In 2022, USTDA awarded a grant to Aboitiz Renewables to advance offshore wind development in the Philippines.

- In 2022, the U.S. Trade Development Agency (“USTDA”) awarded a grant to Aboitiz Renewables, Inc. (“Aboitiz Renewables”) for a feasibility study to develop up to 3 GW of offshore wind projects in the Philippines.
- The grant awarded by USTDA will help Aboitiz Renewables engage industry experts to conduct technical and economic analysis, identify high potential project sites and deploy up to 3 GW of offshore wind (“OSW”) projects.
Developers, including Aboitiz Renewables, foresee long development time frame, and expect challenges in early stages of OSW adoption.

**Challenges prior to Year 8:**

- **Technology Adoption:** Limited engineering expertise; challenges in project construction
- **Regulatory Framework:** Government support through fiscal incentives is needed
- **Large CAPEX:** Significant investments needed to develop; strong financials needed
- **Port Infrastructure:** Lack of construction and operation ports in suitable sites
- **Transmission Infrastructure:** Existing transmission infrastructure not enough to accommodate capacities
- **Higher LCOE:** Premium compared to onshore wind and solar as LCOE is still to fall

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Pre-Development / Proof of Concept

- **Year 0:** Project leased. Developer has secured concession from the government (WESC in the Philippines)

Year 4: Project permitted. Sufficient permissions have been obtained to enter a PPA

Year 5: Project Final Investment Decision. Milestone after PPA has been secured

Year 8: Project Installed.
The USTDA grant has allowed us to better understand potential OSW sites

- The USTDA grant has allowed us to piece together valuable pieces of information to aid our understanding of OSW sites.
- We have identified high potential sites and have performed key studies.
- Other studies to be conducted include:
  - Economic and financial analysis
  - Development of financing options/plans
  - Regulatory framework review
  - Identification of US sources of supply
  - Implementation plan
Possible US Government initiatives to further assist in OSW development

**Challenges**

- **Technology Adoption**
- **Regulatory Framework**
- **Large Investments**

**Possible USG Initiatives**

- Capacity building for government agencies, project developers, supply chain companies and financial institutions
- Support the development of policy and regulatory framework by sharing case studies on international best practices on OSW projects
- Provide access to climate and other concessional finance funds/grants