Oil & Gas UK
the voice of the offshore industry

Oil & Gas UK
3rd Floor
The Exchange 2
62 Market Street
ABERDEEN AB11 5PJ
Tel: +44 (0)1224 577250
Fax: +44 (0)1224 577251
Email: info@oilandgasuk.co.uk
Website: www.oilandgasuk.co.uk

MCZ Team
By Email: MCZ@defra.gsi.gov .uk

29 March 2013

Dear Sir

Re: Marine Conservation Zones: Consultation on proposals for designation in 2013

Oil & Gas UK is the leading representative body for the UK offshore oil and gas industry. Membership is open to all companies active on the UK Continental Shelf and currently stands at 330.

To put the industry in context, during 2012 our members made capital investment of £11.4 billion and paid £11.2 billion in corporation tax. The latter represents about a quarter of total UK corporation tax. The industry supports 440,000 jobs throughout the UK and the indigenous production saves the UK some £40 billion pounds per year in avoided imports.

Oil & Gas UK continues to support the overall conservation objective of an ecologically coherent network of marine protected areas in UK seas and agree with the staged approach to designation, on the basis of sound scientific evidence.

We have no comment on the evidence used for the rMCZs in the first tranche, except to re-iterate comments made by the Seabed Users and Developers Group that, if the data is considered sufficient to designate an MCZ it must also be considered sufficient as the baseline against which current or future developments within an MCZ can be assessed.

We do, however, wish to make comment on the Impact Assessment as socio-economics will become increasingly important when more sites are proposed. There are currently more than 72,000 square kilometres of the UK Continental Shelf licensed for oil and gas exploration and production and it is certain that there will be spatial and temporal overlap with new sites and existing and future operations. Whilst we agree that there are areas where conservation objectives may take precedence, it is essential for the security of future energy supply that the economic consequences of designation are fully taken into account.

The assertion by DEFRA that designation does not automatically mean that economic or recreational activities at the site will be restricted and that only activities that will hinder the achievement of the conservation objectives of the designated features will be subject to possible restrictions or management measures, is cautiously welcomed. The uncertainty that this statement introduces, however, is particularly significant in cases where a site is proposed that spatially encompasses existing operations.

It is a limitation of the current Impact Assessment that potential management measures have not been included. In focussing on the costs that could be incurred for additional work during the licensing and permitting process for oil and gas operations within an MCZ, the Impact Assessment dismisses the potentially significant operational costs that could arise as a result of management measures. Increased operational costs, which could affect the viability of existing or future activities, might include the re-routing of pipelines, delays due to temporal restrictions, restrictions on decommissioning and ongoing monitoring requirements.

We request that these uncertainties are reflected in the current Impact Assessment and that the assessment is reviewed when the management measures are agreed. We would welcome the opportunity to be involved in future discussions on the methodology to be used in future assessments for the later tranches of designation.

On a final note, Oil & Gas UK fully support the comments provided in the consultation submission from the Seabed Users and Developers Group.

Regards

Mick Borwell
Environmental Issues Director