

REPORT TO INFRASTRUCTURE SERVICES COMMITTEE – 22 AUGUST 2019

RESPONSE TO SCOTTISH GOVERNMENT CONSULTATION ON PROPOSALS TO DESIGNATE NEW MARINE PROTECTED AREAS IN SCOTTISH WATERS

1 Recommendations

The Committee is recommended to:

- 1.1 Consider and provide feedback on the draft response at Appendix 1, to the consultation on proposals to designate New Marine Protected Areas in Scottish waters; and
- 1.2 Delegate authority to the Head of Economic Development and Protective Services, following consultation with the Chair, Vice Chair and Opposition Spokesperson of the Infrastructure Services Committee, to submit the final response prior to the 30th August deadline; the response to include comments from both this Committee and the Banff & Buchan Area Committee (which meets on the 20 August).

2 Background / Discussion

- 2.1 Scottish Government is consulting on the creation of four new Marine Protected Areas to add to the existing Scottish network as part of the UK's international obligations to the marine environment. Three of the sites are in West Scotland. The fourth is the Southern Trench proposed Marine Protected Area (pMPA) which lies off the Aberdeenshire coast between Peterhead and Buckie. The four pMPAs were originally identified in 2012 since when additional assessment work has been undertaken by Scottish Natural Heritage (SNH) to supplement the evidence base underpinning the designation. That work has now been completed and SNH has advised Scottish Government that the pMPAs now meet the selection guidelines and that their designation will help ensure that the enlarged national network of protected areas will more fully represent the range of marine habitats found in Scotland and will thereby contribute to safeguarding the marine environment and its dependent biodiversity. The consultation, which closes on 30 August 2019 is at <https://www2.gov.scot/Topics/marine/marine-environment/mpanetwork/developing/consultation>
- 2.2 As part of the MPA selection process, social and economic consequences of designation are considered along with potential displacement issues, whether reasonable alternative sites exist and whether there are likely to be any adverse effects. The new pMPAs are considered to provide beneficial environmental effects and add to the existing network but some potential adverse effects have been identified, including the displacement of fishing activity. Any management measures which might arise in future and impinge on fishing or other activity within the pMPA will be subject to further consultation. Importantly, SNH has advised that the conservation status of the

Southern Trench site is favourable and that the objective of the designation is to maintain the current features in favourable condition for the particular benefit of minke whales and marine creatures living in burrowed mud on the trench floor.

- 2.3 The Southern Trench is an ancient glacial meltwater channel up to 250m deep in which warm and cold waters meet in a 'front'. The resulting mixing effect supports an abundance of biodiversity and is an area of high productivity for fish and cetaceans, particularly minke whales. Minke whales are sensitive to underwater noise and entanglement in static fishing gear (creels) and also collision with vessels. SNH management advice to reduce these pressures includes the adoption of best practice to reduce disturbance from noisy activities, to reduce the risk of collisions and entanglement, and to avoid targeted fishing of sand eels (an important food source) and to minimise the impact upon their habitat. The soft mud on the trench floor is home to many species including nephrops and crabs. As the site is currently in good condition, SNH advice includes the adoption of best practice in minimising the footprint of new developments (e.g in renewable energy generation and/or transmission) and suggests some limitations on the use of demersal fishing gear in burrowed mud habitat. However, as advised above in 2.2, any future need for fisheries management measures will be considered separately with further stakeholder discussion, assessment and public consultation.
- 2.4 The associated Sustainability Appraisal considers in detail potential environmental, social and economic effects of designation upon all four pMPAs across the range of potential management scenarios and the alternative options set out in the Strategic Environmental Assessment (SEA) and the Socio-Economic Impact Assessment. (SEIA). Three suggested scenarios (upper, intermediate and low) are provided - for indicative impact purposes only. Firm proposals will be subject to further consultation. Where possible the Sustainability Appraisal's estimates of impacts and benefits of designation are quantified in monetary terms using standard GVA modelling and economic multipliers.
- 2.5 Regarding the Southern Trench, the Appraisal firstly considers the impact upon Carbon Capture and Storage activity in the area and notes the ECT Acorn project pipeline would run through the proposed MPA. Cumulative cost estimates range from £5,000 to £554,000 over 20 years (main variable is survey costs). The potential annual average loss of commercial fish landings arising from designation ranges from zero (low) to £467,000 (upper). The estimated impact on fisheries employment ranges from 0 to 7.6 FTE (full-time equivalent jobs). For the renewable energy generation sector the estimated financial impact ranges from zero to £548,000 over 20 years. Power interconnector costs range up to £588,000 while for oil and gas the corresponding figures (20 years) are zero to £7.5M.
- 2.6 Potential implications for ports and harbours are also assessed. Additional cost estimates are principally related to more detailed assessment of marine licence applications for port development and dredging material disposal licenses and potentially for additional monitoring. Unusually, estimated costs for ports are consistent (£92,000 over 20 years) across all three scenarios. The Sustainability Appraisal estimates that the main fish landing port affected by the designation would be Fraserburgh, potentially by up to £16,000 per annum (upper scenario), which is equivalent to less than 0.1% of annual

harbour revenue. There could also be an adverse impact upon jobs in the Fraserburgh area for up to six posts. According to the Sustainability Appraisal the collective potential impact upon the local economy of designation, including direct and indirect factors, ranges from zero to £4.2M GVA over the 20 year study period but the overall benefits of designation are expected to exceed this figure; the report does however conclude by stating there is moderate to high uncertainty in the monetary valuation of those benefits. The Sustainability Appraisal also sets out its assumptions, limitations and uncertainties and acknowledges the difficulty in predicting the location and nature of future activity in the marine environment.

- 2.7 The report writer was contacted by the SNH project lead in April 2019 to discuss the proposals and their background in some detail. A meeting was thereafter sought and obtained with the Scottish Whitefish Producers Association's Chief Scientific Adviser to discuss the proposals and potential consequences for the fishing industry. He advised that the Southern Trench pMPA had already been the subject of lengthy consultation with industry and that he was content with the proposals as they stand ('fisheries management measures...not proposed at this stage'). In respect of any future management measures which may (after further consultation arise) he advised that the spatial parameters of the designation would have no impact on the local squid fishery. An officer from the Council's Harbours Service attended a public consultation event in Banff in June and enquired whether the process of obtaining (harbour) dredge licences would be affected. The response was that no change was envisaged and indeed that harbours may be excluded from the pMPA zone. He was also advised that fishing activities within the pMPA are unlikely to be significantly affected.
- 2.8 The draft response is attached as **Appendix 1**. A map of the four proposed MPAs is attached as **Appendix 2**.
- 2.9 The Head of Finance and Monitoring Officer within Business Services have been consulted in the preparation of this report and their comments are incorporated within the report and are satisfied that the report complies with the Scheme of Governance and relevant legislation.

3 Scheme of Governance

The Committee is able to consider and take a decision on this item in terms of Section F.1.1. of the List of Committee Powers in Part 2A of the Scheme of Governance.

4 Implications and Risk

- 4.1 An equality impact assessment is not required because there are no differential equalities impacts arising from this report.
- 4.2 There are no staffing and financial implications for the council arising from this report.
- 4.3 No risks arising from this report have been identified for the Council at Corporate Level

4.4 No issues have been identified in relation to the Town Centre First Principle.

Stephen Archer,
Director of Infrastructure Services

Report prepared by Derek McDonald, Industry Support Executive (Rural & Maritime)
30 July 2019

Appendix 1

Consultation questions and draft responses

1. Do you support the designation of these possible Marine Protected Areas?

Aberdeenshire Council recognises Scottish Government's national and international commitments to conserve and improve the marine environment including biodiversity and the distinctive features in Scottish waters and accordingly supports the designation of the Southern Trench pMPA

2. Do you agree that the scientific evidence presented justifies the case for the designation of each site?

Aberdeenshire Council agrees that the additional assessments undertaken by SNH since 2012 provides sufficient evidence to support the designation of the Southern Trench pMPA

3. Do you have any comments on the Conservation and Management Advice for each site?

In respect of the Southern Trench pMPA, Aberdeenshire Council notes that the purpose of the designation is principally to safeguard minke whales and burrowed mud. Shelf deeps and associated marine fronts are also key features but are robust and unlikely to be affected human activity. The council welcomes the scientific assessment that the features are currently in favourable condition and that the conservation objective for the Southern Trench is to maintain current status. The management advice issued by SNH for burrowed mud habitat is to limit demersal gear from the trench floor and to minimise development within the area (eg energy generation/distribution).

Aberdeenshire Council broadly welcomes the foregoing Management Advice and also that any fisheries management measures arising from the designation will be considered separately with further stakeholder discussion, assessment and public consultation.

4. Do you have any comments on the Business and Regulatory Impact Assessments for each site?

Insofar as the Southern Trench Business and Regulatory Impact Assessment report is concerned, Aberdeenshire Council notes the broad range of business sectors within scope – eg oil and gas, energy generation and transmission, carbon capture and storage, communication cables, ports and harbours and fisheries – and the difficulty in quantifying the potential economic impact of the designation upon activity (as evidenced by the very wide range of values set out in Table 1 on page 10 of the main consultation document). The assessment suggests that the impact of any future limitations on fishing activity within the pMPA may be mitigated by vessels operating elsewhere (displacement). Given that the site is currently in good condition - and the pronounced changes in recent years to the distribution of the main commercial fish species in Scottish waters, Aberdeenshire Council suggests

that any assumptions on displacement (alternative fishing opportunities) are properly tested in consultation with the catching sector. In passing it is very surprising that Fraserburgh Harbour - the largest shellfish port in the UK and probably the largest in Europe - is bracketed with the likes of Pennan and Portsoy as a 'minor' port.

Aberdeenshire Council operates four harbours along the coastline adjoining the pMPA – Portsoy, Banff, Macduff and Rosehearty. Harbours Service officers are seeking clarity on the points below:

- A) Confirmation of the extent of the pMPA – how close to shore does it come and will Harbour limits be excluded?
- B) What effect will the pMPA have on existing and future dredge licenses and disposal sites?
- C) What effect will the pMPA have on any construction/repair works at the Harbours? (Potential for increases in marine noise and silting up of marine environment for duration of works)
- D) What effect will the pMPA have on fishing?
- E) Will boats still be able to trawl for prawns, squid and other species? Will it impact the smaller crab and lobster fisheries? Will there be restricted fishing areas?
- F) Will there be restrictions regarding size of vessels allowed?

5. Do you have any comments on the Sustainability Appraisal, including the Environmental Report and the Socio-Economic Impact Assessment

The Sustainability Appraisal is a very detailed piece of work which helpfully incorporates and interprets the findings from the Environmental Report and the Socio-Economic Impact Assessment and attempts to evaluate the relative costs and benefits of designation. The Appraisal acknowledges that the benefits of designation can be very difficult to measure in financial terms. And whilst the corresponding economic impact values arising from the three management scenarios are typically wide-ranging and at times counter-intuitive for the Southern Trench (zero for low and intermediate for oil and gas but £7.5M adverse impact for upper), the estimates nevertheless help to place the indicative impacts in context and would appear to support the view that the economic and social consequences of designation can be absorbed by the various sectors likely to be affected, including fisheries and ports/harbours. The Appraisal will also provide a useful platform upon which to base discussions on future management measures should the Southern Trench be designated as a Marine Protected Area. And as the Appraisal states clearly that Fraserburgh harbour is likely to experience the most significant economic impact amongst local ports, it is suggested that close contact is maintained with Harbour Commissioners to provide assurances, mitigation and assistance where possible.

Appendix 2

Map of four proposed Marine Protected Areas



