



## Exclusive-Colombia makes major changes to auction rules for offshore wind blocks

By Syndicated Content

Dec 2, 2023 | 2:07 AM

By Oliver Griffin

BOGOTA (Reuters) – Colombia has significantly modified the terms for its first-ever offshore wind energy auction, set to receive bids in August next year, with the aim of opening it to as many interested bidders as possible, Energy Minister Andres Camacho said in an interview.

The minister spoke to Reuters on Wednesday ahead of announcing the definitive rules for the tender to license offshore wind blocks at the COP28 climate meeting in Dubai. The launch of the process has been delayed amid ministerial changes this year, and draft rules scheduled for publication in August were released at the end of October.

Those specifications were met with criticism from companies and industry groups, who complained the barriers to entry would be too high for some companies and that the requirement that bidders team up with an unnamed state company caused too much uncertainty.

“What we’re launching now are the definitive specifications that include all those revisions (from interested bidders) and which will be the rules of the game for this process of assigning areas,” Camacho said.

Colombia has set its sights on being the first country in Latin America to develop offshore wind farms, part of the bigger goal by the country’s first leftist President Gustavo Petro to wean the major regional coal and oil producer off its dependence on fossil fuels.

“If we manage to have more foreign investment in this sector than in extractive sectors, we will consolidate the path to transition,” Camacho said.

Changes to the rules cover three key areas, Camacho said, including loosening certain requirements regarding company experience, removing charges for access to information and widening the selection of possible partners that have state involvement.

[ADVERTISE WITH US »](#)

### On Air Now



**Kim Komando Show**

6:00 PM - 9:00 PM

### CURRENT WEATHER



Holland, MI, USA  
38 °F Overcast

[7-Day Forecast »](#)



In September, three sources told Reuters the government wanted to make majority state-owned oil company [Ecopetrol](#) a mandatory partner in offshore wind developments.

The following month, the ministry published a draft of rules which confirmed bidders must have a shareholding agreement with a state company, without specifying which.

Industry groups warned obligatory partnerships with only one state company would be unattractive because bidders' success would depend entirely on the Colombian partner's interest in any given development.

Potential bidders will now be able to choose from a wide array of companies rather than just one, Camacho said.

"It can be any public company, or company with state participation, from the energy sector and there we have a wide range," he said.

He did not name individual companies but suggested Colombia's biggest state-run companies - among them [Ecopetrol](#) - could be most attractive for international businesses.

The partnerships will not be subject to specific requirements on percentage stakes, he said, adding more flexibility will attract the greatest number of potential investors while ensuring a transfer of knowledge to Colombian state companies.

"We're subject more to commercial agreements between companies and the business models they can form," he said.

The government has also relaxed rules dictating which companies can make bids during the process, Camacho said, following comments from industry members.

"We've made adjustments ... introducing some flexibility on experience, so that not just projects in execution are included, but that experience can also be considered for projects that are just starting execution," he said.

The government's National Hydrocarbons Agency (ANH) is running the auction process.

While the ANH has traditionally focused on developing fossil fuels only, new President Orlando Velandia - who assumed his role this week - will oversee the agency's transformation to focus on a range of energy sources, Camacho said.

(Reporting by Oliver Griffin; Editing by Marguerita Choy)



1450 AM • 99.7 FM | WHTC  
Midwest Communications, Inc.

Copyright © 2023. All Rights Reserved.

This site is protected by reCAPTCHA and the Google Privacy Policy and Terms of Service apply.

POWERED BY **SoCast** Digital growth made easy.

## LISTEN

1450 AM in Holland, MI  
99.7 FM in Holland, MI  
Listen on Android Devices

## CONTACT

Studio Line 1: (616) 395-1450  
Business Line: (616) 392-3121  
Text Us at 80373  
Message & data rates may apply.

## MORE

[Privacy Policy](#)  
[Terms of Use](#)  
[Contest Rules](#)


[Listen on Apple Devices](#)

[Listen on Smart Speakers](#)

[Advertise With Us](#)

[Job Opportunities](#)

[Contact Us](#)

[Public Inspection File](#) 

[FCC Applications](#)

[EEO](#)

[Make A Payment](#)