

Northern Ireland review 2022/23



Introduction

Welcome



“Through all that we do, we seek to create financial, environmental and social value for current and future generations.”

The Crown Estate’s long-term success relies on its ability to bring people together to make a positive impact. This includes relationships with all of our stakeholders, from our customers and partners through to the communities we serve.

Our partnerships have strengthened in Northern Ireland over the past year as we seek to support its offshore wind ambitions. This includes continuing to work closely with the Department for the Economy and Department of Agriculture, Environment and Rural Affairs (DAERA), as well as with Invest NI, System Operator for Northern Ireland (SONI) and Northern Ireland Electricity.

Our 2022/23 Annual Report provides an in-depth analysis of our business performance, but in this review I want to share an overview of our work in Northern Ireland that will be of interest to policymakers.

We have longstanding relationships in Northern Ireland. Much of our work is focused on the sustainable development of the seabed, as well as supporting the aquaculture industry and playing a role in stewarding the natural environment.

We are committed to supporting the transition to a net zero carbon and energy-secure future. Over the past two decades, we have worked with a wide range of partners and leveraged our unique combination of strengths to deliver the ground-breaking work that has created the UK’s world-leading offshore wind market. In Northern Ireland, we are working together with stakeholders to develop its offshore wind power and realise the ambitions set out in the Energy Strategy Action Plan and the Offshore Renewable Energy Action Plan (OREAP) to deliver 1GW of offshore wind from 2030 in Northern Ireland waters. To this, we bring our expertise from the wider UK market, while focusing on the specifics of the opportunity in Northern Ireland.

OUR UNIQUE STRENGTHS



Our broad ownership

We have a diverse footprint across the country.



Trusted brand and reputation

We are known for our quality, longevity and integrity.



Independence and simplicity of role

We have developed a clear strategy and set of targets to deliver our statutory mandate.



Power to convene and catalyse

We bring together public and private partners, stakeholders and customers to tackle challenges.



Long-term view

We act in the public interest and invest for the long term.

This is encapsulated in the Statement of Intent that we signed with the Department for the Economy this year, marking an important step forward in our collaboration to create the right conditions for offshore wind leasing. The seabed is a precious resource that has ever-increasing demands set on it. If we are to realise its sustainable energy potential, we must manage competing demands including developing offshore wind resources in a way that is sensitive to and restores a thriving natural marine environment.

We are seeking to accelerate renewable deployment by developing new seabed leasing models that are more agile, investing in world-class data and evidence to de-risk projects and better understand the natural environment. We also invest in research that enables the critical infrastructure required for offshore developments to succeed. Combined with the vision set out in OREAP, we have the opportunity to develop in the right way and accelerate delivery.

We know that the industry around the development of offshore wind can unlock benefits for local communities. This has become a core part of our planning for a potential floating offshore wind leasing round in the Celtic Sea and we will continue to learn and build it into the way we work. By working in partnership and leveraging our position, we want to make sure that we realise all the value we can from these projects for local communities including economic, skills and supply chain benefits. As we work towards OREAP's roadmap of delivering 1GW of offshore wind capacity by 2030 in Northern Ireland, together with our partners we can achieve it in a way that will enhance people's lives in line with our purpose of delivering lasting and shared prosperity.

Will Apps
Head of Marine Development

Below. RenewableNI and Invest NI host offshore wind industry roundtable with The Crown Estate. Pictured are (l-r): Zoe Crowe, Head of Renewable Electricity, Department for the Economy; Clare Collard, Head of External Affairs and Policy, The Crown Estate; Steven Agnew, Director RenewableNI; Dan Labbad, Chief Executive, The Crown Estate; Rachel Sankannawar, Head of Green Economy Development, Invest NI and Will Apps, Head of Marine Development, The Crown Estate.



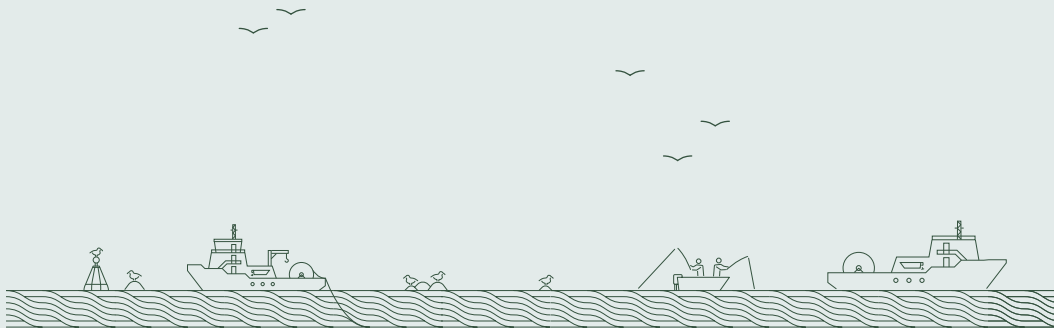
What we do

The Crown Estate owns and manages land on behalf of the nation, creating financial, environmental and social value, both for now and for the long term.

We are responsible for managing Northern Ireland's seabed out to 12 nautical miles and the rights to the resources on the continental shelf, such as natural resources and offshore energy, but excluding fossil fuels. Our interests also include telecommunications, power cables and pipelines. We are also stewards of around 65% of the foreshore and riverbed, supporting the aquaculture industry - such as oyster, mussel and seaweed farming - alongside other coastal interests including commercial ports, recreational harbours and marinas. We manage the rights to deposits of gold and silver, known as Mines Royal, with two Mines Royal leases currently in place.

Our focus is on delivering three strategic objectives - climate resilience and energy security, thriving communities, and nature recovery. Through these we aim to address national needs where we are best placed to draw on our unique combination of strengths and support economic growth and equality of outcomes.

Set up by an Act of Parliament and occupying a space between the public and private sectors, we act independently and commercially to grow the value of the portfolio for future generations.

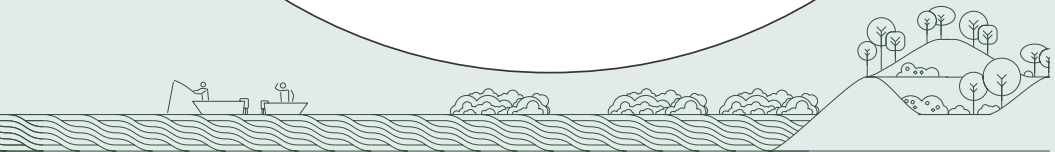
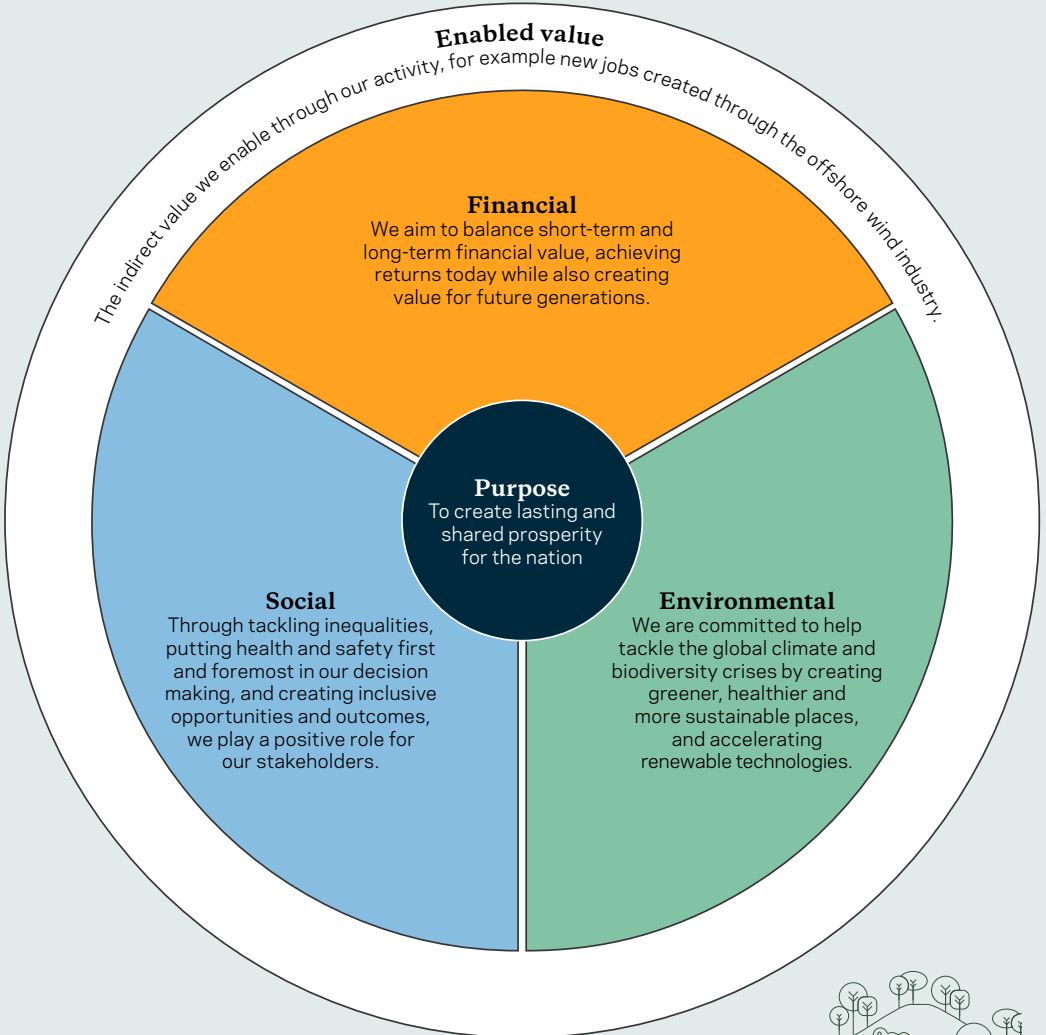


How we measure value

Creating lasting value for future generations

Our Value Creation Framework

Our Value Creation Framework seeks to set out and measure the direct financial, environmental and social value we create, alongside the wider value we can enable, in pursuit of our purpose.



Our strategy

DRIVEN BY A CLEAR PURPOSE

To create lasting and shared prosperity for the nation.

DRAWING ON OUR UNIQUE STRENGTHS AND CULTURE

Our unique status and position are a source of strength – there are few trusted public-private businesses in the UK that are investing for the long term and in the national interest.

Our values are the guiding principles that define our culture in order to bring our purpose to life.



Caring

We are committed to looking after the world around us and each other.



Together

We work together and with others to deliver on our purpose.



Creative

We believe that creativity enables us to unlock new ideas and solve problems.



Impactful

We believe that positive impact and financial performance must go hand in hand.

ADDRESSING NATIONAL NEEDS

Energy security and net zero

Economic growth and productivity

Growing pressure on urban centres

Biodiversity loss and nature recovery

USING OUR BUSINESS UNITS TO DELIVER



Marine



London



Regional



Windsor & Rural

OUR STRATEGIC OBJECTIVES

Striving for equality of outcomes

Be a leader in supporting the UK towards a net zero carbon and energy-secure future.

Help create thriving communities and renew urban centres in London and across the UK.

Take a leading role in stewarding the UK's natural environment and biodiversity.

CREATING VALUE FOR THE NATION

Our strategy will help deliver an ambitious set of long-term national outcomes, which can support the national policy agenda, drive economic growth, and support improved productivity through all our activities to maximise returns to the Treasury.



Financial



Environmental



Social



Enabled value

Our strategy continued

Supporting a decarbonised and energy-secure future

Statement of Intent

On 16 January we published a Statement of Intent with the Department for the Economy to confirm our joint aspirations for the future of offshore renewable energy development. With our visions and values already well aligned, this sets out our desire to work collaboratively and proactively to maximise opportunities, including the sustainable development of offshore wind that puts a thriving marine environment at its core. We have also committed to forging effective partnerships and sharing ideas, data and evidence to realise these ambitions.

The successful delivery of offshore renewable energy for Northern Ireland will require collaboration across various stakeholders. While our Statement of Intent has been a driving force for our work in delivering OREAP, which outlines the roadmap to deliver 1GW of offshore wind from 2030, it is also built on the relationships that we have established over many years in Northern Ireland.

We have been a key partner in the Department for the Economy's OREAP Steering Group alongside DAERA, Department for Infrastructure, Utility Regulator of Northern Ireland, SONI, Northern Ireland Electricity Networks (NIE), and RenewableNI where we have brought forward learnings from the UK offshore wind market to help progress the critical path for delivery of offshore wind in Northern Ireland. We have also been active on the OREAP working groups, particularly through the Planning, Licensing and Consenting and Sectoral Growth groups to help address some of the key challenges. We also play an active role in the Offshore Renewable Energy Forum

(OREF) to ensure marine users in the widest sense are considered in development.

Our in-depth data, evidence and capabilities continue to bring value, including inputting into the Strategic Environmental Assessment (SEA) and Habitats Regulations Assessment (HRA).

Tidal energy

We operate a developer-led leasing model where we work with developers to discuss the suitability of their technology for specific sites. We are supporting this nascent technology through providing access to the seabed at small-scale test and demonstration sites to assess technologies and commercial viability.

Capacity is capped at 30MW and we will continue to work in partnership with DAERA, the Department for the Economy, SONI and NIE networks to ensure project proposals are progressed in the context of the wider energy strategy. Discussions are ongoing with interested developers on test and demonstration sites that we have agreed with DAERA.

Developing floating offshore wind

Floating offshore wind is a new technology which enables wind farms to operate in deep waters. The Celtic Sea off the coast of Wales and the South West of England could represent a new opportunity for the development of offshore energy in the UK, with the tender process expected to launch in 2023. Achieving a successful commercial-scale floating wind sector could also bring significant opportunities to Northern Ireland in the long term.



“Our Statement of Intent marks an important step forwards, laying the groundwork for building the right conditions for offshore wind leasing and realising the potential benefits for the people of Northern Ireland – local economic investment, low-carbon electricity, and a more sustainable and secure long-term energy supply.”

Gus Jaspert
Managing Director, Marine

Our strategy continued

Stewarding the natural environment

Over the last year, we have worked on a range of projects and partnerships. We continue to participate in relevant environmental groups, including the Ards Peninsula Coastal Erosion Group, Strangford Lough Marine Protected Area Management Steering Group and Rathlin Island European Marine Site and Environment Forum.

We have doubled our investment to £50 million in our UK-wide Offshore Wind Evidence and Change Programme (OWEC). With the Department for the Economy and DAERA on its steering group, OWEC brings together a range of expert partners to generate better insights and understanding that can support the long-term future of the marine environment and is one of our key investments for de-risking and accelerating offshore wind projects across the UK. You can find out more and view our latest report at thecrownestate.co.uk/owec.

We also provide leases for aquaculture activity throughout Northern Ireland. This includes kelp farming (see our case study) and a lease with Queen's University Belfast for research purposes at Jackdaw Island, Strangford Lough. In the year, researchers studied the effects of oscillation in the growth of juvenile seaweed under controlled conditions. Its paper on the work has been accepted for publication.



An investment in our UK-wide Offshore Wind Evidence and Change Programme of

£50m

to generate better insights and understanding that supports the long-term future of the marine environment



Above. Strangford Lough Waders



Thriving coastal communities

Islander Kelp on the island of Rathlin, Northern Ireland's northernmost point, supplies world-class chefs with kelp to add texture and original flavours to their creations as well as kelp noodles for inventive twists on salads and slaws.

It also produces its own award-winning products including kelp salsa verde and pesto, bringing tasty and nutritious kelp to a wider audience.

The other part of Islander Kelp's mission is closer to home with its deep commitment to the community on Rathlin, providing employment and training opportunities for local people. It also wants to use its knowledge of kelp harvesting to help regenerate other coastal communities, with

an ambition to create a kelp innovation network.

Islander Kelp has had a licence from The Crown Estate since 2014 and farms on ropes which reach down into the unusually strong currents around Rathlin Island. The strength of these tides maintains a constant temperature and provide the nutrients for the kelp to flourish. This, along with bespoke cultivation methods, allows kelp to be grown throughout the year.

The Crown Estate is seeing increasing interest in opportunities for seaweed farming and aquaculture more generally around the UK, demonstrating the growing awareness in the potential of seaweed-based products in food, packaging and fertiliser.

“Islander Kelp has an international market for its products, but it’s a business that is deeply rooted in the Rathlin community. Through its sustainable relationship with the sea, it has the potential to set a path for other island and coastal communities to follow.”

Caroline Price
Senior Development Manager
Habitat Creation

2022/23 Supplementary reports

Annual Report and Accounts
Wales review (in Welsh)
Wales review (in English)
Environmental and Social data supplement

 Our Annual Report and Accounts 2022/23 and supplementary reports can be downloaded at:
thecrownestate.co.uk/annual-report-2023

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Courtesy of RenewableNI

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