

## Draft Policy Framework

Question 1 What is your view of the aims and purpose of Highly Protected Marine Areas as set out in sections 2 and 3 of the draft Policy Framework?

Strongly oppose

Please explain your answer in the text box:

Shetland Islands Council notes the domestic and international agreements referred to in the consultation which have informed the process of developing HPMAs. We are also aware of our duties under the Nature Conservation (Scotland) Act 2004 which places a duty on all public bodies in Scotland to further the conservation of biodiversity when carrying out their duties. Furthermore, in November 2022 the Council became a signatory of the Edinburgh Declaration whilst noting the role which local authorities have to play in delivering action:

- As key enablers for the implementation of the post-2020 global biodiversity framework.
- Conserving, restoring and reducing threats to biodiversity.
- Meeting people's needs through sustainable use and equitable benefit-sharing.
- Developing the tool and solutions needed for implementing biodiversity protection actions.
- Monitoring and reporting.

We do however wish to raise serious concerns on how the HPMAs process has reached such an advanced stage with minimal prior communication or opportunity to learn about the objectives, reasoning, potential impacts and timescales/stages involved. Neither do we feel that reasonable or sufficient opportunities been provided to us or others in order to support effective prior collaborative engagement to inform this process.

Furthermore, we consider that as the potential implications have not been fully considered or communicated, it is exceedingly difficult to fully engage with a concept and (at least) 10% target without being aware of what particular areas of Shetland's Marine Waters (and potentially those beyond 12 nautical miles) these areas will cover or what particular areas Marine Scotland are minded to identify. Given the range of MPA designations which currently exist in our Marine Waters it is highly likely that the HPMAs process will impact significantly upon our residents, communities and industries which rely on sea for their livelihoods.

This is of paramount importance when taking account of the economic and community value which our existing commercial fishing, inshore fishing and aquaculture industries provide to Shetland and its communities. Additionally, such designations also have the risk of impacting upon the development of future industries such as marine renewables and cabling, seaweed cultivation, our move towards net zero and low carbon technologies, our existing and future expansion of ports and harbours and our aspirations for fixed links to our island communities. Further to this, the designations would restrict activities such as recreational fishing which is part of Shetland's heritage and culture.

For fishing and aquaculture, we are aware that both local and national industry representative organisations will be responding in detail to this consultation to set out their significant concerns. These concerns and views should not be underestimated.

With regards to Shetland's commercial fishing industry we are aware that:

- 34% of all the fish landed by UK fishing boats are caught within 50 miles of Shetland.
- 10% of all the fish landed by UK fishing boats are landed in Shetland.
- More fish are landed in Shetland than in all of England, Wales and Northern Ireland.
- Shetland has 40% of Scotland's pelagic fleet, 25% of Scotland's whitefish fleet and 20% of Scotland's under 10m fleet.
- All Shetland fishing vessels, bar one, are family owned and therefore represent 250+ individual businesses, owned and crewed by 450+ residents, with an annual turnover of £138.9m
- Additionally, Shetland's fishing industry plays an important role in food security for Scotland and beyond.

With regards to Shetland's aquaculture industry we are aware that:

- Shetland salmon farms produce more than 36,000 tonnes of salmon annually, which is worth more than £190 million. The salmon sector now accounts for the largest proportion of Shetland's economy, bigger than oil and gas and tourism.
- Shetland finfish/salmon aquaculture accounted for 20% of the total Scottish production in 2021.
- Shetland shellfish aquaculture accounts for 80% of the total Scottish production and employs 55 full-time and 46 part-time and casual workers. Taken from: Marine Scotland Science Scottish Shellfish Farm Production Survey 2021 ([www.gov.scot](http://www.gov.scot))
- Shetland's aquaculture industry plays an important role in food security for Scotland and beyond.

The sectors referenced above are part of the extensive marine economy in Shetland - the most recent economic estimates suggest an overall value of £470m from the combined outputs of fish catching, aquaculture, processing, marine engineering and sea transportation, equal to over one third of Shetland's entire economic output, and accounting for over 13% of full-time equivalent employment. These figures do not include the extensive activity of other sectors (e.g. business services, land transportation, retail and wholesale) which form the supply chain supporting marine industries.

In a Shetland context, these sectors have enormous significance not just in terms of the direct economic and jobs impacts shown above, but because the

nature of marine activity means the dispersal of jobs to remote and rural locations in Shetland outside of the main population and industry hubs. This leads to development and investment, in some cases funded by the Council, in our remote and island communities which otherwise may not be prioritised for infrastructure improvements, such as roads, and port and harbour development. The extent and nature of the marine industries plays a huge role in maintaining viable communities in remote and rural locations, which face significant pressures including distance from services and higher costs of living.

Recognising the role of our approaches to marine planning and management:

Shetland Islands Council has a dedicated Marine Planning Team which operates as part of the Council's wider planning service and is recognised and valued by stakeholders involved in our marine sector, including our communities, industry and other Council services.

We have been at the forefront of licensing and regulating works within our marine waters, since the Council gained powers under the Zetland County Council Act 1974 (ZCC Act 1974). This includes aquaculture developments that subsequently progressed to planning legislation under the Town and Country Planning (Scotland) Act 1997 (as amended) following the extension of planning controls for fish farming in 2007.

Additionally, our approach to Regional Marine Planning/marine spatial planning has helped support and guide regulation and decisions for works licences, planning applications, Marine Scotland licences and Crown Estate leases since our first Marine Spatial Plan was adopted in 2005. We are now the first authority in Scotland to progress our Regional Marine Plan to the finalised stage and it is currently before Scottish Ministers for adoption. We work in partnership with marine spatial planning staff from Shetland UHI to achieve this and have an established advisory group to guide the production of our Regional Marine Plan. Furthermore the Council has an effective fisheries and aquaculture working group which engages closely with our industries to listen to their aspirations and concerns.

These above approaches take account of the value which our marine environment provides to our Island economy and communities. We believe this demonstrates a level of service commitment, planning and regulation that it deserves and we feel that Shetland Islands Council, the communities and interests it serves is best placed to fully input and decide on the approach to HPMAs in our Regional Marine Waters.

Such an example is the Shetland Islands Regulated Fishery (Scotland) Order, which is maintained by Shetland Shellfish Management Organisation (SSMO), working closely with the inshore fishing industry and empowered to regulate fishing for named species in defined areas. This regime protects areas of seabed which support sensitive species and habitats, including horse mussel, seagrass and maerl beds, and is an example of regulated activity which is locally responsive, informed by data and evidence, and genuinely collaborative between industry, academia and public authorities. The fishery is informed by an extensive information base, with relevant areas surveyed by the NAFC Marine Centre UHI (now Shetland UHI) to ensure the spatial extent of the habitats are known, and appropriate measures can be put in place. These areas are closed to dredge fishing.

Additionally we operate within a range of current designations, such as the recent extensions to SPAs, where we have proven that development can still occur in these areas, whilst taking context of their potential impacts through our planning and works licensing decision making processes and taking context of the National Marine Plan, National Planning Framework (NPF4) and our Regional Marine Plan.

In light of these above comments Shetland Islands Council, feels the need to strongly oppose the aims and purpose of HMPAs at this stage.

Question 2 What is your view of the effectiveness of the approaches to manage the activities listed below, as set out in section 6 of the draft Policy Framework, in order to achieve the aims and purpose of HPMAs?

Management approaches to activities - Commercial fishing (of any kind):

Strongly oppose

Management approaches to activities - Recreational fishing (of any kind):

Strongly oppose

Management approaches to activities - All other recreational activities:

Strongly oppose

Management approaches to activities - Finfish aquaculture:

Strongly oppose

Management approaches to activities - Shellfish aquaculture:

Strongly oppose

Management approaches to activities - Seaweed harvesting:

Strongly oppose

Management approaches to activities - Oil and gas sector:

Strongly oppose

Management approaches to activities - Renewable energy:

Strongly oppose

Management approaches to activities - Carbon capture, utilisation and storage:

Strongly oppose

Management approaches to activities - Subsea cables:

Strongly oppose

Management approaches to activities - Aggregate extraction:  
Strongly oppose

Management approaches to activities - Ports and harbours:  
Strongly oppose

Management approaches to activities - Shipping and ferries:  
Strongly oppose

Management approaches to activities - Military and defence:  
Strongly oppose

Management approaches to activities - Hydrogen production:  
Strongly oppose

Management approaches to activities - Space Ports:  
Strongly oppose

Please explain your answer in the text box and if you think we have missed any activities, please suggest them here:

Given the lack of effective prior engagement, absence of a clear evidence base, and the potential impact that HPMA's could have upon our economy and industries, as covered in our answer to question 1, Shetland Islands Council strongly opposes each of the approaches to manage the activities listed in Question 2 above.

We feel that this stance is necessary given the lack of information and uncertainty of where such sites may be located, what they will consist of, how they will be enforced and regulated and ultimately how they would appear to impact significantly upon existing and future development of the sectors covered above.

Also the approach in the consultation raises questions around what measures would be in place for handling existing activities and how these would be 'phased out', including compensatory measures. This requires considerable further thought, discussion and clarification.

We also wish to highlight that recreational fishing is a very popular pastime in Shetland and a crucial part of our communities' culture, history, and identity. It also provides a source of food in our communities where the cost of living is well above the national average. The restrictions outlined in the consultation (fixed engine fisheries, net and coble fisheries, creel fisheries, rod and line fisheries, including catch and release) have the potential to negatively impact on our communities, in particular creel fishing and rod and line fishing. In recent year's charter rod and line fishing has also grown in popularity as a business in Shetland and provides jobs and income generation in many of our island and rural areas. Restrictions on, or the loss of, such activity to local communities would not only lead to direct impacts on business but would be extremely detrimental to community confidence.

Furthermore, we wish to raise the concern that designation of HPMA's could in effect lead to displacement of impacts elsewhere. They will undoubtedly lead to further intensification of activity, in our already busy and further developing (e.g. marine renewables) regional marine waters.

Question 3 What is your view of the proposed additional powers set out in section 8.3.2 of the draft Policy Framework: "Allow for activities to be prohibited from the point of designation to afford high levels of protection."

Strongly oppose

Please explain your answer in the text box:

Again, we wish to strongly oppose at this stage given the reasons set out in our previous answers, in particular the potential significant negative impacts upon the established and developing industries within our waters and the level of uncertainty about the location and extent of areas that would be designated.

It is also not clear how this would be effectively managed. For example, for consented/existing aquaculture developments it is suggested that powers will be provided to 'phase out' activity. With regards to aquaculture developments in Shetland, planning and work licence consents are predominantly granted in perpetuity unless there is a need to specify temporary consent timescales, which is only done on occasions where deemed necessary by the Council or is specified by a developer.

Additionally, given that a number of industries are developing including seaweed farming, renewables and the Council's ORION Clean Energy Project, we feel this has the potential to impact negatively upon opportunities for future development and the ability to fully explore a just transition to net zero where the impacts on local communities from carbon reduction measures are minimised.

Question 4 What is your view of the proposed additional powers set out in section 8.3.3 of the draft Policy Framework: "Establish processes to permit certain limited activities within a HPMA on a case-by-case basis for specified reasons."

Neutral

Please explain your answer in the text box.:

Notwithstanding our above concerns as outlined in our response to questions 1 and 2, we consider that such an approach is fundamental. We therefore welcome that the draft policy framework identifies reasons where activities in a HPMA would be permitted to include 'overriding reasons relating to lifeline services to remote and island communities' and examples such as 'new power distribution broadband/telecommunications cables to an island or

remote community'.

We consider that this must be widened to include considerations such as the replacement of existing ferry operations with options such as fixed links, as these would in effect continue to provide a 'lifeline service' of transport to our island communities. Whilst we recognise at this point in time that the routes of such fixed links are still subject to thorough consideration by Shetland Islands Council, we would not wish to be in a position where these are sterilised and become unachievable in the future due to HMPA designations. We therefore seek further engagement on this issue with Marine Scotland.

Question 5 What is your view of the proposed additional powers set out in section 8.3.4 of the draft Policy Framework: "Activities which are not permitted in a HPMA but are justified in specified cases of emergency or force majeure."

Support

Please explain your answer in the text box.:

Notwithstanding our above concerns as outlined in our response to questions 1 and 2 we agree that there should be allowances for such instances as set out in the policy framework and support the examples provided which include examples matters such as the emergency removal of dangers to navigation, and responses to environmental incidences such as chemical or oil spills.

Question 6 What is your view of the proposed additional powers set out in section 8.3.5 of the draft Policy Framework: "Measures for activities allowed and carefully managed in HPMA's."

Strongly oppose

Please explain your answer in the text box.:

Whilst the measures outlined may bring in some tourism benefit to Shetland, on the whole they appear overly restrictive and few in nature. Therefore, in light of our concerns raised in our response to questions 1 and 2 we feel it is necessary to strongly oppose these measures at this stage without knowledge of the location or extent of areas that will be designated in HPMA's and their resultant impacts on our established and developing industries.

Question 7 Do you have any further comments on the draft Policy Framework, which have not been covered by your answers to the previous questions?

Please add your response in the text box:

Shetland Islands Council is very concerned how the process of identifying HPMA's has developed to this stage with very little prior engagement, collaboration or opportunity to input. Such concerns were highlighted during a recent meeting of the Shetland Marine Planning Partnership's Advisory Group on 8th March 2023. This meeting is attended by a range of stakeholders who provide representative input to our Regional Marine Plan from an environmental, commercial, recreational and community perspective. In particular there was a general consensus that the process has lacked opportunities for input, to raise queries and concerns and to influence outcomes up to this advanced point. There was also a general concern that future HPMA's could be blanket designations, lacking in sound evidence to support their designation. Negative examples were raised to include previous approaches taken to MPA designations, including Priority Marine Feature (PMF) areas. At the meeting it was raised that the PMF areas proposed had lacked sound scientific evidence, which has in turn led to further review.

In addition to the above point we consider that Shetland Islands Council and the communities we represent are best placed to determine how we identify and manage our regional marine waters to meet the long term needs of our people and nature, rather than have blanket restrictions in place that may well impact significantly on the livelihoods of our communities. Positive examples were provided at the above meeting about our SSMO Closed Areas which have developed an evidence based approach to identify measures to protect marine features (horse mussel, maerl, and seagrass) in Shetland. These have been recognised by the Shetland's inshore fishing fleet, and set out to protect marine habitats through the restriction of certain activities (dredge fishing). This approach is supported by SSMO, and by policy in our Regional Marine Plan, to provide a consistent approach to managing these habitats.

At the above meeting it was also raised whether there is potential for the concept of HPMA's to be trialled at first. Such an approach could be used to gather evidence on the effectiveness of such a process and to help determine whether such a range of restrictions needs to be applied in all cases.

A further concern we wish to raise is the consultation assumes that the designation of HPMA's beyond 12 nautical miles will be subject to the prior transfer of relevant powers by the UK Government to Scottish Ministers. In the event that this is not agreed, does this then mean that the 10% requirement will need to be made up of inshore waters alone? Neither was it clear from the consultation whether the 10% was to include 10% of offshore waters and 10% of inshore waters, and this is a concern that has been raised to us from others.

Finally, we have had concerns raised at recent meetings of how future developments for industries such as aquaculture would be handled where they are located adjacent to or in proximity of a HPMA. There was a concern that this would lead to a further restriction on activity due to possible downstream impacts, etc.

## Draft Site Selection Guidelines

Question 8 What is your view of the proposal that HPMA site identification should be based upon the "functions and resources of significance to Scotland's seas," as set out in Annex B of the draft Site Selection Guidelines?

Functions and resources - extent of support - Blue Carbon:

Strongly oppose

Functions and resources - extent of support - Essential Fish Habitats:

Strongly oppose

Functions and resources - extent of support - Strengthening the Scottish MPA network:

Strongly oppose

Functions and resources - extent of support - Protection from storms and sea level rise:

Strongly oppose

Functions and resources - extent of support - Research and education:

Strongly oppose

Functions and resources - extent of support - Enjoyment and appreciation:

Strongly oppose

Functions and resources - extent of support - Other important ecosystem services:

Strongly oppose

Please explain your answer in the text box, including any suggested changes to the list:

The functions and resources as set out in Annex B appear reasonable. However, our main concern lies with how the evidence base for these functions and resources will be fully demonstrated to justify designation of HPMA. As mentioned in our previous answers, as it is not known this time what areas, extents or features HPMA will cover in our waters then it is very difficult to engage with this concept at the present time. Furthermore we are unclear about how the biodiversity benefits which are set out and anticipated in the draft guidelines will actually arise.

Returning to potential economic impacts, as detailed in our responses to questions 1 and 2 of the consultation, we note that the draft guidelines state that:

- “The designation of HPMA and the application of these site selection guidelines will take account of socio-economic factors affecting the resilience and viability of marine industries, coastal communities and other stakeholders.”

- “NatureScot, JNCC and Marine Scotland will work with stakeholders to better understand how they use the marine space, with a view to patterns of activity informing HPMA siting and design. Where possible, this will be used to limit socioeconomic impacts.”

Given the concern which has been raised on the potentially significant impacts that HPMA will have on our established and developing industries we feel it necessary to strongly oppose these functions and resources at this time as it is not clear how the benefits and purposes outlined will outweigh the negative impacts upon our economy and communities.

Question 9 What is your view of the general principles that are intended to inform the approach to HPMA selection, as listed below and set out in section 4.1 of the draft Site Selection Guidelines?

Site selection - support of general principles - Use of a robust evidence base:

Strongly support

Site selection - support of general principles - HPMA scale and the use of functional ecosystem units:

Neutral

Site selection - support of general principles - Ensuring added value:

Neutral

Site selection - support of general principles - Delivering ecosystem recovery:

Neutral

Please explain your answer in the text box, including any suggested changes to the list:

We consider that the use of a robust evidence base is critical to the process to inform any HPMA selection. However, we have serious concerns over how such a robust evidence base will be compiled and achieved to support this process, especially given the short timescales involved. This includes our concerns over whether the timescales will allow the opportunity for ourselves and others to input effectively into this process as it is likely to be the source of much debate, interpretation and potential for disagreement.

Our response to question 7, highlights the negative example of recent approaches to Proposed Inshore PMF Management designations, which lacked a sound scientific evidence base for proposed areas, and has in turn led to delays and further review.

We also wish to raise a fundamental point that if virtually all human activity is to be removed from new HPMA areas, implying they are more important than existing designated sites (both international and national), why are these areas not already known about or designated already?

Question 10 What is your view of the proposed five-stage site selection process, found in sections 4.2 and 4.3 as well as Figure 2 and Annex A of the draft Site Selection Guidelines?

Strongly oppose

Please explain your answer in the text box:

We note that section 4.3 'Network Level Assessment' sets out that "Socio-economic information will be considered throughout the process, and Stage 5 of site selection and the subsequent network level assessment will be underpinned by information that seeks to optimise ecological, social and cultural benefits whilst minimising impacts..."

Furthermore Stage 2 aims to make a significant contribution to "Enhancing the benefits that coastal communities and others derive from our seas", whilst Stage 3 aims to "maximise benefits whilst minimising impacts"

However, given our aforementioned concerns and the fact that we strongly oppose the aims and purpose of HMPAs at this stage due to lack of information and understanding of what the areas will be designated and the potential negative impacts upon our communities and economy/industries, we feel that it is necessary to strongly oppose the selection process given these concerns that at this stage. We are also concerned that such impacts would outweigh any potential benefits that our coastal communities and others would get from this process.

Question 11 Do you have any further comments on the draft Site Selection Guidelines, which have not been covered by your answers to the previous questions?

Please add your response in the text box:

No.

## Initial Sustainability Appraisal

Question 12 What is your view of the Strategic Environmental Report, summarised within sections 3 and 4 of the Sustainability Appraisal, as an accurate representation of the potential impacts, issues and considerations raised by the introduction of the draft Policy Framework and Site Selection Guidelines?

Neutral

Please explain your answer in the text box.:

In light of the fact that HMPAs have not yet been identified the initial SEA that has been undertaken at this stage appears reasonable in covering impacts, issues and considerations.

Section 3.2.8 on 'Reasonable Alternatives' sets out that "in advance of identifying any potential HPMAs, reasonable alternatives considered to be high-level considerations of alternative management options that meet the aims of HPMAs, for example options for different activities that are not considered compatible with HPMAs and activities that are allowed at non-damaging levels". We feel that such questions and scrutiny should have formed part an integral part of the pre-engagement process to inform this consultation stage that HMPAs are currently at. For example, prior consultation and the consultation itself should have included specific questions and examples on this matter to ascertain views on whether reasonable alternatives would be supported, such as alternatives to opposing a blanket ban on the majority of marine activities in HMPA areas, trialling HMPA areas initially, and considering a baseline of potential example sites to help inform consideration of the potential impacts and benefits that such designations could have.

Question 13 What is your view of the Socio-Economic Impact Assessment, summarised within sections 3 and 4 of the Sustainability Appraisal, as an accurate representation of the potential impacts, issues and considerations raised by the introduction of the draft Policy Framework and Site Selection Guidelines?

Strongly oppose

Please explain your answer in the text box.:

Given our responses to the previous answers in this consultation, in particular to questions 1, 2, 14 and 15, we are of the view that the Socio-Economic Impact Assessment as summarised in the Sustainability Appraisal does not adequately represent or address the potential impact that Shetland's people, communities, industries and economy will face as a result of HMPAs designations and the restrictions they will incur.

It also felt that Table 1 'Outcome of Initial Scoping' has underestimated the impacts that will happen on the following activities in Shetland:

- Recreational Fishing is currently anticipated to be low. Given the level of activity in our waters for activities such as creel fishing and rod and line fishing we feel this would be a high estimated impact in our case.
- Power Interconnectors are currently anticipated to be low-medium, whilst Energy Generation including cables is anticipated to be medium. At this point in time the cable routes related to future development in ScotWind Site NE1 and future INTOG sites are unknown and are still in the process of further consideration by developers. There is potential that HMPA designation could have significant impacts on cabling routes and potential for future interconnectors depending upon where these are identified in the future. We therefore feel this risk has been underestimated and has the potential to be high in the case of Shetland. This also takes account of the existing activity in our busy marine waters including but not limited to commercial fishing, inshore fishing, aquaculture, recreational fishing, recreation and current environmental designations and safeguarding. Furthermore, the Council's ambition to move towards Net Zero recognises the role that marine renewables will have to play in the future. We are therefore anticipating and planning for the development of smaller scale renewable energy developments for wind, wave and tidal within our Regional Marine Waters (with 12nm), and these same concerns apply to impacts that designation of HMPAs could have.
- The same points raised above also apply to Telecom cables too, which are currently identified as low and should in our situation be high.

## Partial Island Communities Impact Assessment (ICIA) Screening Report

Question 14 What is your view of the partial ICIA screening report as an accurate representation of potential impacts, raised by implementation of the draft Policy Framework and Site Selection Guidelines?

Strongly oppose

Please explain your answer in the text box.:

We note that the Partial ICIA, section 9 'Impacts and Outcomes' sets out the following areas that may warrant further investigation, depending on the location of proposed HPMAs and how these locations would interact with island communities.

- The vulnerability of island communities where employment is dominated by both fisheries and aquaculture, and the island economy is highly dependent on these activities, is likely to be a key consideration.
- Spatial location of commercial fisheries activity may restrict the output capacity of this sector. Where an island community supports a specialist fishery that will be disproportionately impacted, this is more likely to require full assessment.
- Presence of aquaculture production businesses on island communities that could be in direct proximity of proposed HPMAs.
- Carefully managed eco-tourism that provides employment to an island community without causing damage to an HPMA could potentially have positive impacts.

Positive economic opportunities created by HPMAs may not offset negative impacts if the types of employment are not directly comparable. It is our intention to engage with those with direct experience of island life (including island authorities, relevant businesses and island community members) during the site selection period to ensure that any additional island-specific impacts are identified when specific HPMAs proposals. The findings of this engagement will be fed into a full ICIA screening assessment.

Whilst noting that the partial ICIA screening report takes recognition of commercial fishing and aquaculture, we feel that this consultation and supporting documents should have been much more specific in identifying the value and worth of such industries to island communities and as such should have been much more explicit in recognising this by having specific reference, figures and data for Shetland and elsewhere – the relative scale and size of these industries in a Shetland context means that any impacts on their operations will have a disproportionate effect on our local economy compared to that which would be experienced elsewhere. Indeed our fishing and aquaculture industries are also considered to be of national importance and significance to Scotland too.

We are also very concerned that the HMPA process has reached this stage, with minimal prior awareness raising or opportunities to raise questions and concerns through the prior engagement of Shetland Islands Council. We also note the engagement that is proposed to occur during the site selection process, but we feel that this will happen at too late a stage, as the concept will have already been agreed. Please refer to our answers to question 1 and 2 in particular which provide more context and background on these matters from a Shetland perspective.

Recognition should also be given to the National Planning Framework 4 which has identified Shetland within National Development 1 'Energy Innovation Development on the Islands'. This national development supports proposed developments in the Outer Hebrides, Shetland and Orkney island groups, for renewable energy generation, renewable hydrogen production, infrastructure and shipping, and associated opportunities in the supply chain for fabrication, research and development. There is high potential that the designation of HMPAs would impact negatively on this objective being achieved and this therefore requires further assessment and consideration.

Question 15 Do you think that the implementation of the draft Policy Framework and Site Selection Guidelines will have any significantly differential impacts - positive and/or negative - on island communities?

Yes

Please explain your answer in the text box, including any additional impacts that have not been identified in the partial ICIA screening report.:

We feel that there are additional negative impacts upon the culture and heritage of our island communities that could be impacted by HMPAs. This is not just limited to commercial fishing and aquaculture, but also activities that take place in and around our coast, including recreational fishing.

In addition to this, in the case that HMPA designations impact adversely upon aspects such as fishing, aquaculture and inter-island connectivity, there would be significant knock-on impacts upon our demographics, including attracting and retaining people and workers, and also our cost of living which is estimated to be between 20-65% higher in Shetland than the UK average.

Designations which impact adversely on our aspirations to move towards a just transition to net zero, marine renewables and green hydrogen, will have resultant impacts upon fuel poverty. The average energy cost per year for a household in Shetland is already estimated to be double that of the UK. Fuel poverty continues to increase with the cost of living crisis and it is estimated that 96% of Shetland households spend 10% or more of their income on energy costs. In December 2022, Shetland Islands Council adopted their own set of Energy Development Principles for energy development on and around Shetland, including offshore renewables. Given that the designation of HMPAs has the potential to impact upon future energy generation it also therefore has the risk of impacting upon any future community benefit funds or energy benefits such as cleaner, cheaper provision of energy for Shetland consumers that may be secured through these principles.

## Partial Business and Regulatory Impact Assessment (BRIA)

Question 16 What is your view of the partial BRIA as an accurate representation of the potential impacts, issues and considerations raised by the implementation of the draft Policy Framework and Site Selection Guidelines?

Strongly oppose

Please explain your answer in the text box.:

Please refer to our responses to Questions 1 and 2 which provide the context for us having to strongly oppose this question and the partial BRIA at this stage. This is principally because the HPMA process has reached such an advanced stage with minimal prior communication or opportunity to learn about the objectives, reasoning, potential impacts and timescales/stages involved. Furthermore, it is exceedingly difficult to fully engage and consider the full extent of impacts upon our communities and industries without knowing what particular areas of Shetland's Marine Waters (and potentially those beyond 12 nautical miles) these areas will cover.

For fishing and aquaculture, our response to Question 1 has highlighted that we are aware that both local and national industry representative organisations will be responding in detail to this consultation to set out their significant concerns. These concerns and views should not be underestimated given the contribution these industries have and continue to provide to Shetland in terms of economic, community and societal benefits.

Question 17 Do you think that the implementation of the draft Policy Framework and Site Selection Guidelines will have any financial, regulatory or resource implications - positive and/or negative - for you and/or your business?

Yes

Question 18 If you answered "yes" to the previous question, please specify in the text box below, which of the proposals/actions you refer to and why you believe this would result in financial, regulatory or resource implications for your business.

Answer::

As previously mentioned, it is exceedingly difficult to fully engage and consider the full extent of impacts without knowing what particular areas of Shetland's Marine Waters (and potentially those beyond 12 nautical miles) these areas will cover. They are however likely to have negative financial, regulatory and resource implications upon our Council services, assets, infrastructure and investment. This may include:

- Shetland Islands Council Ports and Harbours
- Council funded capital projects, and asset investment.
- Marine and Coastal planning services.
- Shetland Islands Council economic development services.

### Our Commitment

Question 19 Do you have any further thoughts on the Scottish Government's commitment to introduce HPMA's to at least 10% of Scottish waters?

Please add your response in the text box:

No.