

## Scottish Forum on Marine Natural Capital – Meeting minutes Wednesday 5<sup>th</sup> October 2022, 14:00 – 17:00

### Agenda

	Item
1.	Introductions
2.	Update on co-ordination of the Forum
3.	Updates from Forum members
4.	Reviewing membership applications and review of application process
5.	Update and discussion of proposed roundtable event on Natural Capital and the Blue Economy, 2023
6.	Blue Economy workshop session
7.	AOB
8.	Date of next meeting
9.	Close

### Attendees:

Cathy Tilbrook (CT, Chair, NatureScot), Phil Boulcott (PB, Marine Scotland), Ed Noble (EN, Marine Scotland), Iona Campbell (IC, Marine Scotland), Sally Rowse (SR, Marine Scotland), Amy McQueen (AM, Marine Scotland), Sophie Sellers (SS, Marine Scotland), Sophie Humphries (SH, Marine Scotland), Nicola Melville (NM, SEPA), Marion Harrauld (MH, SEPA), Janet Khan (JK, SEPA), Vicky Morgan (VM, JNCC), Jennifer McNulty (JM, JNCC), Bill Austin (BA), Chris Leakey (CL, NatureScot), Sinead Sheridan (SS, NatureScot)

### Apologies:

Tavis Potts, Kate Bellew, Mark Barnett, Mike Palmer, Caroline Cowan

### Actions from the meeting

Action	Lead
Enquire about improving flow of updates and information on mNCEA programme of work	VM
Update Brief in line with points discussed	SS
Notify applicants that they have been accepted onto the Forum	SS
Circulate details of JNCC workshop to attendees	SS
Circulate poll to identify best date for next meeting	SS

### Topics highlighted for further discussion at future meetings:

A similar approach could be taken for natural capital focused workshops. There could be more than one (a mini-series) and could be short – ½ day session. This would enable the sectors to think about how they see themselves feeding into the blue economy and wider sustainability. It also facilitates creation of champions for each sector. Could be a lot of work, but could really help embed thinking.

SR noted that this is the direction we need to go to broaden out this approach and realise practical outcomes. Part of delivering the BEV will be thinking about how to do it best, but this concept fundamentally would be really useful. This was highlighted as something to discuss at the next meeting – think about how we could help Marine Scotland bottom this out and deliver on this.

### 1. Updates on co-ordination of the Forum

SS updated the meeting that recruitment is currently ongoing by both Scottish Wildlife Trust and NatureScot for the two roles which previously co-ordinated the Forum. Once this process is complete, permanent co-ordination arrangements for the Forum can be discussed. CT also noted that this Forum is officially a sub-group of the Scottish Forum on Natural Capital and so there is a need to ensure there is communication between the two groups particularly in relation to communicating progress against the Forum's objectives.

## **2. Updates from Forum members**

### **Marine Scotland**

The Blue Economy Vision (BEV) was published in spring. Over summer the team have been doing a stock take on how planned existing work aligns with outcomes – this has included a high level review of enabling actions/activity that support the vision. This has all been incorporated into a document which should be published soon. Next steps will then be scoped.

Marine Analytical Unit have been progressing different research/projects. The previously discussed seagrass study is currently on hold due to lack of funding. A contract has been let to conduct a study using the choice experiment approach to examine how different aspects of the marine affect site choice preference for recreational users. This is starting imminently and will run until April. A final report will be published.

### **SEPA**

NM provided an overview of her role. She is the natural capital (NC) lead for SEPA, and is involved in incorporating natural capital into decisions that sectors make. Experience includes a lot of natural capital and ecosystem services work done in the past. She also sits on the Scottish Government Natural Capital coordination group. This group does not have a particular focus on the marine environment, however colleagues from Marine Scotland do sit on this group. This Forum could feed in and ensure alignment in approaches across all areas and NM can help make that link. NM also leads on water metrics and water standards group along with Brendan Turvey (NatureScot). This group commission's work to look at what approaches are currently available to measure water benefits. Currently these are focused on flood management, water quality and water quantity with a focus on freshwater. In the past SEPA have done work on assessing value on the marine environment and started to consider the pelagic zone, but this was lost in the cyber-attack.

JK and MH also provided an overview of work they are involved in. This includes valuing the natural capital that is dealt with within regulatory requirements, but work also involves considering the devaluation of natural capital and where there is mitigation, if that affects natural capital stocks. An example is natural flood management at the coastal zone. This can consider saltmarsh functionality as well as using the WFD tools for looking at the health of the saltmarsh. SEPA are also involved in raising capacity and awareness of the concept of goods, flows and services to the stakeholders they work with. There is also a focus of joining activities on land to the coastal strip. CT noted that there is currently a lot of focus and work evolving on saltmarsh in relation to incorporating this into the greenhouse gas inventory and developing carbon codes for this habitat.

### **JNCC**

The Defra mNCEA programme is informing a lot of work at the minute. There is £5.5m to spend this year, and £9m next year. JM has joined in the last month to manage the JNCC aspects of the programme. Recent developments include the expansion of the Volunteer Seabirds at Sea programme to England. There are also plans for has been benthic and offshore survey work and some monitoring this year, but much more planned for next year. Also this year, the MMO have been mapping ecosystem services in the eastern marine plan areas. As part of that, JNCCs component is developing an asset services matrix (part of a suite of foundational projects). The team

are aiming to publish this by the end of March. This builds on Tavis Pott's work and has absorbed the work of many others throughout the UK on linkages between habitats and services. The MMO are doing further work on decision making, including the application of natural capital approaches (NCA) in the North east offshore Marine plan area. The JNCC team are beginning work on valuation and making links to beneficiaries. There are plans to do more on that next year and more on the link to GES and benefits to society. There is some work on carrying out user research to design NCA tools that is about to get underway.

CT asked how this Forum should be trying to link up with the wider mNCEA work. VM will speak to people at Defra to ask about this – VM could convey information across groups, or a contact at Defra could attend this meeting directly. While this is a Defra funded programme, it was noted that representatives from Scottish organisations (including forum members) have been contributing where possible (e.g. recent workshops on asset-service matrix and benthic indicators) and recognise that there will be useful lessons and opportunities to consider adopting shared frameworks.

EN noted that the UKMNC group (regular meetings amongst Devolved Administrations to share natural capital updates) has not been running over summer, but that might be the place for this group to stay updated. Maintaining links across all these groups could be linked to Project Placement post responsibilities, although this would need to be considered and discussed.

#### **NatureScot**

CL noted that NatureScot currently have an interim role in coordinating this group. As mentioned earlier, recruitment for a marine natural capital (MNC) project placement role is currently underway. This post will involve reviewing emerging MNC work and summarising conclusions, as well as progressing pilot approaches. CL has been providing input into BEV discussions related to natural capital and how we see this developing in Scotland. We have also been trying to keep in touch with the Defra funded mNCEA programme in particular with the work that JNCC is doing. There is value here in making links to share learnings. CT continues to be the main point of contact on the Blue Carbon Forum. Internally, there has also been some discussions with colleagues who maintain the NCAI about how we might start a programme of work to improve considerations of coastal work in that. The NatureScot BES fellow has nearly completed her fellowship. She is using Bayesian ecosystem models with a natural capital lens, and also incorporating the InVEST tool. The sites of focus for this work are Orkney and Loch Creran. VM noted that JNCC have also done some work using Bayesian models - the MESO tool, which covers 5 benthic habitats. You can switch pressures on or off and it will give you a probability of positive or negative change.

It was asked if when considering emerging natural capital work, the project placement role could also consider terrestrial work, such as the Landscape Assessment Tool being developed by Donya Davidson (NatureScot). There is an opportunity to connect learnings.

CT noted that in relation to green investment, the Scottish Marine Environment Enhancement Fund (SMEEF) is well underway and is now also starting to look at next steps for carbon markets and for companies to invest in saltmarsh.

#### **Crown Estate Scotland provided an update via email:**

CES have recently contracted Dialogue Matters to undertake some engagement work with community groups and key stakeholders for the purpose of understanding community aspirations around projects working to restore/enhance their local marine environment, and to provide recommendations as to how Crown Estate Scotland can best enable such projects. The work will mainly focus on hearing from communities but Dialogue Matters may get in touch with some members of the Forum as wider stakeholders to request a short interview.

CES have also been working through their internal position in relation to marine natural capital and are hoping to have a senior level discussion on this before the end of the year.

### **3. Reviewing membership applications and review of application process**

Attendees discussed the proposed changes to the Forum's Brief to provide more clarity and detail on the process for reviewing applications to join and on decision-making processes. There was agreement on the points suggested and also the Brief document should be renamed to Terms of Reference.

On the applications for membership specifically from Scottish Environment Link and Dr Hannah Rudman, there was agreement that both applicants would add value to the group and bring in useful and relevant perspectives and so should be accepted.

### **4. Update and discussion of proposed roundtable event on Natural Capital and the Blue economy, 2023**

BA updated the group that he had received a request from the Scottish Forum on Natural Capital to organise an event, as they are interested in developing a better understanding of marine issues in the context of the BEV. The event will be hosted at St. Andrews and Prof. Ian Boyd has been approached to deliver a key note speech. Assistance and input from this Forum is requested in developing the agenda.

Following a conversation with Marine Scotland, which outlined timings in relation to the BEV and the business planning cycle, February or March 2023 would be the best time to hold the event. It would be very useful to have a small number of people from this group to join an organising committee to help develop content.

An upcoming JNCC workshop was raised and the difference between the two events was discussed. The JNCC workshop is titled 'Exploring an Integrated Approach towards a Sustainable Blue Economy' and will take place in November. The two events are distinct but should work well together. The JNCC event is high level, looking at ideas and concepts UK-wide and globally including session in context and information setting, systems thinking and the systems approach and enabling the blue economy transition. SS took an action to circulate the save the date information for this workshop to meeting attendees.

NM asked to what extent the events will be involving sectors, as we should be encouraging them to begin to think about this area. There is scope to introduce opportunities for sectors to think about natural capital and reliance on environment, as well as recognising risks and opportunities. There is also an opportunity here to think about the link to land, and the impacts that come from this. How will we use this to get better decision making? How can we make this practical and reach the people who need to hear this information.

VM noted due to timings it would not be possible to open up the JNCC workshop to sectoral stakeholders, but this should definitely be an aspiration for next year. We should be aiming for partnership approaches, innovation and matching private organisations with others and wider opportunities. It would be good to progress beyond theoretical approaches and push elements of outputs related to practical delivery.

The November event could perhaps involve enterprise agencies. It was generally welcomed that the two events can connect and both deliver on where thinking is moving to on natural capital. The brief for the 2023 event is to communicate to wider non-marine audience where progress is with marine

natural capital. A half-day workshop might struggle to deliver the deeper partnership work needed. The focus will likely be on key messaging and could create an opportunity for government to announce opportunities and updates. The idea of linking to the November event is good, and they should join up. Someone from JNCC could attend 2023 event to provide a summary of November event.

Essentially, both events need to help people understand the different strands of natural capital – how it can influence decision-making and how it influences private sector in terms of what they make and how they invest. This needs to be delivered within the context of marine science and all the tasks needed to help deliver against these two families of outcomes. The events will also need to have a role in building awareness and knowledge amongst the audience.

SEPA noted they had previously held events themed around delivery of the Sustainable Development Goals (SDG). This included workshops looking at case studies targeted at different sectors, and aided conversation considering how sectors could apply SDGs to their work and their organisation. A similar approach could be taken for natural capital focused workshops. There could be more than one (a mini-series) and could be short – ½ day session. This would enable the sectors to think about how they see themselves feeding into the blue economy and wider sustainability. It also facilitates creation of champions for each sector. Could be a lot of work, but could really help embed thinking.

SR noted that this is the direction we need to go to broaden out this approach and realise practical outcomes. Part of delivering the BEV will be thinking about how to do it best, but this concept fundamentally would be really useful. This was highlighted as something to discuss at the next meeting – think about how we could help Marine Scotland bottom this out and deliver on this.

## **5. Blue Economy workshops session**

IC gave a presentation setting out the motivation for this workshop, and provided a progress update on where the BEV is in relation to natural capital. She gave an overview of the structure of the BEV. It has six main outcomes which are themed around natural capital, climate resilience, climate mitigation, economic, healthy lifestyles and social outcomes. In consideration of the outcomes, the BEV team have had deep dive sessions earlier in the summer to consider enablers for delivery – regulation, management, investment and economic development, science and skills development. SG have committed to increasing natural capital through the National Planning Framework, the national strategy for economic transformation, through the wellbeing economy monitor, and now specifically for marine and coastal interests through the BEV. None of the BEV outcomes are mutually exclusive; natural capital can deliver across all the outcomes for the Blue Economy.

The workshop session involved attendees providing ideas for action, noting if they were short term or longer term priorities, scale of resource required for delivery and if they would be delivered by government, or if the aim was to enable delivery by others. The accompanying PDF illustrates the ideas submitted during the workshop session, and which were identified as initial priorities.

A summary of the discussion is captured below:

- Asset mapping – Scottish Blue Carbon Forum is also looking at quantifying habitat stocks. There is a UN programme contributing to this. We also need to identify quantify and quality of habitats. How well do we understand their conditioning and functioning? Are they functioning well to deliver all the services they could? All the evidence and science that comes from answering these questions gives a strong foundation. However does take time and is expensive, but good to see ambition there.

- We can build an evidence base on function, condition and pressures. We do have this to a certain extent on NMPI. Data on carbon sequestration and storage is maybe a bit of a gap. For some of our habitats we do not have a good handle on habitat extent and condition. Maybe we can think about progressing this on a regional scale, or whether we tackle certain habitats as a priority, e.g. saltmarsh. There are different ways to approach this, but lacking this underlying information will be a barrier to taking this forward.
- We are always going to have those data gaps. Do we have a good handle on where we have data and what information we would want on the different levels? Or what habitats are providing which ecosystem services? We could develop a grid – with different habitats and different assets broken down to a certain level, noting the different types of information/data we might already have and list sources. This could be a live document.
- How do we enable more private sector investment in restoring natural capital? SEPA did work with Crown Estate Scotland on the terrestrial environment - trials of the natural capital protocol to enable decision making and led to tools used by farmers. Learned a lot in applying a framework to highlight opportunities for collaboration. How could we get the natural capital protocol to work in the marine environment?
- When looking at the valuation of coastal wetlands (including saltmarsh) the valuation was very much dependent on the functionality of the habitat at the time of assessment. (e.g., wetland function of nutrient assimilation occurred at a different time from its function for flood protection: So, the valuations were very fluid and therefore difficult to communicate to practitioners.
- What role do sectors have in collecting data and how can this be used?
- CES will be central to this conversation as relates to multiple use. It would be worth looking at terrestrial examples to see if we can pilot this with the marine aspect.
- A timescale should be applied against the ideas identified, to review and update the ones taken forward in light of how things change in response to official reporting on environmental, economic and social conditions. Pressures and risks are continually evolving and so there is a need to be continually evaluating risks. This will allow our approach to evolve as needed to support changing priorities.
- We should promote evaluation of projects - whether it is natural capital pilots or other enhancement work, such as nature based solutions. This could be quite powerful to plan in, regardless of who is delivering it. This would enable understanding of impacts and cross-over where we are moving to market-based approaches or if businesses are being rewarded to implement certain interventions.
- There is perhaps monitoring and reporting that we can try and coordinate through SMEEF.
- There should be clear expectations for natural capital work – that the quality and quantity of natural capital assets needs to go up and that means we need to manage in a way where were not just looking at no-net loss.
- Alignment should also happen with work on a new National Marine Plan and associated policy around enhancement - this can support changes to take place.
- Terrestrial natural capital space – articulating what can cross over from terrestrial to the marine and therefore what we can make progress on and what makes it difficult to transfer approaches and learnings. There is a need to link up thinking about what about the marine environment makes it different and more difficult – e.g. how to progress in pelagic environment, considering the complexities of this environment. Some work on this has been done by SEPA but in working through this, lots of challenges were identified.
- The Scottish Government vision for sustainable aquaculture is geared towards natural capital and sustainable development. We are asking this of the aquaculture sector, but there is no real guidance or protocol as to how to do this. Maybe it is timely to promote work towards a delivery mechanism here. The Capitals Coalition protocol examples are very broad and give a

framework for people to think through the process. It is much more powerful when it is developed by the sector.

- Mapping data and gaps on ecosystem services, extent, condition – the feasibility study for a marine NCAI did this. This could be a starting point for the kind of exercise discussed earlier. Could assist with identifying limitations and opportunities in the data. Distinguishing what we need to know, and then mapping out what's missing.
- Is there a task around working through data and putting tags on this to highlight where it could be useful to apply in a natural capital context? Look at existing layers again and see how useful they are. Mapping is expensive, but there is a lot of data out there. How do we use existing data to think about multiple benefits? More work to think about data mining.
- Considering last point in relation to portal JNCC are building to hold data, but also where people can upload data.

## 6. AOB

Nothing was raised.

## 7. Date of next meeting

A survey would be circulated to confirm a date for the next meeting sometime in first two weeks of December.

### Links and resources shared during the meeting:

- Defra Marine Natural Capital and Ecosystem Assessment - <https://www.gov.uk/government/publications/natural-capital-and-ecosystem-assessment-programme/natural-capital-and-ecosystem-assessment-programme>
- CES Restorative Aquaculture report - <https://www.crownstatescotland.com/resources/documents/prospects-and-opportunities-for-large-scale-restorative-aquaculture-in-scotland-low-res>
- Payment for ecosystem services- <https://www.crownstatescotland.com/resources/documents/alternative-markets-for-farmed-scottish-shellfish-and-associated-requirements>
- JNCC cetacean work: Review of Evaluation and Valuation Methods for Cetacean Regulation and Maintenance Ecosystem Services With the Joint Cetacean Protocol Data - <https://www.frontiersin.org/articles/10.3389/fmars.2022.872679/full>
- Vibes Scottish Environment Business Awards provides inspiration from sectors and leadership - <https://www.vibes.org.uk/about/>
- Hunterston Parc Natural Capital Assessment - [https://www.peelports.com/media/ixgptoou/pp\\_hunterston\\_parc\\_framework\\_final-comp.pdf](https://www.peelports.com/media/ixgptoou/pp_hunterston_parc_framework_final-comp.pdf)
- Natural Capital Protocols - [https://capitalscoalition.org/capitals-approach/natural-capital-protocol/?fwp\\_filter\\_tabs=guide\\_supplement](https://capitalscoalition.org/capitals-approach/natural-capital-protocol/?fwp_filter_tabs=guide_supplement). Food and beverage sector example - [https://capitalscoalition.org/guide\\_supplement/food-beverage-sector-guide/](https://capitalscoalition.org/guide_supplement/food-beverage-sector-guide/)
- Defra Enabling a Natural Capital Approach - <https://www.data.gov.uk/dataset/3930b9ca-26c3-489f-900f-6b9eec2602c6/enabling-a-natural-capital-approach>.