens or small and medium-sized enterprises (SMEs), because they are not expected to submit any applications. Therefore, no SME test was carried out.

## [PM Advisory Board on Regulatory Burden]

## 9. Entry into force

This Ministerial Order shall enter into force on [PM]. This is in accordance with the policy on fixed change dates of Ministerial Orders. The period between publication of the Ministerial Order and the date of entry into force is less than two months. This is justified because the offshore wind sector has already been informed on [PM] of the dates on which applications can be submitted and postponing the entry into force is not in the interest of the offshore wind energy sector or of achieving renewable energy generation targets.

The Minister of Climate and Green Growth,