

# ECOWind BOWIE Project submission to the DEFRA consultation for the establishment of the Marine Recovery Fund

A consultation response has been submitted to the Defra MRF team via the online survey on 12<sup>th</sup> May 2025, under the following response ID: ANON-V6P7-EGJD-D.

## ABOUT YOU

**Question 1. Would you like your response to be confidential?**

☐ Yes ☒ No

**Question 2. If you answered yes to this question, please give your reason.**

**Question 3. What is your name?**

Nadiya Catel-Arutyunova

**Question 4. What is your email address?**

Nadiya/Arutyunova@soton.ac.uk

**Question 5. Are you responding to this consultation on behalf of an individual?**

☐ Yes ☒ No

If yes, please answer questions 6, 7, and 9 only.

If no, please answer questions 5 and 8 only.

**Question 6. Which organisation or organisations are you responding on behalf of?**

This response is compiled by the Southampton Marine and Maritime Institute (SMMI) on behalf of the ECOWind BOWIE Project. BOWIE is a 4-year multi-institutional research project led by the University of Southampton with partners at the University of Hull, the University of East Anglia, Cefas and the National Oceanography Centre.

**Question 7. What is the position you hold at the organisation or organisations?**

This submission is coordinated by Ms Nadiya Catel-Arutyunova, Specialist Policy Officer at the SMMI. Input to the consultation was provided by the following experts from the BOWIE project:

University of Southampton

- Professor Martin Solan, Professor of Marine Ecology, Lead BOWIE Project
- Professor Susan Gourvenec, Professor of Offshore Geotechnical Engineering, FREng, FICE, FIEAust, and Deputy Director SMMI
- Professor Jasmin Godbold, Professor of Marine Biology
- Professor Chris Hauton, Professor of Marine Ecophysiology, FRBSB, FMBA
- Dr Martina Stiasny, Lecturer in Marine Biology

University of Hull

- Dr Krysia Mazik, Senior Lecturer and Programme Director (Marine Biology)

University of East Anglia

- Professor Kerry Turner, Director, Centre for Social and Economic Research on the Global Environment (CSERGE), School of Environmental Sciences
- Dr Gaetano Grilli, Environmental Economics, Lecturer in Business, Norwich Business School

Please note that The Ecological Consequences of Offshore Wind (ECOWind) research programme (BOWIE project, grant NE/X008991/1, 2023-2027) is funded by The Crown Estate's Offshore Wind Evidence and Change Programme (OWEC), The Crown Estate Scotland (CES) and by the Natural Environment Research Council (NERC) and supported by the Department for Environment, Food and Rural Affairs (Defra).

**Question 8. If employed, briefly describe the main business activity of your company or organisation. If you are self-employed, or looking for work, please indicate what type of work you do. If retired, please indicate the type of work you undertook in your career.**

The Southampton Marine and Maritime Institute (SMMI) is an interdisciplinary research institute addressing ocean challenges. The Institute is an internationally recognised centre of excellence for research, innovation, and education. Established in 2012, the SMMI leverages and enhances the University of Southampton's expertise which spans ocean science, engineering, maritime law, archaeology, and more. The core mission is to increase knowledge and awareness of the oceans and to develop just solutions to marine and



maritime grand challenges at local to global scales. The Institute fosters collaborations, educates future leaders, and generates actionable knowledge for businesses, governments, and organisations.

**Question 9. If responding as an individual, where do you live? [Please tick one of the following bullets]**

- ☐ East Midlands    ☐ East of England    ☐ London    ☐ North East of England  
☐ North West of England    ☐ South East of England    ☐ South West of England  
☐ West Midlands of England    ☐ Yorkshire and the Humber    ☐ Scotland  
☐ Wales    ☐ Northern Ireland    ☐ I live outside the UK    ☐ Prefer not to say

**Question 10. If responding on behalf of an organisation headquartered in the UK, where is your organisation based or where are you operating? [Please tick one of the following bullets]**

- ☐ East Midlands    ☐ East of England    ☐ London    ☐ North East of England  
☐ North West of England    ☐ South East of England    ☐ South West of England  
☐ West Midlands of England    ☐ Yorkshire and the Humber    ☐ Scotland  
☐ Wales    ☐ Northern Ireland    ☒ The organisation operates throughout the UK  
☐ Don't know or prefer not to say    ☐ N/A

**Question 11. If responding on behalf of a multinational organisation headquartered outside the UK, where are you operating? [Please tick one of the following bullets]**

- ☐ East Midlands    ☐ East of England    ☐ London    ☐ North East of England  
☐ North West of England    ☐ South East of England    ☐ South West of England  
☐ West Midlands of England    ☐ Yorkshire and the Humber    ☐ Scotland  
☐ Wales    ☐ Northern Ireland    ☐ I operate outside the UK prefer not to say    ☐ N/A

**Question 12. Which of the following best describes where you live? [Please tick one of the following bullets]**

- ☒ Urban – coastal    ☐ Urban – non-coastal    ☐ Rural – coastal  
☐ Rural – non-coastal    ☐ Don't know or prefer not to say

## Part 1 – Consultation questions on the MRF application process

**Question 13: Do you agree with the proposal to have applicants seek non-statutory or discretionary advice from the relevant SNCB(s) on the suitability of their plan or project to use the MRF and the measures available in the LoSCM?**

☒ Yes

☐ No

☐ I don't know

[Please explain your answer] We note that “... developers will engage with SNCBs for advice on the expected adverse impact(s) of their project...” and that “These environmental assessments highlight the type and magnitude of impact of their proposed offshore wind developments and the amount of compensation they may require.” (paragraph 60 and 91-93).

It is important that, once operational, the system is clear and transparent as to what SNCBs are responsible for which of the measures (or part of the measures), what processes and evidence they will use to provide advice on environmental assessment, the timeframe for providing advice, etc. This is important to maintain consistency across plans and projects, provide certainty and transparency to applicants, ensure the strategic aspect is maintained.

We also note that the consultation document does not seem to indicate any timescales around the responsibility of the SNCBs and the developer. This is relevant because in intertidal compensation schemes, that have delivered “something” but not necessarily what was intended, the responsibility remained with the developer for a fixed length of time. We believe that if this is not clearly addressed in the Defra’s policy approach to MRF, then perhaps government officials should consider this aspect. It is also not clear in the consultation document whether SNBs and the developer(s) will be required to adapt their approach if compensation is not achieved and whether there are clear metrics for determining compensation success

There is also the need to clarify the meaning of “...the amount of compensation they may require”. Does it refer to the amount in 'environmental' terms or to the amount that applicant would need to pay into the fund. This is an important point as the monetary assessment of compensation needed can use a range of methods/processes/approaches and needs specialist expertise. It might also include different definitions of costs and benefits as we



are exploring in BOWIE through assessing and valuing the ecosystem services trade-offs of Offshore Wind Farms with other marine uses such as biodiversity and fisheries.

This clarification is necessary because throughout the consultation document we can find “the amount and type of compensation they wish to purchase...”. Would this refer to a monetary amount that developers would purchase (fund) through the strategic fund, there will need to be a robust and consistent way of assessing monetary costs and benefits not only of the environmental costs (benefits) of the development but also of the benefits (costs) of the measures purchased to ensure a two-way equivalence.

The document would also benefit from defining what is meant by “selected compensation will be appropriate” (paragraph 90). For example, appropriate to the scale or extent of the project, or appropriate when taking a holistic view to the local ecosystem? Monitoring of the effectiveness of any implemented compensation measures is needed, including direct and indirect system responses (intended and unintended) and by using multiple response parameters that broaden consideration to beyond the immediate anticipated effects of any implementation. In paragraph 86, there is no requirement to specify the timeline for the completion of compensation, no opportunity to monitor and modify compensatory actions should they result in undesirable or unanticipated system effects. This is alluded to in paragraph 87 but does not include guidance or provide any criteria as to when any action should be taken.

**Question 14: Do you agree that the requirement for a declaration of an agreed and appropriate lease/agreement for lease from The Crown Estate will encourage eligible applications and deter speculative applications?**

☐ Yes

☒ No

☐ I don't know

[Please explain your answer] The details relating to this requirement, or reference to the need to complete this step, is not explicitly provided in the main document.

**Question 15: Do you agree that the requirement for evidence of SNCB advice that corroborates (without prejudice) that the applicant has appropriately sought to avoid, reduce, and adequately mitigate for adverse impacts prior to seeking SCMs as a last resort (for example, Discretionary Advice Service correspondence) will encourage eligible applications and deter speculative applications?**

☐ Yes

☐ No

☒ I don't know

[Please explain your answer] There is mention to Discretionary Advice Service at para 93. This process of getting advice from SNCB will need to be more structured and consistent, otherwise different applications and plans will be discretionary and not have that strategic aspect that is key. It might be possible that different plans with similar impacts are advised differently by different (or even by the same) SNCB. This exposes the robustness of strategic compensation.

The requirement “appropriately sought to avoid, reduce, and adequately mitigate for adverse impacts” is ambiguous and requires context. What is deemed “appropriate” or “adequate”, and on what criteria, and what constitutes an “adverse impact”? It is also not clear what metrics will be used to assess state, and how recovery or adjustment of the system will be quantified. More in-depth evaluation and reflection on what is being proposed is needed, which if required, would likely put off speculative applications.

**Question 16: Do you agree that the requirement for evidence of SNCB advice that confirms (without prejudice) the suitability of the requested SCM and its quantity for the (expected) adverse impact for which the applicant is seeking compensation (for example, Discretionary Advice Service correspondence) will encourage eligible applications and deter speculative applications?**

☐ Yes

☐ No

☒ I don't know

[Please explain your answer] This requirement seems to accept the advice given, but does not assess the quality of the provision of that advice (e.g. by independent peer review). Obtaining advice would seem straightforward, and therefore unlikely to deter speculative applications, whilst the need to review the advice would require a more detailed consideration that would reduce the likelihood of speculative applications.

**Question 17: Do you agree with the proposal for applicants to provide Defra (as MRFO) with an estimated timeframe in which applicants will aim to submit an application for development consent?**

☐ Yes

☐ No

☒ I don't know



[Please explain your answer] The timeframe will need to be binding, otherwise any flexibility makes the timeframe stipulation pointless.

**Question 18: Do you agree with the proposal to charge a reservation fee at the point of initial reservation of an SCM, prior to receiving consent? (Further information on costs in Part 1, Section 2)**

☒ Yes

☐ No

☐ I don't know

[Please explain your answer] If the fee amount is sufficient, it will likely reduce the number speculative applications, but it will need to be proportionate and reflect levels specified by other countries to avoid relocation of effort to areas where administration is simpler.

**Question 19: Do you agree with the proposal for the applicant to submit EoI Part B to Defra (as MRFO) within 60 days of receiving consent?**

☐ Yes

☐ No

☒ I don't know

[Please explain your answer] This would seem like a short timeframe to develop a sensible EoI and does not have a requirement for peer review.

**Question 20: Do you agree with the proposal for applicants to provide Defra (as MRFO) with an estimated date by which they will aim to reach FID and make full payment into the MRF?**

☒ Yes

☐ No

☐ I don't know

[Please explain your answer] Timings/Dates need to be definitive and binding.

**Question 21: Do you agree with the proposal of a deposit fee after the applicant has received consent and submitted EoI Form Part B? (Further information on costs in Part 1, Section 2)**

☐ Yes

☐ No

☐ I don't know

[Please explain your answer]

**Question 22: Do you agree with the proposal that each reservation of compensation should be non-transferable between plans, projects and applicants?**

☒ Yes

☐ No

☐ I don't know

[Please explain your answer] There is a need to ensure that compensatory interventions are bespoke to specific contexts. However, there should be provision for modification over time as monitoring reveals the success or otherwise of the provision and in recognition that context is dynamic, particularly with respect to climate change and other human activity within the region of influence. Some degree of collaboration between different offshore wind infrastructure installations would be beneficial and likely provide added value. In our view, this collaboration is necessary to avoid a piecemeal approach to compensation. The risk of not having a consistent approach may result in scattered schemes proportional to scale and nature of impact by developer, danger of them becoming isolated, fragmented, larger potential for boundary effects and, potentially, poor success. This is partly covered in paragraph 102, but the nature of the renegotiation needs to be firmly based on ecological rather than monetary considerations, with emphasis placed on maintaining ecological functioning and structure as near to the pre-installation condition.

**Question 23: Do you agree with the proposal to have applicants enter into a contract with Defra (as MRFO) at the pre-application stage?**

☒ Yes

☐ No

☐ I don't know

[Please explain your answer] Any such contract needs to have SMART defined milestones and deliverables that focus on what is trying to be achieved, and clear consequences outlined if these are not met.

**Question 24: Is the Eol process for projects with an existing DCO appropriate?**

☐ Yes

☐ No

☒ I don't know

[Please explain your answer] The Eol process requires that advice is obtained, but a safety net that considers the quality and timeliness of that advice is required. 60 days makes this





challenging, and a period that allows full independent review to take place to achieve to ensure rigour rather than a time limit would seem more appropriate.

**Question 25: Is the process for projects transferring mid-compensation plan appropriate?**

☐ Yes

☐ No

☒ I don't know

[Please explain your answer] An independent review of the effectiveness of compensation would assist with the overarching goal of ensuring that compensation measures are effective and achieving intended ecosystem responses. If modifications are required, an amendment would seem more appropriate rather than reapplication.

**Question 26: Do you have any other comments on the application process as described above?**

[Please explain your answer] The language of the document is neutral in intent, and does not provide an indication of what needs to be achieved with any compensatory measures. Emphasis should be placed on ecosystem integrity, within the context of a changing and busy ocean space and achieving appropriate levels of biodiversity and ecosystem functioning commensurate with pre-installation references.

The process should also be consistent across jurisdictions. The sea space is connected so activities in one jurisdiction will affect ecosystems in another. Equally, inconsistent processes in different regions would enable gaming the system. For example, there is a risk that developers could choose to fund where there is least impact. It is particularly important that ecological relevance is ensured when developers choose whether to apply to the Fund where their project is consented or where the adverse effect occurs. Compensation has to be closer to where the impacts are.

**Question 27: Do you agree with our proposal to set the reservation fee within bands according to the estimated cost of compensation required (as outlined above)?**

☒ Yes

☐ No

☐ I don't know

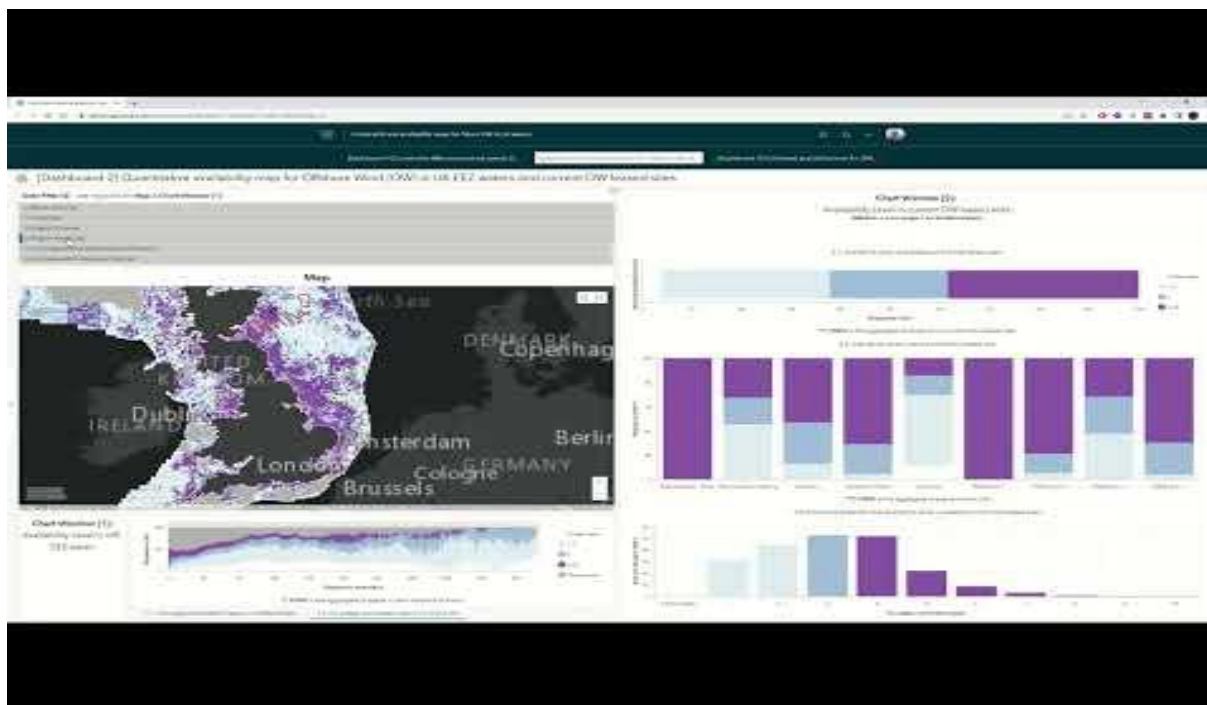
Although the extent of compensation required will be related to the environment the OW is sited (i.e. a smaller OWF in a more sensitive ecological environment might require more compensation than a larger OWF in a less sensitive area), considering the consented sites

are nationally determined and OW provides a national resource, it seems equitable to link payment of compensation to the size of the farm (in terms of GW capacity of ORE provided).

However, we note that the consultation document does not provide clarification on the rationale behind the proposed bands, or any details as to how these have been defined (as in using similar measures as benchmark).

The Crown Estate should be responsible for selecting the optimal sites for future OW – which could be determined from a traffic light system of areas to prioritize, reserve or avoid based on anticipated ecological effects, in conjunction with societal considerations (e.g. population bases, job creation and existing industry). This should be complemented by a traffic light system of confidence in those predictions. Such a process could be facilitated by a GIS mapping portal or dashboard based on the current evidence base – such as <https://www.youtube.com/watch?v=J-6nFfxrCtE> . This particular knowledge base was developed as part of UKRI ORE Supergen and RAEng Chair in Emerging Technologies investments. An extended dashboard (including >250 ecological layers) is being developed as part of the NERC BOWIE ECOwind project (<https://ecowind.uk/projects/bowie/>).

It would seem that this would disincentivise significant investment as the fee acts as a punitive tax on compensation. The fee should reflect whether, and the extent to which, the compensation measure fulfills the requirement. Under the present scheme a poorly fitting compensation measure that is extensive in scale would pay more than a better fitting compensation measure at a smaller scale. Some provision for assessing the appropriateness of the measures employed needs to be reflected in the fee. An analogy might be adoption of a rate similar in effect to the tax paid on vehicles dependent on fuel efficiency, with those achieving effective compensation paying lower rates.



**Table 1: Breakdown of the Reservation Fee**

Charges	Detail
Reservation Fee	<p>Proportionate to estimated cost of compensation: (<b>Compensation cost:</b> Reservation Fee)</p> <p>&lt;5m - £75,000  <b>£5m-£10m - £125,000</b>            &gt;£10m - £200,000</p>

**Question 28: Do you agree with the proposal that the reservation fee will be non-refundable?**

- ☒ Yes
- ☐ No
- ☐ I don't know

[Please explain your answer] See response to Q27. Performance related refunds have potential to incentivise industry and create competition to achieve desirable ecosystem status. Paragraph 121 has potential to add considerable delay.

**Question 29: Does the proposed breakdown of costs listed above include sufficient information for applicants to decide whether to pay into the MRF?**

- ☐ Yes

☒ No

☐ I don't know

[Please explain your answer] Please do also consider our comment to question 27.

It seems that the costs included only entail financial and management aspects, rather than the full costs and benefits of measures. In BOWIE, we are working on estimating financial and economic values for costs and benefits of OW development. These include ecosystem services that could be lost or gained with the development, but also trade-off costs with other marine uses – importantly, for example, potential fisheries displacement. These costs and benefits should be internalised in the decision and therefore in the fund as not only do they reflect the wider value to society but also allow to measure the trade-offs between economic activities and, ultimately, better judge where and how to establish a compensation measure (see also the traffic light system above). If not, there should be a clarification of the rationale.

In general, the precise definition of costs included is key and at the moment the breakdown is quite general. It would be good for example to have clarification of the administrative costs, maybe the final documents could provide indicative examples of a purchase with a breakdown of potential costs. In all cases, the ecological, socio-economic and other 'costs' should be assessed over time and intervention re-evaluated to ensure they are achieving the desirable outcomes intended, and/or that any change or recovery is travelling in the right direction and not having any unintended secondary outcomes.

**Question 30: Do you agree with the proposal that the deposit fee will be non-refundable?**

☒ Yes

☐ No

☐ I don't know

[Please explain your answer] See response to Q28.

**Question 31: If applying to the MRF, which type of payment plan (annualised or instalments, or one-off) would be your preference? Note: the MRFO would ultimately decide which payment plan is appropriate.**

[Please explain your answer] Instalments provide opportunity to adjust payments based on performance, and avoid 'one-off' considerations of the environment.



**Question 32: Do you agree with the proposal that full payment (or the first instalment of an agreed payment plan) will be expected from applicants post-FID and prior to the adverse impact occurring?**

☐ Yes

☐ No

☐ I don't know

[Please explain your answer]

**Question 33: Do you agree with our proposal that any surplus funds may be used for the development of SCMs?**

☒ Yes

☐ No

☐ I don't know

[Please explain your answer] The scientific literature lacks evidence supporting SCMs and funds made available to test assumptions and quantify the merits, or otherwise, of existing SCMs in different contexts, locations and ecosystem types. Such funds could also be used to develop or explore new SCMs, or review updated evidence, within the academic community. It is particularly important that compensation schemes are assessed and reasons for success/failure properly documented in scientific literature. Intertidal schemes have not always worked as intended. This is even more difficult offshore. Routine monitoring coupled with more detailed scientific research has resulted in valuable knowledge that has been applied as the concept of compensation has developed.

**Question 34: Do you have any other comments on the proposed costs and charges as described above?**

It is important that, once operational, the system is clear and transparent as to what the funds will be used for and under what timeframes. It is also important that independent research is achieved, for example through open calls via the research councils. These would have fixed budgets, timelines and could be subject to rigorous evaluations throughout the funding period as has been the case with the NERC EcoWind programme. This ensures that the science evolves to meet industry and legislative needs, whilst ensuring benefits are gained from incorporating the latest and emerging science. This provides opportunities for adaptive use of funds, including adjustments and efficiencies for industry gained through adaptive management and coordinated actions across multiple installations. Some funds could be redirected back to industry to help achieve such transitions. Presently, there is no incentive to try new ideas and/or evaluate compensation actions, or for industry to collaborate with, for example, the academic community.

**Question 35: Do you agree with our proposal that, when using the MRF, responsibility for an SCM will rest with Defra (as MRFO) at the point that full payment (or the first instalment of a scheduled payment plan) is complete (subject to ongoing payment of instalments)?**

☒ Yes

☐ No

☐ I don't know

The responsibility should lie with the MRFO once the agreement and payment is made (that seems to underpin the basis of the MRF).

**Question 36: Do you agree with the proposed approach to MRF's ownership of and responsibility for any compensation assets or SCMs?**

☐ Yes

☐ No

☐ I don't know

[Please explain your answer]

## **Part 2 – Consultation questions on Delivery**

**Question 37: To what extent do you agree that the above processes outlined in paragraphs 154-168 will enable the MRF to deliver ecologically feasible compensation?**

☒ Strongly disagree

☐ Disagree

☐ Neither agree nor disagree

☐ Agree

☐ Strongly Agree

The current range of SCM are very narrow (just 3), providing for only a small portion of the ecosystem. The LoSCM should be expanded to cover all components of the ecosystem, and their interactions. There is no provision for the effects of climate change and/or the composition and amount of other human activity.

Within BOWIE, our experimental work has already shown that the response of benthic communities depends on season, context, location and the sequence and combination of associated pressures. We have also shown that species responses are not universal, but depend on environmental setting and history, meaning that interventions in one location or time are not necessarily appropriate in other locations or timings. We would also raise concern over the amount and quality of evidence that underpins the assumed validity of SCM, in particular with respect to deployment at scale or within different regions. There are also concerns over whether SCMs are providing additional opportunities for the ecosystem or merely displacing existing capacity/activity.

Currently there does not seem to be provision for testing the effectiveness of SCMs within the wider context (for example: does the supporting data exist to indicate success?) Existing SCMs need rigorous scientific testing. Constraining implementation of SCMs to within the immediate area of the alleged impact is necessary, compensatory measures in locations remote from the impact do not serve the area of impact. Our learnings have shown that location of compensation measures requires careful consideration to avoid loss of connectivity, fragmentation and edge effects.

Enhancing biodiversity or altering the structure of the community might provide desirable gains but can change the structure and nature of the system to a state that is not natural. For example, enhanced biodiversity gained from artificial reefs shift the trophic status of the ecosystem away from the soft bottom detrital based food web. It is important that multiple metrics that consider the ecosystem as a whole, including how it functions, are used when evaluating specific SCMs. For example, biodiversity gain may be viewed positively, but not if the functional capacity and/or role of the system is altered or compromised.

The current intention does not give provision for directional change (e.g. via climate change), interannual or other sources of natural variability, and does not allow for the influence of multiple human activities in the vicinity of the offshore wind installation. The latter could provide additional pressure, and when combined could lead to antagonistic or synergistic system effects. These could be used to advantage as the presence of one pressure might form a means to mitigate the effects of another pressure, whilst knowledge of wider operations provides information on what is likely to work or not work in terms of compensation.

A holistic view is needed, and more research is required to understand the effects of multiple pressures over short and long timescales and within the context of a changing ocean.



**Question 38: Is there anything in addition to the above that the MRF should consider to improve the process of delivering compensation?**

[Please explain your answer] We note that it is stated in the consultation document (on page 18, pnt 61) that “if the LoSCM does not contain a SCM that suits the developer’s requirements, they cannot use the MRF until a suitable SCM is added to the LoSCM”. This is an aspect of the system that would need to be addressed rapidly as:

- The current range of SCM are very narrow (just 3), providing for only a small portion of the ecosystem
- The LoSCM should also be expanded to cover the whole ecosystem and this should be done early enough so that there is a palette of suitable SCM readily available.
- We note that it will be Defra’s SoS (or where relevant Ministers in the Devolved Governments) to grant the decision as to whether a SCM is deemed suitable. This is effectively the highest level of ‘decision making’ that could potentially take a certain amount of time and procedure which, in practice, may or may not speed things up. One could also anticipate a potential challenge in securing SCM clearance should there be a disagreement between Defra SoS and Devolved Government ministers on the suitability of the measure.
- Reduction of carbon emissions from the ORE that would otherwise be released from burning fossil fuels should be incorporated as a compensation measure.
- Efficacy of compensation must be assessed considering the shifting baseline from climate change, ongoing pollution and biodiversity loss not related to the OW development.

**Question 39: Is each stage of the adaptive management hierarchy clearly defined?**

☐ Yes

☐ No

☒ I don’t know

[Please give details if needed] As the online survey does not allow commentary under question 40, we would like to use this opportunity to underline that adaptive management is a key strategy to accelerate responsible offshore wind deployment. New and emerging technologies enable monitoring and modelling at scale and in real time to support meaningful adaptive management. We suggest extending the scope of adaptive management as described in the MRF outline, as a mechanism to support coordinated data collection from monitoring, to enhance the evidence base on which to inform future SCM and OW sites. Adaptive management can be positively used as a design strategy (and



accelerate consent) to manage the OWF management through the design life (similar to the Observational Method for onshore construction projects).

**Question 40: To what extent do you agree with our proposals for Adaptive Management, outlined above?**

- ☐ Strongly disagree
- ☐ Disagree
- ☐ Neither agree nor disagree
- ☒ Agree
- ☐ Strongly Agree
- ☐ I don't know

## **Part 3 – Consultation Questions on Cross-Cutting Considerations**

**Question 41: Do you agree with our proposal that developers should choose which Fund to apply to in the circumstances outlined in paragraph 183b?**

- ☐ Yes
- ☐ No
- ☒ I don't know

[Please note that the online survey did not allow commentary]. The following commentary was added to Q26. The process should be consistent across jurisdictions. The sea space is connected so activities in one jurisdiction will affect ecosystems in another. Equally, inconsistent processes in different regions would enable gaming the system. For example, there is a risk that developers could choose to fund where there is least impact. It is particularly important that ecological relevance is ensured when developers choose whether to apply to the Fund where their project is consented or where the adverse effect occurs. Compensation has to be closer to where the impacts are.

**Question 42: To what extent do you agree with our proposal for the way in which the two Funds will interact to address cross boundary impacts?**

- ☐ Strongly disagree
- ☐ Disagree
- ☒ Neither agree nor disagree
- ☐ Agree

☐ Strongly Agree

☐ I don't know

**Question 43: Will the approach outlined allow SNCBs to carry out their role effectively?**

☐ Yes

☐ No

☐ I don't know

[Please explain your answer]

## **Part 4 – Final Comments**

**Question 44: Do you agree that the proposed operation of the MRF provides applicants with sufficient confidence that the consent requirements for environmental compensation will be met when using the MRF?**

☒ Yes

☐ No

☐ I don't know

[Please note that the online survey did not allow commentary]. The following commentary was added to Q45.

Our understanding is that the MRF is a mechanism to guarantee consenting requirements are met. That it is a contractual arrangement in which the MRFO will take responsibility for implementing the compensation measures, in return for the fee. As such, it is unclear why the applicant would not be confident that the requirements would be met.

We see the proposals as a step forward. The cost of not mitigating the adverse environmental impacts from the outset will undermine any OW projects in the long run. The UK needs an effective, efficient and workable compensation system in place. Whilst we note that it is the Government's initial intention to set up a voluntary offsetting mechanism, we are hoping that the use of the MRF will become common practice over time.

**Question 45: To what extent do you agree the MRF will help to speed up the deployment of offshore wind? Please provide any supporting evidence in the open text box provided.**



- ☐ Strongly disagree
- ☐ Disagree
- ☐ Neither agree nor disagree
- ☒ Agree
- ☐ Strongly Agree
- ☐ I don't know

The principle of the MRF supports acceleration of deployment of OW through speeding up consent timeframes. The devil will be in the operational detail as to whether or not the MRF is successful. Overly complex or obstructive bureaucracy or bottlenecks in processing will prevent MRF from reaching its potential.

**Question 46: To what extent do you agree the MRF process is an attractive alternative to delivering compensation independently?**

- ☐ Strongly disagree
- ☐ Disagree
- ☐ Neither agree nor disagree
- ☐ Agree
- ☒ Strongly Agree
- ☐ I don't know

[Please note that the online survey did not allow commentary]. The following commentary was added to Q47.

A consistent and centralised system to streamline and accelerate consent so OW can be deployed at the necessary pace and scale provides an attractive alternative to deliver compensation independently. As for Q45, the devil will be in the detail as to whether the aspirations are met.

**Question 47: Are there other points you wish to raise in regard to the MRF that you have not already shared? If so, please use the open text box provided.**

The priority is to have an operational and workable system in place as a matter of urgency, so OW can be deployed at the pace and scale necessary to curb carbon emissions to meet net zero targets and stem the worst effects of climate change. The consequences of failing to curb carbon emissions in line with the government targets by delaying the deployment of OW are known and disastrous for ecosystems, society and the economy. While all the consequences of OW deployment at scale cannot be predicted now, technology exists to monitor changes in the seabed and ecosystems to adapt management of current OW farms and improve decisions for future OW based on knowledge gained. A versatile and responsive

policy is essential to support this transition. The MRF has potential to be such a piece of policy if clear focus is maintained on the purpose of the MRF policy.

We note that the mid-scenario ambitions for OW in the UK require just 5% of the sea space of the UK EEZ, and a much smaller proportion of the seabed area as the spacing between installations is 1-2 km (Putuhena et al. 2023). This is much less space than used by other ocean sectors (e.g. fishing, shipping, dredging) that cause known and significant damage to the marine ecosystem. There are multiple users of the UK EEZ, OW comes to the table as the latest offshore sector, to an already degraded environment. It is essential that the cumulative effects of all ocean sectors are not put on the OW sector to fix or compensate for. Disaggregating the effects of natural and anthropogenic pressures and consequences from each other is not currently achievable.

OW offers the UK the best opportunity it has to decarbonise our economy and society by 2050 to avoid ecological crisis. Versatile and balanced policy is required across all ocean sectors. MRF has potential to be enabling policy for OW. The MRF should not try to become a policy to reverse the degradation of the marine environment, which is caused by many other ocean sectors (and terrestrial sectors that impact ocean health, e.g. burning fossil fuels, agriculture fertiliser run off, plastic pollution) that are not subject to the proposed MRF policy.

Source: Putuhena, H., White, D., Gourvenec, S. and Sturt, F (2023) Finding space for offshore wind to achieve Net Zero: Spatial constraints in UK waters. Renewable & Sustainable Energy Reviews, Volume 182, 113358, <https://doi.org/10.1016/j.rser.2023.113358>

<https://doi.org/10.5258/SOTON/PP0124>



## Southampton Marine & Maritime Institute

University of Southampton

Building 176, Boldrewood Innovation Campus,

Southampton SO16 7QF, UK

+44 (0)23 8059 2316

[smmi@southampton.ac.uk](mailto:smmi@southampton.ac.uk)

<http://www.southampton.ac.uk/smmi>

 [Join the SMMI Community](#)