Hometown Futures Institute · Representative Dean JU

Taiwan Offshore Wind Energy: Status, Policy Reset, and Market Inflection Point (Late 2026)

Executive Summary

Taiwan has established itself as the world's fifth-largest offshore wind market and Asia's leader outside China. Driven by post-nuclear transition pressures and semiconductor RE100 demand, the government unveiled an ambitious roadmap targeting up to 27.9 GW by 2039. However, the under-subscribed Round 3.3 auction—closed in September 2026 with only two bidders—exposes structural bottlenecks in project bankability, cost inflation, and corporate PPA (CPPA) execution.

1. Installed Capacity and Long-Term Roadmap

Current Standing: According to the GWEC 2026 Global Offshore Wind Report, Taiwan reached 3.6 GW in cumulative grid-connected capacity by end-2025 (5th globally). Ministry of Economic Affairs (MOEA) data shows 4.9 GW (508 turbines) physically installed as of July 2026, followed by the September 2026 completion of Ørsted's 920 MW Greater Changhua 2b & 4 farms, whose entire output is contracted to TSMC.

2026–2039 Targets: MOEA's medium- and long-term strategy sets capacity targets of 10.9 GW by 2030, 18.3–19.9 GW by 2035, and 24.7–27.9 GW by 2039, anchored by projected corporate green power demand of 40 TWh by 2030 and TSMC's 2040 net-zero pledge. Reflecting earlier delays, GWEC revised its 2030 forecast for Taiwan down from 13.1 GW to 10.9 GW.

2. Policy Reset and the Round 3.3 "Two-Horse Race"

Regulatory Overhaul: Following the EU's WTO challenge over strict Local Content Requirements (LCR), MOEA abolished mandatory localization for Round 3.3 (3.6 GW target) and introduced ESG commitments and execution-capability scoring. To strengthen bankability in a subsidy-free CPPA market, authorities also added a floor purchase price of NT$2.29/kWh (~US$72/MWh) alongside national loan guarantees.

Under-Subscription & Site Overlap: When Round 3.3 closed on September 30, 2026, only two developers submitted bids: CIP (Fengmiao 3, 1,150 MW) and Ørsted (Dadu 1, 924 MW). Because the two sites largely overlap, selection rules may yield a single winner—capping actual awarded capacity at roughly 1.5 GW (including a 0.5 GW expansion pool from terminated sites), far below the 3.6 GW target. Results are expected by end-2026, with unallocated volume rolling into Round 3.4 (2027).

Pipeline Attrition: Of the 4.43 GW allocated in Rounds 3.1 and 3.2, only ~2.4 GW remains active following high-profile exits and terminations (including EDF, Corio's Haiding 2, and Lealea Group's Haixia 1 & 2) amid inflation and geopolitical cost uncertainty.

3. Next Frontier: Floating Offshore Wind Demonstration

MOEA is finalizing rules in Q4 2026 for a floating offshore wind demonstration program, with applications and selection scheduled for 2027. The scheme relies solely on a 20-year Feed-in Tariff (FIT) without upfront capex grants, with draft tariff rates expected by end-2026 (industry proposals range around NT$6–10/kWh).

4. Policy Takeaways for Korea and Regional Energy Planning

Flexible Supply Chain Policies: Rigid localization mandates trigger trade disputes and cost escalation, driving developer exits; ESG-linked, incentive-based frameworks offer a more sustainable path.

Bankability Over Headline Volume: In CPPA-driven markets, credible price floors, state credit guarantees, and reliable grid timelines matter more than headline auction capacity.

Predictable Execution: Meeting 2030 milestones requires synchronizing permitting, financing, and local stakeholder alignment well ahead of auction dates.

(Prepared as of November 2026 / Main sources: Taiwan's Energy Administration, Ministry of Economic Affairs (MOEA); the Global Wind Energy Council (GWEC) 2026 report; Renewable Energy Institute; BVG Associates; and others.)

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