

Email from Seafish to WG 16.9.10

From: Mark Gray Seafish
Sent: 16 September 2010 21:23
To: George, Louise (ESH - ECM)
Subject: RE: MCZ Project Wales - Social and Economic considerations

Louise

Please find my few comments on your 1st attachment.

Regards
Mark

THE SOCIAL AND ECONOMIC ASPECTS OF HPMCZ SITE SELECTION

Background

The Marine and Coastal Access Act 2009¹ provides that when considering whether it is desirable to designate an area as a MCZ the appropriate authority (Welsh Ministers in Wales) may have regard to the economic and social consequences of doing so.

The Welsh Assembly Government has stated its intention to give full consideration to social and economic consequences throughout the process of selecting HPMCZs in Welsh waters. "Protecting Welsh Seas," (September 2009) sets out the Welsh Assembly Government's approach to selecting HPMCZs in Wales: to develop a robust site selection process that incorporates ecological, social and economic considerations and is informed by stakeholder dialogue. The aim is to ensure that HPMCZs are chosen to maximise benefits (ecological, social and economic) while minimising any conflicts with the different uses of the sea, as far as possible.

Explanatory note 335 of the Marine Act states:

"Subsection (7) allows Ministers to take account of the economic or social consequences of designation. This ensures MCZs may be designated in such a way as to conserve biodiversity and ecosystems whilst minimising any economic and social impacts. Where an area contains features that are rare, threatened or declining, or forms a biodiversity hotspot, greater weight is likely to be attached to ecological considerations. Where there is a choice of alternative areas which are equally suitable on ecological grounds, socio-economic factors could be more significant in deciding which areas may be designated as an MCZ."

The Welsh Assembly Government considers that the approach it has developed to social and economic considerations is in line with the explanatory note.

Social and Economic Considerations

The consideration of the social and economic aspects of selecting an area as a HPMCZ is an important step in the process and a Sub-Group of the TAG has been established to inform this process. The Sub-Group has identified the key social and economic activities

¹ Section 117(7)

and issues thought to be relevant in determining where to designate a HPMCZ in Welsh waters.

The social and economic activities and issues have been considered within an ecosystem services framework. This is in line with the new Natural Environment Framework² (September 2010) being developed by the Welsh Assembly Government. In developing this new framework we aim to ensure that the true value of ecosystems and their services is fully reflected in our decision making.

Ecosystems and their services:

- the provisioning services – products obtained from ecosystems e.g. food and raw materials
- the cultural services – non material benefits from ecosystems e.g. heritage and recreation
- the regulating services – benefits obtained from regulation of ecosystem services e.g. flood protection and water purification
- Supporting services – processes necessary for the production of other ecosystem services e.g. soil formation and nutrient cycling

For the purposes of this task we have focused on aspects of ecosystem services that are of social and economic benefit to humankind – the provisioning services and cultural services.

In considering the level of importance to apply to the social and economic activities and issues we have looked at each of the key activities in turn, to consider the likely impact a designation may have on that activity. Depending upon the level of impact, the social and economic activities and issues have been categorised as to whether they are incompatible, conflicting or negligible considerations in the decision making process.

An additional category has been identified as needing consideration alongside social and economic issues and that is the practical aspects of a potential HPMCZ - such as the manageability and enforceability of a potential site. These have been categorised as of high, medium or low importance.

Activities have been defined as follows:

- **Incompatible** – an activity known to be incompatible with HPMCZs as it involves the extraction or deposition of living and non-living resources. Designation will have an impact upon this activity therefore they are considered of high importance in the decision making process as a means of where possible refining potential sites to minimise any impact.
- **Conflicting** - an activity that is likely to be damaging or disturbing and may need to be managed/mitigated to be compatible with HPMCZs. Designation may have an impact upon this activity therefore they are considered important in the decision making process as a means of refining site options or [introducing/recommending] management measures to minimise any impact.

² <http://wales.gov.uk/consultations/environmentandcountryside/eshlivingwalescons/?lang=en>

- **Negligible** – an activity that is likely to be compatible with HPM CZs. Designation will have no impact on this activity and it is considered of little importance in the decision making process.

Full details of the activities and impacts identified are provided within the matrix at [reference].

Incorporating social and economic considerations into the site selection process

The outputs from the ecological guidance will be prioritised potential sites that best deliver the desired ecological output. The social and economic considerations will then be applied to the potential sites to act as a filter – whereby ultimately the sites that deliver the desired ecological output with minimum negative impact on social and economic activities (and where possible the greatest benefits) are selected and recommended to Ministers for designation.

Incorporating the social, economic and practical considerations will be an iterative process between the MCZ Project and stakeholders, taking place over a period of 9-12 months where the social and economic benefits and costs will be considered on a site by site basis. [The methodology at [section x] provides a step by step guide to site selection and the role of the Project groups in this process].

[Whereas we have some idea of the likely impacts of a HPM CZ and the type of activities that will be affected, our understanding of the social and economic benefits that are to be derived (for example increased opportunities for eco-tourism) will be informed and developed during the public consultation exercise at the first and second iteration.]

Some of activities known to be incompatible with HPM CZ have been identified as being appropriate for consideration early on in the process – that is before the first iteration of potential sites is issued for stakeholder and public comment. These are where issues have been identified that present certain legal and physical constraints.

The key physical and legal constraints have been identified as:

- Ports/harbours areas where maintenance dredging is required
- Areas licensed for aggregate extraction
- Fisheries several and regulating orders
- Major cables and/or pipelines that require regular access for operation and maintenance

There may also be instance where, although we do not yet know what potential sites will emerge from the ecological guidance, the MCZ Project considers that the strength of certain social and economic implications associated with a potential site when compared to its ecological importance may mean that a potential site is considered unsuitable for further consideration. Such a site will be removed as a potential site before the first iteration of sites is issued for public view and comment. This is likely to occur where there are conflicts with Welsh Assembly Government policies including:

- WAG's future renewable energy agenda
- WAG's sustainable fisheries policy

If any site is considered unsuitable for the first iteration due to the strength of the social and economic implications, the MCZ Project will as part of the stakeholder engagement

package identify the site(s) that have been eliminated and the reasons for the elimination, and also those sites that have been identified as having potential positive social and economic implications.

All other social and economic considerations considered to be critical and important to the process will be incorporated into decision making during the first, second and third iteration. Stakeholders and sea users will have the opportunity to input and provide information about their activity and area during these iterations.

Stakeholders will be able to respond as they think fit on all aspects of the package of information – including sites that may have been excluded.

The information and feedback received will be used to refine the potential site options in such a way as to minimise the impact on activities – and where possible maximising benefits.

Data and evidence

The MCZ Project has started to collate and map available evidence and data on the location of the critical and importance social and economic activities in and around the Welsh waters. The focus to date has been to collect Wales wide data for those activities known to be incompatible and/or conflicting with a HPMCZ. We know that there are gaps in this data and we will continue to work with stakeholders to fill data gaps and increase the confidence in the information. We envisage that more data and evidence will be [forthcoming/gathered] on a site by site basis during the iteration exercises.

REFERENCE MATRIX

Further information on the key stages for selecting sites is provided in [insert ref to methodology]