

# The Marine Management Organisation (MMO) Response to Stakeholder Engagement to Assess the Economic Impact of the South Marine Plans

**Important Note:** This response is based on information presented in the full report that should be read alongside the recommendations made below, and considered in light of current Government policy (National Policy Statements, Marine Policy Statement etc.).

Link to Full Report used as basis for this response:

<https://www.gov.uk/government/publications/stakeholder-engagement-to-assess-the-economic-impact-of-the-south-marine-plans-mmo1106>

## Introduction

Marine plans will formulate and present objectives and policies for a marine plan area. These objectives and policies will be consistent with the Marine Policy Statement (MPS) and other national policy, and be supported and informed by evidence relevant to the plan area. In order to achieve this goal it is important to understand the economic consequences and impacts of the proposed South Inshore and South Offshore Marine Plans. The assessment of the economic impacts aims to assess and present the likely costs and benefits that the marine plans might have on the public, private or third sector, the environment, and wider society over the long term.

Evidence is required to assess the social and economic impacts of marine activities in the South Inshore and Offshore Marine Plan areas so as to acquire an indication of the significance of the impacts they will have over their 20-year life. In order to achieve that, a baseline assessment has been conducted<sup>1</sup>. This project builds upon previous work to enable an informative assessment which looks at the impact of the preferred option for the South marine plans compared to the status quo (The 'Do Nothing' Option).

The project report was published by MMO in August 2016. This document is the MMO response to that independent review and provides recommendations on the next steps for future assessment of the economic impact of marine plans.

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<sup>1</sup> <http://webarchive.nationalarchives.gov.uk/20140108121958/http://www.marinemanagement.org.uk/evidence/1050.htm>

## Approach

The project was awarded following a competitive tendering exercise through MMO's Scientific Framework Agreement. At the request of the MMO the winning bid undertook a series of telephone based interviews with a set of stakeholders, identified by the MMO, covering the range of sectors identified in the United Kingdom Marine Policy Statement<sup>2</sup>. These interviews asked the stakeholder to provide impact estimates of the three policy options (prescriptive, flexible and balanced) presented for the South marine plans on their sector, focussing on Gross Value Added, number of businesses and number of employees. These estimates were then used to project the baseline values, identified in MMO1050<sup>3</sup>, across the 20 year vision of the South marine plans

## Results and recommendations

The report has provided useful stakeholder information and estimates of economic impact which have informed estimates of the impact of the South marine plans. The revised baseline has been used to identify the business as usual scenario for assessing impact against as well as to estimate future scenarios based on information identified through stakeholder engagement.

The report identifies a low, medium and high estimate for each sector identified in the Marine Policy statement, under each policy option. As the values have a large range it was recommended that the MMO consider only the medium values as they are considered the best estimate. All statements and figures should be considered in light of the high level of uncertainty that surrounds predictions made over a 20 year time period. The wording of plan policies, and the fact that marine planning is still a relatively new system of management, means that the full impacts of plan policies will not be known until implementation of the South marine plans occurs.

## Next steps

The economic values estimated in this report are dependent on policy wording and intent. The selection of a preferred option, a hybrid of the prescriptive and balanced option, required further analysis and interaction with stakeholders to improve understanding of potential impacts.

Information from this report has been used by the MMO to inform the 'Analysis of Business Impacts' document which supports the consultation and eventual adoption of the draft South marine plans. Lessons learned from the approach taken in this

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<sup>2</sup> <https://www.gov.uk/government/publications/uk-marine-policy-statement>  
<https://www.gov.uk/government/publications/uk-marine-policy-statement>

<sup>3</sup> <http://webarchive.nationalarchives.gov.uk/20140108121958/http://www.marinemanagement.org.uk/evidence/1050.htm>

report will be used to inform any future work on assessing the economic impact of other marine plans.