Department for
Energy Security
& Net Zero

Contracts for Difference Scheme for Renewable Electricity Generation

Allocation Round 8: Clean Industry Bonus Allocation Framework, 2026

This is a draft document. From 16/02/2026, any changes made will be purely to correct errors or provide minor clarifications. The document will remain in draft until the underlying legislation has been approved by parliament.

Department for Energy Security and Net Zero (2026)

DRAFT

OGL

© Crown copyright 2026

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3.

Where we have identified any third-party copyright information you will need to obtain permission from the copyright holders concerned

Contents

1. Title and Application 4
2. Interpretation 4
3. CIB Allocation Framework Overview 6
4. CIB Applications 7
5. General Requirements for CIB minimum Standards and CIB Extra Proposals 9
6. CIB Minimum Standards Requirements 12
7. CIB financial Minimum Standards Proposals 14
8. Determining whether the minimum standards have been met 15
9. CIB Extra Proposals 16
10. General Information to be provided 16
11. Criterion 1 – Investment in shorter Supply Chains 22
12. Criterion 2 – Investment in more sustainable means of production 23
13. Methods to Score CIB Extra Proposals 24
14. Process to request a review 27
15. Process to rank CIB Extra Proposals 29
16. CIB Budget 30
17. Primary Allocation of the CIB Budget 31
18. Release of CIB Statements 32
19. Secondary (discretionary) Allocation of the CIB Budget 34
20. Indexation 38

DRAFT

This is a draft document. From 16/02/2026, any changes made will be purely to correct errors or provide minor clarifications. The document will remain in draft until the underlying legislation has been approved by parliament.

1. Title and Application

1.1 This document may be referred to as the Clean Industry Bonus Allocation Framework ("the CIB allocation framework").

2. Interpretation

2.1 The Clean Industry Bonus refers to the scheme set out in the Contracts for Difference (Allocation) Regulations 2014 and the Electricity Market Reform (General) Regulations 2014, as amended. The scheme is known in the regulations as "Sustainable Industry Rewards" (SIRs). For the avoidance of doubt, Sustainable Industry Rewards as referred to in the regulations have evolved and become the Clean Industry Bonus (CIB). The name SIRs has been superseded, though the regulations and other legal documents may still refer to them.

2.2 "CIB application" means an application made by an eligible generator for the allocation round this document was prepared for, which includes the eligible generator's minimum standards proposals, and CIB extra proposals if any.

2.3 A CIB application may be submitted for a project. A project is defined as a generating station and all units therein entering this allocation round. That is, multiple planned CfD units that form part of the same generating station should submit one CIB application as a project (**see 4.4 and section 6**). Planned CfD units forming part of the same generating station but due to enter a future allocation round need not be included and will be able to submit a different CIB application for the round they will be entered in. The combined capacity of all CfD units within an application must be provided, where the combined capacity remains unknown, an estimate may be made.

2.4 Should a single project contain use of both fixed bottom and FLOW technologies then the eligible generator will need to submit one application for each technology.

2.5 Any reference to "eligible generator", for the purpose of the CIB Allocation Framework, means any eligible generator that is an offshore wind generator, or a floating offshore wind generator regardless of the size of their planned generating station. For the avoidance of doubt, no other technologies are eligible for the CfD Clean Industry Bonus in Allocation Round 8 of the CfD.

DRAFT

2.6 Any reference to the "CfD unit" is a reference to, either the whole of or a subsection of, a generator's generating station that they wish to seek a Contract for Difference for in a given allocation round.

2.7 "CIB minimum standards proposals" mean proposals that fulfil the minimum standards set out in this document. This includes "financial minimum standard proposals", that is a minimum sum that the generator must invest against the stipulated criteria, and monetary contributions to the IGP Delivery Body; and non-financial minimum standards related to the Fair Work Charter.

2.8 "CIB extra proposals" means any CIB proposal that exceeds the minimum standards set out in this document, and that is seeking CIB revenue support.

2.9 Any reference to "£" is to the lawful currency of the United Kingdom.

2.10 All financial metrics in the document, and in any documentation submitted as part of a CIB application, are to be stated in live prices unless otherwise specified. Applications should not be submitted in 2024 prices (contrary to the Allocation Round 7 auction).

2.11 Any reference to "GW" is to gigawatts. Any reference to "MW" is to megawatts.

2.12 Any reference to "Science-Based Targets" is to a Science-Based Target set in accordance with the Science Based Targets initiative (SBTi).[1]

2.13 Any reference to the "contract" is a reference to the eligible generator's Contract for Difference, as allocated in Allocation Round 8.

2.14 Any reference to a "section" or "paragraph" is a reference to a section or paragraph in this CIB Allocation Framework.

2.15 Any reference to the "Fair Work Charter" is a reference to the interim Fair Work Charter for Offshore Wind, applicable to Allocation Round 8.

2.16 Any reference to the "IGP Delivery Body" means the Delivery Body for the Offshore Wind Industrial Growth Plan, as assumed by the Offshore Wind Growth Partnership.

2.17 "Corporate group" encapsulates the following:

i. The company which has the majority of control in another (i.e. the parent company)
ii. A company which is majority controlled by another (i.e. the subsidiary)

[1] https://sciencebasedtargets.org/

DRAFT

iii. A company which is the same structure, but is not majority controlled by the parent company (an affiliate company).

3. CIB Allocation Framework Overview

3.1 This CIB Allocation Framework provides the specific rules for the assessment of CIB applications, the criteria being assessed, the CIB minimum standards and how the CIB budget will be allocated among CIB extra proposals.

3.2 Eligible generators must successfully apply for a CIB Statement if they wish to enter the relevant CfD Allocation Round. To do so, they must submit a CIB application within the CIB application window as set out in Section 4.

3.3 Eligible generators must include in their CIB applications the minimum standard requirements, which include financial minimum standard proposals to invest in supply chains/ports and to make the required contribution[2] to the IGP Delivery Body, and non-financial minimum standards which means signing-up to the Fair Work Charter.

3.4 Eligible generators may also include between one and fifteen CIB extra proposals.

3.5 Both types of proposals (minimum standard and extra proposals) must meet the general requirements set out in Section 5 and must contain the information listed in Section 10 unless otherwise specified.

3.6 Eligible generators must meet the CIB minimum standards as set out in section 6. Eligible generators will only be eligible for the relevant CfD round if they meet the minimum standard. Whether an eligible generator has met the minimum standard requirements will be determined in accordance with the method outlined in section 8.

3.7 Both CIB extra proposals and CIB minimum standards proposals must meet one of the CIB criteria set out in sections 11 or 12.

3.8 Further detailed requirements for CIB minimum standards proposals and CIB extra proposals are set out in sections 6 and 9 respectively.

3.9 The method by which CIB extra proposals will be measured and scored is set out in section 13. Eligible Generators can request a review of a decision determining the eligibility and quality of a CIB application in accordance with section 14.

3.10 CIB extra proposals will be ranked in accordance with the method outlined in section 15.

[2] The government does not set this contribution. It is as set out in the Project Level Financing Agreement (PLFA) between the Offshore Wind Growth Partnership and offshore wind developers. For the purposes of CIBs, the contribution must be made by the time the generator applies for an implementation statement.

DRAFT

3.11 The budget available for allocation to CIB extra proposals will be managed in accordance with section 16.

3.12 The CIB budget will be initially allocated to CIB extra proposals in accordance with section 17.

3.13 CIB Statements may be given to eligible generators in accordance with section 18. A CIB statement will confirm that an eligible generator's application is likely to meet the minimum standard for the whole project. It may also set out, where an applicant has submitted CIB extra proposals, the reward to which an eligible generator may be entitled, and the obligations which must be fulfilled to receive that reward.

3.14 Where the Secretary of State cannot confirm that an eligible generator is likely to meet the minimum standard, a refusal to issue a CIB Statement will be issued ("a refusal notice"). That generator may not enter the CfD allocation round for which their CIB application was prepared.

3.15 Following the relevant CfD allocation round, the unused portion of the CIB budget may be allocated to eligible resubmitted CIB extra proposals as set out in section 19.

3.16 The value of financial CIB minimum standards requirements (other than the IGP contribution if relevant) and the payments for CIB extra proposals will be indexed in accordance with section 20.

4. CIB Applications

4.1 Eligible generators of fixed and floating offshore wind must hold a CIB Statement in order to be eligible to enter CfD Allocation Round 8.

4.2 To obtain a Statement, eligible generators must submit CIB applications within the CIB application window, and commit to meet the relevant minimum standards. The CIB application window will be set out in the relevant notice by the Secretary of State.

4.3 Within 5 working days before the opening of the CIB application window, eligible generators must contact the Department for Energy Security and Net Zero (DESNZ) indicating their intention to submit a CIB application for assessment. This will enable DESNZ to set up a secure online portal through which the generator may submit their application.

DRAFT

4.4 Eligible generators must submit one CIB application per project, as defined in paragraph 2.3 and section 6 during the application period. Applications must not contain more than one technology.

4.5 Eligible generators are not required at the point of application to provide the number or details of any CfD units that may comprise their projects. This information is only required after CfD award results have been released, prior to CfD contract signature (see 6.5).

4.6 The application window will be open for 7 working days. The Secretary of State may extend the application window if they deem it necessary to facilitate the running of Allocation Round 8. The Secretary of State will endeavour to review all applications and set a final budget within 25 working days, starting from the next working day after the application window closes. CIB results will be released no more than 35 working days after the last day of the application window.

4.7 Applications must use the documentary format provided on the GOV.UK website[3].

4.8 If, during the application window, it becomes apparent to DESNZ that an application contains material omissions (for example some information required in the table in paragraph 10.1 is missing), DESNZ will endeavour to notify the eligible generator as soon as is reasonably practicable. However, responsibility to submit an application which contains the necessary information remains with the eligible generator. No responsibility will be taken by DESNZ for failure to submit a complete application which subsequently fails to obtain a CIB statement.

4.9 DESNZ will consider further information supplied by an applicant at any time during the CIB application window or by no later than two working days after the eligible generator has provided additional information following a request by DESNZ. DESNZ will not consider information provided by eligible generators outside of these timeframes and circumstances.

[3] https://www.gov.uk/government/publications/contracts-for-difference-cfd-allocation-round-8-clean-industry-bonus-framework-and-guidance

DRAFT

5. General Requirements for CIB minimum Standards and CIB Extra Proposals

5.1 Financial minimum standards proposals and CIB extra proposals, as defined in Section 2, are jointly referred to in the CIB Allocation Framework as CIB proposals.

5.2 A CIB proposal must be submitted as part of a CIB application by eligible generators only.

5.3 The CIB makes extra CfD funding available if a generator chooses to make investments above the financial minimum standard that meet the sustainability criteria set out in Sections 11 or 12, and if non-financial minimum standards have been met. For the purposes of this CIB Allocation Framework, an investment is defined as any transfer of money between an eligible generator[4] and the recipient of the investment.[5]

5.4 All CIB investments must be made by each successful CfD unit's expected CfD Start Date. This does not apply to minimum standard investments made to the IGP Delivery body.

5.5 Any Investment, other than investments made to the IGP Delivery Body, must be aimed at using, building, acquiring, or improving tangible assets in pursuit of the sustainability criteria set out in Sections 11 and 12. Investments in intangible assets, e.g. skills programmes, R&D programmes etc., do not qualify as a CIB proposal.

5.6 A CIB proposal must be a proposal for investment in either:

i. Ports[6], and/or facilities or firms manufacturing, assembling or installing the following key components[7]:

ii. Blades

iii. Nacelles

iv. Towers

v. Foundations (which can include transition pieces and foundation secondary structures[8])

[4] Including the eligible generator's parent company or subsidiaries, or a third-party acting on behalf of the eligible generator so long as there is clear documentary evidence that they are acting on behalf of the generator

[5] For example, whether a direct investment, a loan, an equity stake, etc

[6] Including the following investments related to the operational expenditure (OpEx) phase: investment in ports aimed at accommodating SOV vessels; or investments in ports aimed at servicing "green" vessels. "Green" vessels are defined as those power by electric, hydrogen or biofuels. Only these OpEx related investments are permitted, all other investments in ports must pertain to the capital expenditure (CapEx) phase of a project.

[7] This can include any testing facility explicitly designed for the purpose of testing the component listed.

[8] For the purposes of this Allocation Framework, foundation secondary structures includes the manufacturing of the secondary steel subcomponents, such as internal and external platforms, boat landings and anode cages; this does not include the assembly of such components.

DRAFT

vi. Export cables

vii. Array/inter-array cables (including dynamic cables)

viii. Electrical Infrastructure (includes all aspects of OFTO/network)

ix. Structural infrastructure (such as offshore substation platforms)

x. Onshore infrastructure (includes onshore substations and all aspects of OFTO/network including installation)

xi. Turbine Installation (includes assembly and laydown areas)

xii. Foundation installation (includes assembly and laydown areas)

xiii. Electrical / Cable installation (export and inter-array, including up to the onshore installation) (includes assembly and laydown areas)[9]

xiv. Vessels (manufacturing or upgrading in a yard)

xv. Mooring and anchoring systems

xvi. Floating substructures, including but not exhaustively, fabrication, assembly, primary input materials, secondary steel, concrete aggregates and concrete batching plants

xvii. Floating assembly and marshalling facilities

5.7 The list above refers to investments in facilities that manufacture or assemble finished products except where otherwise specified[10].

5.8 In the case of installation, the list above refers to investments in assets or infrastructure necessary for such installation activities, or firms that conduct such installation activities.

5.9 For the purposes of this CIB Allocation Framework, “ports” are defined as a harbour or access to navigable water where ships load or unload. “Wet storage areas” outside of Statutory Harbour Authority are nonetheless deemed to be part of the broader “port” that service the wet storage area. CIB proposals do not have to be proportional to the size of the project.[11]

[9] Note: for onshore electrical installation, for the service to be deemed to take place in a ‘deprived area’ as defined in this allocation framework, the location where the installation works are been carried from will need to be in a deprived area, in other words, the location where equipment is stored and operational headquarters are placed. The location where the works are taking place does not count.
[10] There are exceptions under components that relate to floating offshore wind as set out under paragraph 5.6
[11] For example, if a 500MW project wishes to invest in a production capacity greater than the size of its project, it may.

DRAFT

5.10 Investments do not have to relate to the allocation round the application is being prepared for or to the generator's project.

5.11 Any investment made as part of a CIB proposal must have been made after 1 January 2025[12], and before the eligible generator's relevant CfD expected Start Date.

5.12 The investment made as part of the CIB proposal may be delivered by the eligible generator.

5.13 The investment made may also be delivered indirectly by a third party contracted to deliver that proposal. These parties include those listed below:

i. Another generator, that is not the applicant, delivering the investment on behalf of the applicant;

ii. The parent company of an eligible generator;

iii. Subsidiaries of an eligible generator;

iv. Shareholders of an eligible generator;

v. Any members of a joint venture of which an application is part;[13]

vi. Any other third party contracted by the eligible generator to deliver the proposal.[14]

5.14 Any investment delivered by any third party as described in paragraph **5.13** will need to meet all of the rules outlined in this allocation framework.

5.15 An eligible generator that makes a proposal to be delivered by a third party, as described in paragraph 6.14, will need to provide all of the following parts of information listed in the table below:

Part	Information required
1	Evidence that the eligible generator has placed any third party involved in the proposal under the relevant CIB obligations[15].
2	Evidence, where applicable, that any third-party involved has incurred the costs claimed in the CIB application or intends to incur the costs.
3	Evidence that any third-party involved has been fully compensated, or will be fully compensated for the costs incurred, by the eligible generator.

[12] This is the beginning of the financial year when the allocation round takes place.
[13] For clarity, where an applicant is a unincorporated joint venture, any member of the unincorporated joint venture may deliver CIB proposals.
[14] e.g. a supply chain company
[15] There is no requirement for a third party to sign-up to the Fair Work Charter.

4 Evidence that the proposal meets the CIB rules set out in this framework and in the Contract for Difference.

5.16 Eligible generators will be required to have invested the agreed value to the IGP Delivery body, as set out in the IGP Project Level Funding Agreements, as part of their minimum standards (see paragraph 6.1) by the time the generator applies for an implementation statement.

6. CIB Minimum Standards Requirements

6.1 The minimum standard required to obtain a CIB statement from the Secretary of State, necessary to enter the CfD round are comprised of financial minimum standards and non-financial minimum standards. The financial minimum standards are as follows:

i. The total sum invested across all CIB minimum standards proposals must be equal to at least £100m per GW for fixed bottom offshore wind farm (indexed as per section 20).

ii. The total sum invested across all CIB minimum standards proposals must be equal to at least £50m per GW for floating offshore wind farm (indexed as per section 20).

iii. The eligible generator must contribute the total agreed sum towards the Industrial Growth Plan Delivery Body in the timeframe set out by that body, but in any event before the Investment Final Date. The monies invested in the IGP delivery body may count towards the total requirement minimum standard spend set out in paragraphs 6.1.i and 6.1.ii, but this is at the applicant' discretion. The industry agreed sum towards the Industrial Growth Plan Delivery Body for Allocation Round 8 is £10m per GW as set out in the OWIC 2025 Charter.

The non-financial minimum standards are:

iv. The eligible generator and, where relevant, other UK-based service providers must be a signatory of the interim Fair Work Charter, as set out in paragraphs 6.13-18.

6.2 Other than the IGP and Fair Work Charter commitments, the CIB minimum standards proposals an eligible generator submits to meet either 6.1(i) or 6.1(ii) must meet at least one of the criteria set out in sections 11 and 12.

6.3 The eligible generator may choose how to distribute their investments between minimum standards proposals, so long as the total investment proposed is equal to or greater than the sums expressed in paragraph 6.1 above.

6.4 The financial minimum standard applicable to an eligible generator's project will be calculated on the basis of the collective capacity per MW of the project listed in the application.

DRAFT

6.5 The total value of the financial minimum standard will be adjusted if some CfD units within an application fail to obtain a CfD. In this event the new value of the financial minimum standards will be calculated on the basis of the collective capacity per MW of those CfD units which successfully obtained a CfD. The financial minimum standards requirements will then be proportionally assigned to successful CfD units in proportion to each unit's capacity.

6.6 Once the results of the CfD allocation are announced, any applicant that submitted a CIB application for a project (i.e. an application covering several CfD units) must communicate to DESNZ the names and size of their successful CfD units. They must also indicate which extra proposal will be delivered by which CfD units, if any[16]. The applicant has 5 working days after having received a CfD notification to communicate this. The Secretary of State has no more than 10 working days from the date of CfD notification to issue an amended CIB statement. Failure to notify DESNZ in this period will result in the Secretary of State assigning extra proposal(s) to the eligible generators CfD units at random. .

6.7 The total value of the financial minimum standard will be adjusted if the capacity of the project varied by the time of the milestone delivery date, but not thereafter[17]. CIB Statements may be amended to reflect these changes.

6.8 When making a CIB application, if an eligible generator does not yet know the size of the project, they may make an estimate. However, they will be required to deliver the minimum standard as determined by the collective capacity of their successful CfD unit(s) as entered into the relevant CfD application, and as updated by the Milestone Delivery Date.

6.9 Minimum standards expenditure, and non-financial minimum standards, must be delivered, regardless of whether an applicant obtains any CIB funding for CIB extra proposals. Consequences for non-delivery are set out in the Contract for Difference and the Guidance for Fixed Bottom and Floating Offshore Wind Projects on Monitoring the Implementation of Clean Industry Bonus.

6.10 Further to paragraph 6.1(iii), an eligible generator must confirm their IGP commitment by ticking the relevant box on their CIB application sheet. They will be required to demonstrate they have paid the IGP Delivery Body when the generator applies for an implementation statement. This is in line with the timeframe set out in the IGP's Project Level Funding Agreement.

6.11 Contributions made to the IGP Delivery Body to meet the requirement set out in paragraph 6.1(iii) do not need to be invested by the IGP Delivery Body in accordance with the rules and criteria set out in this Allocation Framework. This also applies where an

[16] This does not mean a CIB investment must be confirmed by that point, but it must be assigned to a winning CfD unit.
[17] The only exception is if the project suffers a Relevant Construction Event as set out in the CfD (i.e. major issues disrupting construction).

DRAFT

eligible generator chooses to include the contribution as part of the total sum invested across all CIB minimum standards proposals.

6.12 Organisations required to sign up to the interim Fair Work Charter in order for the Eligible Generator to meet their minimum standard obligations are, as per 6.1.iv., (i) the Eligible Generator and (ii) where such arrangements exist, the UK-based service providers of the generator.

6.13 Service provider here means any entity that is contracted to provide staff[18] to the eligible generator's project which is subject to a CIB application, whether that entity is (i) within the eligible generator's corporate group, (ii) in any other part of the multiple corporate groups that constitute a Joint Venture, or (iii) outside of the eligible generator's corporate group though, for greater clarity, not the suppliers or installers of equipment.

6.14 For greater clarity, "service providers" does not include the occasional loan of individual personnel (e.g. secondees).

6.15 The Eligible Generator must demonstrate that it, and its contracted service providers where relevant, are signatories of the Fair Work Charter no later than the day the CIB application window closes.

6.16 The Eligible Generator, and its contracted service providers where relevant, must remain signed up to the Fair Work Charter in order to fulfil the non-financial minimum standard obligations enshrined in their CfD contract and, thereby, to remain eligible for CIB bonus payments.

7. CIB financial Minimum Standards Proposals

7.1 All eligible offshore wind generators must make one or more CIB financial minimum standard proposals for each CfD unit applying to enter the CfD Allocation Round that, in aggregate, meet the financial minimum standard required to obtain a CIB statement from the Secretary of State and to enter the CfD round, as set out in section 6. The non-financial minimum standards of the Fair Work Charter must also be met as set out elsewhere.

7.2 Investments that fulfil Financial Minimum Standards (referred to as financial minimum standards proposals) do not have to relate to the allocation round the application is being prepared for, nor to the generator's project and CfD units therein[19].

7.3 Financial CIB minimum standards proposals that meet criterion 1 may be made as part of CIB extra proposals, if the generator wishes, for the sake of administrative simplicity.

[18] Staff working in the UK for the purposes of development, construction or installation of the offshore windfarm.

[19] In the event that investments are wholly unrelated to the project listed in the application the generator will simply need to evidence that the correct levels of investment have been made in accordance with the at least one of the criteria, as set out in sections 6 and 7.

DRAFT

However, only the remaining investment cost after the minimum standards have been met in full will be eligible for consideration as an extra proposal, not the whole investment (including that which has been used to meet the minimum standards).

7.4 If one or several proposals as described under paragraph 7.3 do not obtain CIB revenue support throughout the CIB allocation process (i.e. the bid containing a minimum standard proposal within a CIB extra proposal where the CIB extra proposal does not get funding), the eligible generator must either:

i. Deliver the minimum standard element of the relevant proposal(s), or
ii. Rely on separate minimum standard proposals, including backup proposals, if necessary, that in aggregate, meet the minimum standard requirements.

7.5 Alternatively, a generator may submit one or more financial minimum standard proposals that are not included in a CIB extra proposal ("standalone financial minimum standard proposals"). Such proposals may not seek revenue support.

7.6 In the event that CIB extra proposals containing a financial minimum standard proposal made under paragraph 7.3 do obtain revenue support the applicant can rely on these to deliver their financial minimum standard and will not be required to deliver standalone financial minimum standard proposals, so long as the financial minimum standard thresholds as set out in paragraph 6.1 have been met.

7.7 If a financial minimum standard and CIB extra proposal are being merged, the eligible generator must split the investment value that is being attributed to the financial minimum standard and how much is being attributed to the CIB extra proposal.

7.8 Financial Minimum Standard proposals made under Criterion 1 facilities/ports that have not signed up to the Fair Work Charter will not be eligible and will be refused, except where the exceptions set out in this document apply.

8. Determining whether the minimum standards have been met

8.1 CIB minimum standards proposals will be assessed by DESNZ to determine whether eligible generators have met the CIB minimum standards.

8.2 Subject to paragraph 10.3 below, the value of the investment for a CIB financial minimum standards proposal will be the figure provided in response to part 17 of paragraph 10.1.

8.3 The value of investment for an eligible generator's CIB minimum standards proposal will be deemed to be equal to £0.00 if the eligible generator does not provide all of the required information or provides information that is not accurate or truthful as set out in paragraphs 10.3 and 10.4.

DRAFT

8.4 An eligible generator will be considered to have met minimum standards if the following is true:

i. The CIB minimum standards proposal(s) meet at least one of the two CIB criteria outlined in sections 11 and 12.
ii. The aggregate value of the investment as part of the CIB financial minimum standards proposal(s) is equal to or greater than the £100m per GW of capacity for fixed-bottom offshore wind projects or, for floating offshore wind projects, equal to or greater than £50m per GW of capacity (as laid out in paragraphs 6.1(i) and 6.1(ii)).
iii. It has evidenced contributing the industry agreed sum, as set by the Offshore Wind Industry Council, to the IGP Delivery Body (whether or not this figure is included in the financial minimum standard set out above), as set out in paragraph 6.1(iii).
iv. The eligible generator has signed, and/or, where relevant, other UK-based service providers have signed, the interim Fair Work Charter, as set out in paragraph 6.2(i).

8.5 DESNZ will communicate whether the CIB minimum standards have been met or not before CIB extra proposals are ranked.

9. CIB Extra Proposals

9.1 CIB applications may contain between one and fifteen CIB extra proposals. Unlike the previous allocation rounds, variants are no longer a feature.

9.2 Only total capacity of the project must be provided when it comes to a Criterion 2 proposal, in accordance with part 3 of the table in paragraph 10.1. Eligible generators are not required to indicate CfD units that will constitute the project, their numbers or their sizes.

9.3 If the eligible generator is successful in receiving a CIB, the extra proposal investment will feature as part of the required investments agreed to in the CIB statement.

10. General Information to be provided

10.1 Eligible generators must provide the relevant information when submitting CIB proposals, as set out in the table below. The parts of the table that are relevant for each type of CIB proposal are as follows:

i. For CIB “minimum standards” proposals meeting Criterion 1 – Section 2, parts 10-25;

DRAFT

ii. For CIB "minimum standards" proposals meeting Criterion 2 – Section 2, parts 10-20, 22, 25-26

iii. For CIB "financial minimum standards", where a shortlist of possible recipients is provided, recipients must be confirmed no later than the Milestone Delivery Date. At the point at which an eligible Generator confirms the recipient of their minimum standard proposals, whether at application of before the Milestone Delivery Date, all relevant information must be provided. The relevant information required be in line with paragraph 10.1(i) if the proposal is seeking to deliver Criterion 1 and 10.1(ii) if the proposal is seeking to delivery Criterion 2.

iv. For CIB "extra" proposals meeting Criterion 1 – Parts 1-6, 7-9, 28-37, 39-40

v. For CIB "extra" proposals meeting Criterion 2 – Parts 1-6, 7-9, 28-35, 38

Part	Information required
Section 1 – Developer and CfD information	
1	The eligible generator's name.
2	The whole project's name.
3	The gross size of the project in MW.
4	The type for offshore wind technology[20].
5	Eligible Generator's contact details, including: 1. Company address 2. Postcode 3. Authorised representative(s) 4. Preferred contact person(s) 5. Preferred email(s) 6. Preferred contact number(s)
6	Confirmation that the information contained within the application is correct and true to the best of the eligible generator's ability.
7	Summary of investment values and recipients, including: • The value of the investment being made by the eligible generator, excluding any contributions towards the financial minimum standard, expressed to the nearest £0.01. • The name of the company that will be the recipient of the investment.

[20] This is between 1) Fixed Offshore Wind 2) Floating Offshore Wind.

DRAFT

	• The CIB criterion, as set out in sections 11 and 12, that the CIB proposal is seeking to deliver. • Investment proposal number, this is used to identify the same investment in different parts of the application.
8	A list of expected benefits, including: • The total number of Full-time Employees that are expected to be created or supported as a direct result of the investment(s) in total. Please specify on what basis these estimates have been provided (e.g. created or supported). • The total number of Full-time Employees that are expected to be supported by the investment(s) indirectly and in total. • Any other expected benefits.
9	A list of conditions under which the investments will be made.
Section 2 - Minimum Standards Information	
10	Confirmation that the eligible generator commits to meeting the financial minimum standards.
11	Submission of a request for the eligible generator, and where relevant its service provider(s) or other affiliates, to become a signatory of the Fair Work Charter. Requests must be made by an individual with the authority to commit the relevant entities to the Fair Work Charter. Requests can be attached to the application in Microsoft Word or pdf format, or can be emailed to renewablecibs@energysecurity.gov.uk Alternatively, confirmation that such a request has already been submitted in advance to DESNZ may be provided.
12	Confirmation as to whether the eligible generator wishes to include its contribution to the IGP Delivery Body as part of the total sum invested across all CIB minimum standards proposals (this is optional).
13	Confirmation that the eligible generator commits to contributing the industry agreed sum, as set by the Offshore Wind Industry Council and Offshore Wind Growth Partnership, to the IGP Delivery Body in the time frames set out by the Delivery Body.
Eligible generators can either provide a provisional shortlist of suppliers that they may invest in to meet the minimum standard investment requirements (though will still need to confirm their Fair Work Charter and IGP obligations as set out above), or provide a confirmed list of financial minimum standard proposals alongside Fair Work Charter and IGP obligations as set out above. See information required for the shortlist in **part 14**, and information required for confirmed minimum standard proposals in **part 15-26**.	
14	If the eligible generator is proposing a shortlist of suppliers, then it must provide:

DRAFT

	• Which criterion the supplier is qualified under (for criterion 1, DESNZ will only assess location for shortlisted suppliers). • The name of the supplier. • The component(s) being supplied.
If the eligible generator has already confirmed how the minimum standards will be met, then the following information needs to be provided:	
15	The Minimum Standards Proposal number.
16	The CIB criterion, as set out in sections 11 and 12, that the CIB proposal is seeking to deliver.
17	The investment value, expressed to the nearest £0.01, that contributes to the eligible generator's minimum standard requirement. If the proposal makes no contribution (i.e. it does not include a minimum standard proposal), this must be £0.00.
18	The form of the proposed minimum standards investment.
19	Who is making the minimum standard investment.
20	The key component(s) or port (as set out in section 5.6) that the eligible generator proposes to invest in.
21	The purpose of the investment. For example, to increase supply chain capacity, improving or expanding infrastructure required to deploy, reduce carbon emissions, etc.
22	The recipient of the proposed minimum standard investment.
23	Confirmation and evidence that each Criterion 1 supplier has signed the Fair Work Charter. If an exemption applies, state reason and how it relates to the permissible exemptions set out in this document.
24	The location of the recipients of the investment, in the form of a full postal address, with proof of that address (e.g. an official document bearing the address in question). If the recipient of the investment is an organisation with multiple addresses, the address where the purpose of the investment will be realised must be used. If the facility does not yet exist, proof of where the facility is planned to be.[21]
25	The estimated delivery date for the full value of the investment.
26	**For minimum standards proposals that meet criterion 2**, confirmation from the Science Based Targets initiative[22] that the firms invested in by the Generator have committed to or set a

[21] For example, if the eligible generator is investing in a manufacturing facility belonging to a corporate group, the address of the intended facility should be used, not that address of the corporate group's headquarters.
[22] This can be demonstrated through an official communication from the SBTi, a signed SBTi Commitment Letter, or pointing to an entry on the SBTi database.

DRAFT

	Science Based Target, which may include either near-term or long-term targets for the reduction of emissions.
Section 3 – Extra Proposals	
27	The CIB criterion, as set out in sections 11 and 12, that the CIB proposal is seeking to deliver.
28	The value of the investment being made by the eligible generator, excluding any contribution towards the minimum standard, expressed to the nearest £0.01. Investments that are part of a single contract that include several investments as a 'package' (for example, investments related to the turbine which is made up of blades, nacelles, towers etc) should identify which item the CIB proposal relates to and what the investment value is for that item only (e.g. blades OR nacelles, etc). The investment related to the other items in the package should be excluded from the investment value here. Where investments are proposed to be made in multiple component types through a single contract and cannot be disaggregated as set out above, eligible generators can include the full investment value of that contract. In such cases, eligible generators must list all of the components being invested in at part 32 and all recipients of the investment at part 34. All components invested in must be compliant with the list in paragraph 5.6 and all firms invested in must meet one of the CIB criteria as set out in sections 11 and 12.
29	The amount of extra CfD revenue support required by the eligible generator through the Clean Industry Bonus to make the investment/s proposed, expressed to the nearest £0.01.
30	The form the proposed investment.
31	Who is making the investment.
32	The key component(s) or port (as set out in section 5.6) that the eligible generator proposes to invest in.
33	The purpose of the investment. For example, to increase supply chain capacity, improving infrastructure required to deploy, etc.
34	The recipient of the proposed investment.
35	Confirmation and evidence that each Criterion 1 supplier has signed the Fair Work Charter.
36	The location of the recipients of the investment, in the form of a full postal address. If the recipient of the investment is an organisation with multiple addresses, the address where the purpose of the investment will be realised must be used. If the

DRAFT

	facility does not yet exist, please indicate where the facility is planned to be.[23]
37	The estimated delivery date for the full value of the investment.
38	**For extra proposals that meet criterion 2** the number of relevant key components which the eligible generator proposes to be supplied by firms that meet Criterion 2.
39	The total number of Full-time Employees that are expected to be created or supported as a direct result of the investment(s) by year. The total number of Full-time Employees that are expected to be supported by the investment(s) indirectly by year.
40	Confirmation, for Criterion 1, that the eligible generator has provided a statement from the recipient of the investments confirming: • Name of the supplier • The name of the investing party(s) • The amount of the investment to the nearest £0.01 • The address of the facility receiving the investment (confirming **Part 36**). • The list of component(s)/services the investment covers. • The purpose of the investment (confirming **part 30**) • The expected delivery date of the component/service. • The supplier's request to become a signatory of the Fair Work Charter, or confirmation that such a request has already been submitted to DESNZ. Requests must be made by an individual with the authority to commit the supplier to the Fair Work Charter. (NB only suppliers applying for Criterion 1 support need to sign up to the Fair Work Charter. Those applying under Criterion 2 are not required to sign up). A template has been provided. Supplier Statements must contain the above information however developers may make amendments to the template to provide additional information if needed.

10.2 The information provided by eligible generators in response to the table in paragraph 10.1 may be used when drawing up the CIB Statement or used to inform the monitoring process set out in the CIB guidance.

10.3 Eligible generators must provide all of the relevant information, in accordance with paragraph 10.1, for CIB extra proposals to score above 0 points or for CIB minimum

[23] See footnote 21.

DRAFT

standards proposals to be judged to contribute towards meeting the CIB Minimum standards.

10.4 All information provided by eligible generators must be truthful and accurate to the best of the eligible generator's knowledge for CIB extra proposals to be scored above 0 points or for CIB minimum standards proposals to be judged to contribute towards meeting the CIB Minimum standards.

10.5 DESNZ may seek clarification from an eligible generator in respect of their CIB application during the period in which applications are assessed. In such instances, DESNZ will seek clarification by sending a request for additional information. Eligible generators should respond by no later than one working day following the request.

10.6 All documents must be formatted according to the templates provided by DESNZ as part of the CIB allocation process. Documents provided outside of this format will not be considered.

11. Criterion 1 – Investment in shorter Supply Chains

11.1.1 DESNZ may consider a CIB proposal to have met CIB criterion 1 at the time of application if the investment recipient meets all of the following conditions:

i. The recipient is a manufacturing facility, installation firm or port, as defined in paragraph 5.6.
ii. The recipient is located in a UK deprived area as defined in paragraph 11.2.
iii. The recipient is a signatory of the interim Fair Work Charter for Offshore Wind, subject to paragraph 11.3.

11.2 For the purposes of this CIB Allocation Framework, "UK deprived areas" includes only:

11.2.1 Local authorities in England with between 1 and 4 measures of deprivation in the bottom quartile of Department for Levelling Up, Housing and Communities' 'Levelling Up the United Kingdom' dataset[24].

11.2.2 Data zones in Northern Ireland in deciles 1 – 5 on overall deprivation, as defined within the Northern Ireland Multiple Deprivation Measure 2017[25].

[24] Levelling Up the United Kingdom, p.18 https://www.gov.uk/government/publications/levelling-up-the-united-kingdom
[25] https://www.nisra.gov.uk/statistics/deprivation/northern-ireland-multiple-deprivation-measure-2017-nimdm2017

DRAFT

11.2.3 Data zones in Scotland in deciles 1 – 5 on overall deprivation, or ports and port-adjacent areas[26] in deciles 1-2 on the geographic access to services indicator[27], as defined within the Scottish Index of Multiple Deprivation 2020[28].

11.2.4 Data zones in Wales in deciles 1 – 5 on overall deprivation, as defined within the Welsh Index of Multiple Deprivation 2019[29].

11.3 Further to paragraph 11.1(iii), investment recipients are not required to be signatories of the interim Fair Work Charter if they meet the following conditions:

11.3.1 The recipient is a small business with 50 staff or fewer at the time of application. This does not include subsidiaries of businesses with 51 staff or more at the time of application.

11.3.2 A new manufacturing facility that is both not yet in commercial production by the time AR8 CfD results are released, and where the supplier does not have another operational manufacturing facility in the UK.

12. Criterion 2 – Investment in more sustainable means of production

12.1 For the purposes of this CIB Allocation Framework:

12.1.1 Companies that have 'committed' to set targets refers to companies that has signed the SBTi Commitment letter, pledging to set targets within 24 months.

12.1.2 Targets that have been 'set' refers to targets what have been submitted to SBTi for validation, but have not yet been fully reviewed by SBTi.

12.1.3 Targets that have been 'validated' refers to targets which SBTi have confirmed are valid.

12.1.4 Targets that have been 'communicated' refers to targets that have been published by the manufacturer on a public forum (e.g. website).

[26] "Ports and port adjacent areas" are defined as the location of a given port and the surrounding town's city limits.
[27] Data zones in deciles 1-2 on the "geographic access to services" indicator in Scotland have been included as deprived to help capture its most sparsely populated regions.
[28] https://www.gov.scot/collections/scottish-index-of-multiple-deprivation-2020/
[29] https://www.gov.wales/welsh-index-multiple-deprivation

DRAFT

12.2 DESNZ may consider a CIB proposal to have met CIB criterion 2 at the time of application if the investment recipient meets all of the following conditions:

i. The recipient is a manufacturing facility or installation firm as defined in paragraph 5.6.

ii. The recipient is owned or operated by manufacturers that can evidence having set or committed to a Science Based Target[30] by the first day that the CIB application window in open.

12.3 If an eligible generator cannot evidence that the recipients of their investment have at least committed to set Science Based Targets by the first day that the CIB application window is open, the CIB proposal cannot meet Criterion 2. This evidence must take the form of confirmation from the Science Based Target Initiative confirming receipt of the relevant commitments.

12.4 Assuming that the eligible generator is successful in obtaining a CfD in the relevant allocation round, the recipients of the investment must have committed, set, validated and communicated their Science Based Targets by the eligible generator's Milestone Delivery Date. If an eligible generator cannot evidence that the recipients of the investment have done so within this timeframe, the eligible generator will automatically be considered to have not fulfilled the relevant CIB commitment.

13. Methods to Score CIB Extra Proposals

13.1 Following the closure of the CIB application window, DESNZ will assign a score to submitted CIB extra proposals.

13.2 Criterion 1 Proposals will be measured, and receive a "raw score", in accordance with the following formula:

$$\frac{Value\ of\ eligible\ generator's\ investment}{Cost\ of\ the\ CIB\ proposal}$$

13.3 For fixed bottom and floating offshore wind, the "value of the eligible generator's investment" will equate to the value listed in Part 28 of the table in section 10.1. That is the project's proposed expenditure through the CIB extra proposal, expressed to the

[30] https://sciencebasedtargets.org/

nearest £0.01, on an investment that meets Criterion 1 as set out in section 11.

13.4 With regards to CIB extra proposals that include a minimum standards proposal, the share of the investment value made up of the minimum standards will not be included in the value of investment. Only additional investment above the minimum standard will be taken into account when determining the value of the investment for these proposals[31].

13.5 For fixed bottom and floating offshore wind, the "cost of the CIB proposal" will equate to the value listed in Part 29 of the table in section 10.1. That is the amount required by the eligible generator though a Clean Industry Bonus to make the investment proposed as part of the CIB extra proposal, expressed to the nearest £0.01.

13.6 Criterion 1 proposals will receive a score of 0 if:

$$\frac{Value\ of\ investment}{Cost\ of\ CIB\ proposal} \leq 1$$

13.7 Subject to paragraph 13.16, the normalised score will be calculated in accordance with the following formula, to a minimum of 0[32]:

$$\left(\frac{Raw\ score - 1}{14 - 1}\right) \text{x } 100$$

13.8 Criterion 2 proposals will be measured, and receive a raw score in accordance with the following formula:

$$\frac{Proportion\ of\ suppliers\ that\ set\ SBTs\ above\ the\ minimum}{Cost\ of\ CIB\ proposal\ (£m)\ per\ GW\ of\ project\ capacity}$$

13.9 The "proportion of suppliers that set SBTs above the minimum" means the proportion of an eligible generator's suppliers that set SBTs above what would be expected in a

[31] In other words, if the minimum standard is £100m, and a generator makes a proposal that combines a minimum standard proposal and an extra proposal with a total value of £200m, for the purposes of scoring, the value of the CIB Extra proposal is £100m (i.e. £200m minus the £100m minimum standard).

[32] This formula differs from its AR7 counterpart in that it is no longer capped to provide a normalised score of "100" at most. The 'one' in the numerator and denominator represents the C1 lower bound, which has been selected on the basis that applicants can begin scoring when they invest funds into the supply chain at least commensurate with the funding requested.

business-as-usual scenario. The "minimum" is set at 40% for fixed bottom and floating offshore wind[33].

13.10 The "proportion of suppliers that set SBTs above the minimum" will be calculated using the following formula:

$$\left(\frac{Number\ of\ relevant\ key\ components\ supplied\ by\ firms\ that\ set\ SBTs}{Total\ number\ of\ relevant\ key\ components} - 0.4\right) \times 100$$

This will produce a number between -0.4 and 0.6.

13.11 The "number of relevant key components" is provided in Part 38 of the table in section 10.1 for fixed bottom or floating offshore wind. The total number of "relevant key components" will be 13 for fixed bottom offshore wind, 15 for floating offshore wind.

13.12 The "cost of CIB proposal (£m) per GW of project capacity" means the total revenue support (in millions of pounds), by GW of project capacity, required to invest in the proportion of firms signed up to Science Based Targets above the minimum, as defined in paragraph 13.8.

13.13 The "cost of CIB proposal (£m) per GW of project capacity" will be informed by Parts 3 and 29 of the information listed in the table in section 10.1 for fixed bottom and floating offshore wind and will be calculated in the following way:

$$Cost\ of\ CIB\ proposal\ (£m)\ per\ GW\ of\ project\ capacity = \frac{Cost\ of\ CIB\ proposal\ (£m)}{Gross\ size\ of\ project\ (GW)}$$

13.14 Criterion 2 proposals will receive a score of 0 if:

$$\frac{(Proportion\ of\ suppliers\ that\ set\ SBTs\ above\ the\ minimum) \times 100}{Cost\ of\ CIB\ proposal\ (£m)\ per\ GW\ of\ project\ capacity} \leq 0$$

[33] These values have been determined based on historic data submitted to the department.

13.15 Subject to paragraph 13.16, Criterion 2 proposals will receive a normalised, proportional score calculated in accordance with the following formula[34]:

$$\left(\frac{Raw\ score - 0}{14 - 0}\right) \text{x } 100$$

13.16 An eligible generator's CIB extra proposal will be awarded a score of 0 if either or both of the following occur:

13.16.1 The eligible generator fails to provide any of the information listed as set out in paragraph 10.1 for fixed bottom and floating offshore wind.

13.16.2 The eligible generator provides information that is not accurate or truthful as set out in paragraph 10.1 for fixed bottom and floating offshore wind.

13.17 Criteria 1 and 2 are not weighted.

13.18 DESNZ will communicate the score of each CIB extra proposal before the proposals are ranked.

14. Process to request a review

14.1 Eligible generators may dispute the assessment as to whether they have met minimum standards. They may also dispute the score assigned, in accordance with section 13, to any CIB extra proposals they have submitted.

14.2 In the first instance, eligible generators may ask DESNZ[35] to review the assessment of its proposals, setting out the grounds for the review, within 2 working days of receiving the assessment. DESNZ must return its decision on the review within 2 working days.

14.3 DESNZ will not accept dispute resolution requests after the 2 working days allocated for applicants to request a dispute, nor will it accept a request for the deadline to be extended.

[34] This formula differs from its AR7 counterpart in that it is no longer capped to provide a normalised score of "100" at most. The 'zero' within the numerator and denominator represents the C2 lower bound, which has been selected on the basis that applicants can begin scoring when they reach SBT coverage above the prescribed minimum.

[35] DESNZ will provide contact details for appeals when communicating the score of an Applicant's CIB extra proposals.

DRAFT

14.4 If, following the review, the eligible generator wishes to dispute the assessment made of their proposal(s), applicants must ask DESNZ to convene an expert panel to review the proposal. This expert panel will be referred to as the "dispute body".

14.5 An eligible generator may invoke the dispute body on the following grounds:

14.5.1 They wish to challenge any factual errors by DESNZ in the interpretation of the proposals put forward by the applicant.

14.5.2 They wish to challenge that any claim that information as part of an application provided is insufficient or inaccurate.

14.5.3 They wish to challenge any material errors in the calculation of the values of investment or quality of each proposal.

14.6 The dispute body must be requested within 1 working day of receiving the outcome from the review requested under **14.4**.

14.7 Eligible generators should outline where they believe DESNZ inaccurately assessed the information received, for consideration by the expert panel.

14.8 When requesting a review from the dispute body, applicants must submit all of the following part of information listed in the below table:

Part	Information
1	A concise statement identifying the relevant part of the DESNZ assessment in dispute.
2	A concise statement of the facts on which the applicant relies.
3	A summary of the grounds for disputing the DESNZ assessment.
4	A succinct presentation of the arguments supporting each of the grounds for dispute.
5	A schedule listing the documents submitted with the dispute notice.

14.9 Following the request for the dispute body to review an assessment, DESNZ must acknowledge receipt of such a request within 1 working day.

DRAFT

14.10 DESNZ must refer the matter to the dispute body within 1 working day of receipt of the request for the dispute body to review an assessment.

14.11 The dispute body will make a decision on the basis of written submissions alone.

14.12 The dispute body must notify all parties of their recommendation within 5 working days of receiving all relevant information they may require.

14.13 The dispute body may exceed the target of 5 working days if they determine this to be necessary, including but not limited to situations in which there is a large volume of evidence or applicants.

14.14 If the dispute body determines it necessary to exceed the target of 5 working days, DESNZ will inform all parties to the dispute whether, and to what extent, the dispute body need more time to make a recommendation.

14.15 The Secretary of State will take the expert panel's recommendations into account before CIB extra proposals are ranked.

15. Process to rank CIB Extra Proposals

15.1 All CIB extra proposals will be ranked in accordance with their normalised scores. Proposals with higher scores will be ranked above proposals with lower scores.

15.2 Each proposal will be ranked against all other eligible CIB extra proposals received, even if they relate to different CIB criteria.

15.3 In the event that two or more proposals achieve the same normalised score, the following tiebreaker rules may be applied:

15.3.1 If two or more proposals cannot be separated by score and all proposals are criterion 1 bids, those proposals will be ranked according to the amount of investment the eligible generator proposed to make, from highest to lowest amount of investment committed

DRAFT

15.3.2 If two or more proposals cannot be separated by their score and proposals are either all criterion 2 bids, or a mixture of both criteria, those proposals will be ranked in accordance with the amount of extra CfD revenue support required by the eligible generator through the Clean Industry Bonus to make the investment/s proposed, with the proposals that require less extra CfD revenue support ranked above proposals that require more extra CfD revenue support.

15.3.3 If two or more proposals cannot be separated by either of the tiebreakers above, they will be ranked at random using an electronic random assignment process.

15.4 The position in the ranking of each CIB proposal will not be communicated to protect commercial sensitivities.

16. CIB Budget

16.1 The value of the CIB budget will be set out in the CIB budget notice.

16.2 The Secretary of State will issue an indicative CIB budget when the Allocation Framework is published, no later than 10 working days before the CIB allocation process begins.

16.3 The Secretary of State will issue the final CIB budget notice 25 working days after the CIB application window closing date.

16.4 The Secretary of State may revise the budget up or down between the provisional budget notice and the final budget notice.

16.5 The budget will include a minimum amount dedicated to supporting investments in floating offshore wind components. From this point on, we refer to this as “the FLOW sub-budget”. The FLOW sub-budget will only apply to investments in facilities and components vii (only in so far as it relates to dynamic cables), xv, xvi, xvii, as set out in paragraph 5.6. The budget also includes the part of the budget which is not the FLOW sub-budget. From this point on, we refer to this as the “regular budget”.

16.6 CIB extra proposals will be eligible to draw down from both the FLOW sub-budget and the regular budget if the investment is made in facilities and components vii (only in so far as it relates to dynamic cables) xv, xvi, or xvii, as set out in 5.6.

DRAFT

16.7 If the investment is only made in facilities and components that are not vii (only in so far as it relates to dynamic cables) xv, xvi, or xvii, CIB extra proposals will be eligible to draw down from the regular budget only.

17. Primary Allocation of the CIB Budget

17.1 The budget will be allocated in the order in which CIB extra proposals are ranked, as set out in section **15.**

17.2 The regular budget, the FLOW sub-budget will be allocated simultaneously.

17.3 If the cost of the next highest ranking CIB extra proposal is of higher value than the relevant budget(s) remaining, the proposal will not be allocated funding. The next highest ranking CIB extra proposal will then be assessed to see whether funding can be allocated.

17.4 If a proposal is allocated funding, it will draw down from the relevant budget(s) as described below:

17.4.1 If a proposal is eligible to draw down from the regular budget, it will draw down an amount from the regular budget equal to the cost of the CIB proposal.

17.4.2 If a proposal is eligible to draw down from both the regular and a sub-budget it will draw down an amount equal to the cost of the CIB proposal. If the cost of the CIB proposal is of greater value to the FLOW sub-budget, it will be allocated funding from the sub-budget. The remaining outstanding budget will then be allocated from the regular budget up to the total cost of the proposal. No further proposals will then be able to draw from the sub-budget with the next highest-ranking FLOW CIB extra proposal being assessed to see whether funding can be allocated from the regular budget as laid out in section 15.

DRAFT

17.5 The primary allocation of the budget will close at the point when the amount remaining in the relevant budget(s) is of less value than the lowest cost CIB proposal(s) yet to be allocated funding.

18. Release of CIB Statements

18.1 Where an application for a CIB Statement is successful, the Secretary of State will issue the eligible generator with a CIB Statement, confirming:

18.1.1 That their CIB application has met the minimum standards, as set out in section 6 for fixed bottom and floating offshore wind.

18.1.2 Which, if any, of their CIB extra proposals have been awarded CIBs.

18.2 Where an application for a CIB statement is unsuccessful, the Secretary of State will issue the eligible generator with a refusal notice setting out reasons for that refusal.

18.3 The Secretary of State will endeavour to release CIB Statements as soon as practicable following the application window closing.

18.4 Eligible generators must provide a CIB Statement to the National Energy System Operator (NESO) in relation to the relevant project to take part in the CfD Allocation Round. A single CIB Statement will be provided for the whole project that the application pertains to, which will allow all CfD units the developer may define as forming part of the generating station to be eligible for to apply in the CfD round. As per paragraphs 4.5-4.6, this single CIB Statement will be updated post-CfD award notification to reflect the name and size of successful CfD units. CIB Implementation Statements will be delivered per CfD unit rather than per project, as each unit will have its own CfD contract.

DRAFT

18.5 A CIB application for a project must include all capacity entering the round the application is prepared for. Nothing here shall prevent capacity planned to be entered in a future round (e.g. due to a later delivery date) from forming part of a project's application in a subsequent CfD round. Any capacity which fails to win a CfD will also be able to re-apply for a CIB (and CfD) in a subsequent round.

18.6 The Secretary of State will also confirm to the Low Carbon Contracts Company (LCCC), and National Energy System Operator (NESO), which projects are in receipt of a CIB Statement.

18.7 The Secretary of State may withdraw, revise or amend a CIB statement (as appropriate) where it is apparent:

18.7.1 To specify the number and size of units included in the project the CIB application covers, once CfD awards have been issued, as per **paragraph 6.6;**

18.7.2 The statement contains an error;

18.7.3 The information included in, or in support of, a CIB statement was materially incorrect; or

18.7.4 A material change in circumstances relevant to the matter specified in the CIB statement has occurred after the CIB statement is given. Please refer to section 2 of the guidance.

18.8 Eligible generators who are successful in the primary allocation round of the CIB allocation round, and who are successful in the CfD allocation round, will be eligible to receive CIB payment upon the successful delivery of the investments specified in their CIB extra proposals.

18.9 Eligible generators who are unsuccessful in the CfD allocation round, will not be eligible to receive CIB payments.

DRAFT

19. Secondary (discretionary) Allocation of the CIB Budget

19.1 Any CIB amount allocated to generators that are unsuccessful in the CfD round will remain in the CIB budget and can be re-allocated in a "secondary allocation of the CIB budget" at the discretion of the Secretary of State and HM Treasury.

19.2 The secondary allocation of the CIB budget may occur, upon the decision of the Secretary of State and HM Treasury, if they consider that a significant portion of the budget remains underspent because of capacity lost through the CfD auction.

19.3 The remainder of the budget that can be re-allocated in the secondary allocation of the CIB budget will be the unused portion of the budget in its final form, as set by the Secretary of State in the final CfD budget notice. The budget will not be separated into a regular budget and sub-budget(s) at this secondary stage.

19.4 DESNZ will confirm within 30 working days of CfD notifications being issued by the Delivery Body to eligible Generators whether the secondary allocation of the budget has been triggered or not.

19.5 DESNZ will notify qualifying eligible generators that they may bid for the remaining budget in the secondary allocation of the CIB budget. Qualifying eligible generators are those to which all of the following apply:

19.5.1 The eligible generator submitted one or more unsuccessful CIB extra proposals in the primary allocation of the CIB budget.

19.5.2 The eligible generator was successful in at least one bid in the CfD allocation round for a CfD unit within a project the eligible generator has an unsuccessful CIB extra proposal bid for.

19.5.3 The eligible generator has met the minimum standards for the total capacity of the successful CfD unit(s).

DRAFT

19.6 Qualifying eligible generators must notify DESNZ of the CIB extra proposals they wish to be considered in the secondary allocation of the CIB budget within 5 working days of receipt of the notification outlined in paragraph **19.5**.

19.7 Qualifying eligible generators may only resubmit a CIB extra proposal that they submitted in the primary allocation of the CIB budget.

19.8 When qualifying eligible generators resubmit CIB extra proposals, they must not change the following information:

19.8.1 The value of the investment.

19.8.2 The cost of the CIB extra proposal.

19.8.3 The CIB criterion met.

19.9 When qualifying eligible generators resubmit CIB extra proposals, they may change the recipient(s) of the investment.

19.10 The Secretary of State will determine which resubmitted CIB extra proposals are eligible to be considered for the secondary allocation, based on their likely contribution to the development and sustainability of supply chains. The likely contribution to the development and sustainability of supply chains will include the relative value for money of the remaining proposals that have not been awarded CIB funding. All proposals above this eligibility threshold will be considered eligible for the secondary allocation. All proposals below this threshold will not be considered eligible for the secondary allocation.[36]

[36] This means the Secretary of State cannot and will not choose which individual proposals qualify but will apply a quality threshold based on the scores to determine which proposals are above and below that threshold.

DRAFT

19.11 The remainder of the budget will be allocated among eligible resubmitted CIB extra proposals.

19.12 The remainder of the budget will be allocated among these eligible proposals in the same way as originally allocated in the primary allocation of the budget, as set out in **section 17**.

19.13 The secondary allocation of the CIB budget will close at the point when the amount remaining in the budget is of less value than the lowest cost, eligible, proposal/s yet to be allocated funding, or after 30 working days upon notification of the secondary CIB allocation process opening, whichever comes first[37].

19.14 Eligible generators who are successful in the secondary allocation of the CIB budget will be eligible to receive CIB payments upon the successful delivery of the investments detailed in their CIB extra proposal(s).

DRAFT

[37] Note that if the process has overlapped with Contract for Difference signature with the Low Carbon Contracts Company, the CIB Statement can be subsequently varied to include any allocated stage 2 proposals.

DRAFT

20. Indexation

20.1 All CIB payments will be indexed according to the Consumer Price Index.

20.2 CIB payments will be indexed on the basis of the values set out in the eligible generator's CIB Statement.

20.3 Any revenue support allocated to eligible generators will be indexed from January 2026. Indexation will be applied to revenue support payments starting in April 2027.

20.4 The CIB financial Minimum Standard, as set out in this CIB Allocation Framework and other than where relevant the IGP Delivery Body contribution, will be indexed up to the January before the project's Milestone Delivery Date, but not thereafter. The final indexed CIB financial Minimum Standard value will be set out in an updated CIB Statement.

20.5 How payments, and minimum standards will be indexed, will also feature in an eligible generator's CIB Statement or CIB Implementation Statement.

DRAFT

DRAFT

This publication is available from: www.gov.uk/government/publications/contracts-for-difference-cfd-allocation-round-8-clean-industry-bonus-framework-and-guidance

If you need a version of this document in a more accessible format, please email alt.formats@energysecurity.gov.uk. Please tell us what format you need. It will help us if you say what assistive technology you use.