



1. Context

Crown Estate Scotland manages property – including buildings, land, coastline and seabed – on behalf of the Scottish people.

We work in a way that:

- Generates prosperity and value for all of Scotland;
- Supports the growth of sustainable business and industry in Scottish seas and on the coast;
- Makes places better for those who live, work and visit there;
- Promotes sustainable ways of producing energy, food, and other products; and
- Creates opportunities for people to use and benefit from the Scottish Crown Estate.

The Scottish Crown Estate Act 2019 requires us to manage the assets in a way that is likely to contribute to the promotion of improvement of economic development, regeneration, social wellbeing and environmental wellbeing. To do this, we need to understand the wider value delivered by the assets and our management activities.



Asset profiles have been developed for the Estate's 21 asset classes. The profiles include information on financial returns, the public benefits delivered through our management activities, and our view of the opportunities for wider value creation.

The analysis has been undertaken in-house, using qualitative assessment and expert judgment.

Asset summary

Scotland has the potential to use our offshore geological storage assets, such as can be found in the Central North Sea, to host cutting-edge Carbon Capture and Storage (CCS) technology to respond to climate change demands to reduce CO₂ in the world's atmosphere.

Scotland is uniquely positioned to make use of both its natural resources and existing skills within our energy supply chain to take substantial steps to meet Scotland's climate change targets. There is also opportunity to provide a hub for storage for the UK and also for import from Europe.

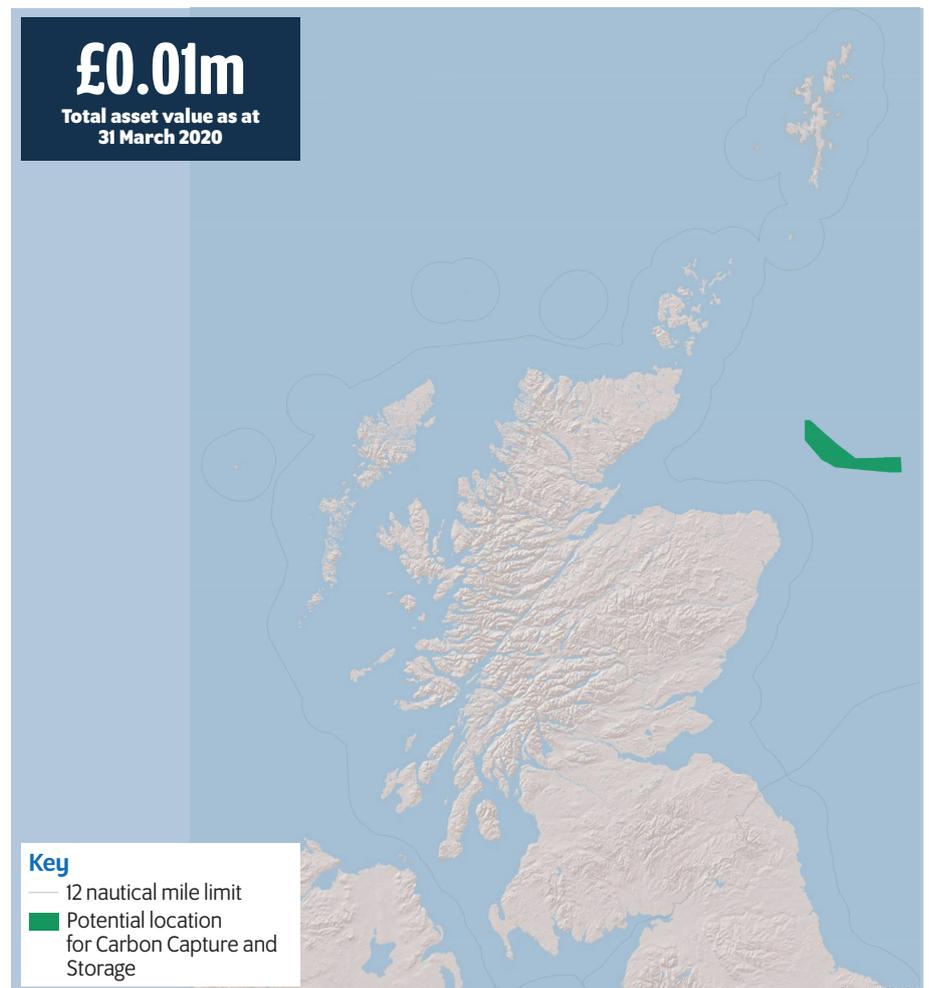
Asset information

No of agreements	1
No of tenants	1

Financial information

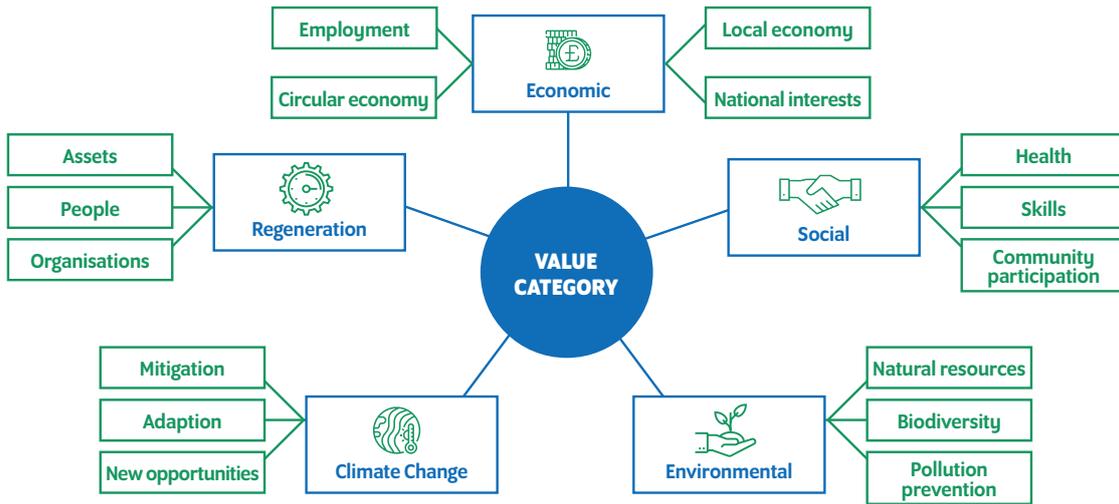
Asset value (March 2020)	£0.01m
Value share (% of total Estate value, March 2020)	0
Yield (net revenue + valuation change, 2018/19-2019/20)	n/a
Contribution (% of Crown Estate Scotland net revenue, 2019/20)	0

Carbon capture & storage asset map



Map is correct as of November 2020. An up to date map is available on our website: <https://www.crownestatescotland.com/what-we-do/map>

3. Understanding Value



Five value categories have been identified:

- Economic;
- Social;
- Environmental;
- Climate Change; and
- Regeneration.

Each value category has a set of three or four indicators. The indicators are relevant for all Scottish Crown Estate asset classes and also align with Scotland’s National Performance Framework and the UN Sustainable Development Goals.

Measures of success

Economic

- Employment** – jobs created or safeguarded
- Local economy** – local businesses are active in the supply chain and provide local employment
- National interests** – benefiting Scotland’s national economy / showing leadership
- Circular economy** – increasing efficiency / reducing waste in processes and products

Social

- Health** – reflects / promotes good health at local or national level
- Skills** – stakeholders gain valuable skills
- Community participation** – community is an active stakeholder and participant

Environmental

- Natural resources** – resources used / maintained in a sustainable way
- Biodiversity** – biodiversity is protected/strengthened
- Pollution prevention** – pollution is decreased / not increased

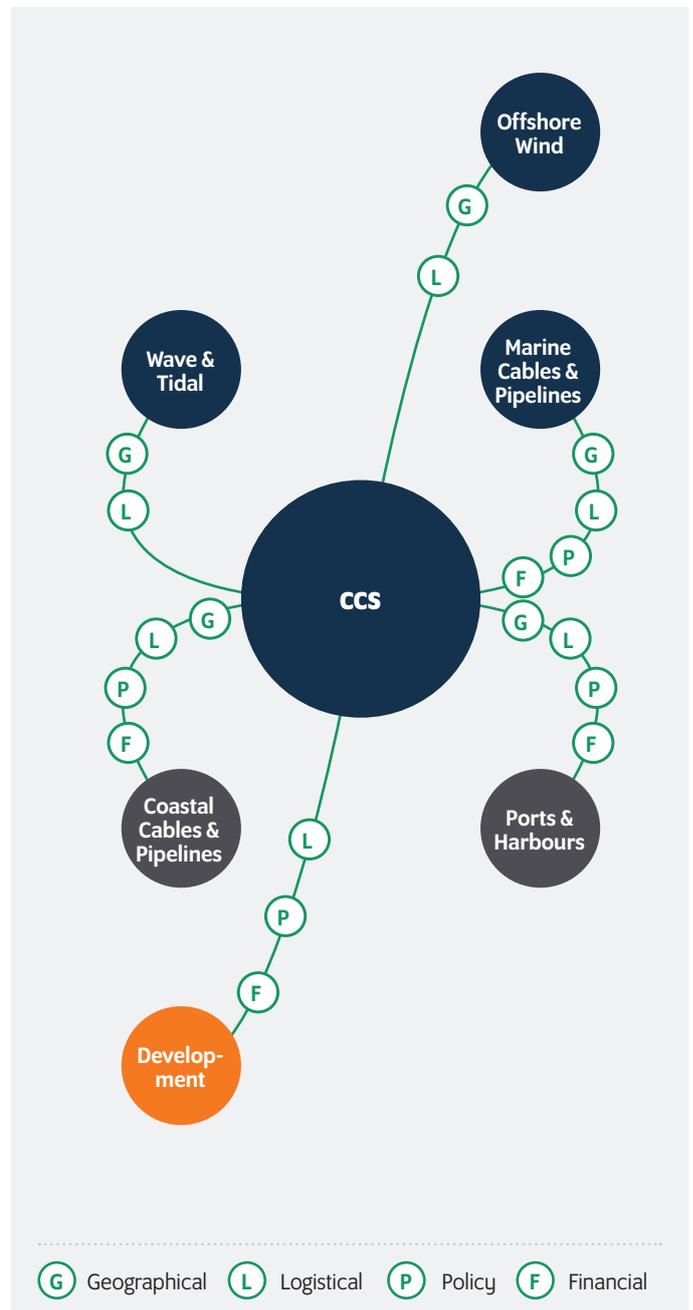
Climate change

- Mitigation** – low or zero emissions
- Adaptation** – actions increase resilience / reduce risk
- New opportunities** – new, low or net zero emissions activities/ businesses/products pursued

Regeneration

- Assets** – positive impacts on associated assets
- People** – people are enabled or empowered
- Organisations** – activities involve collaboration with other organisations

Connected assets

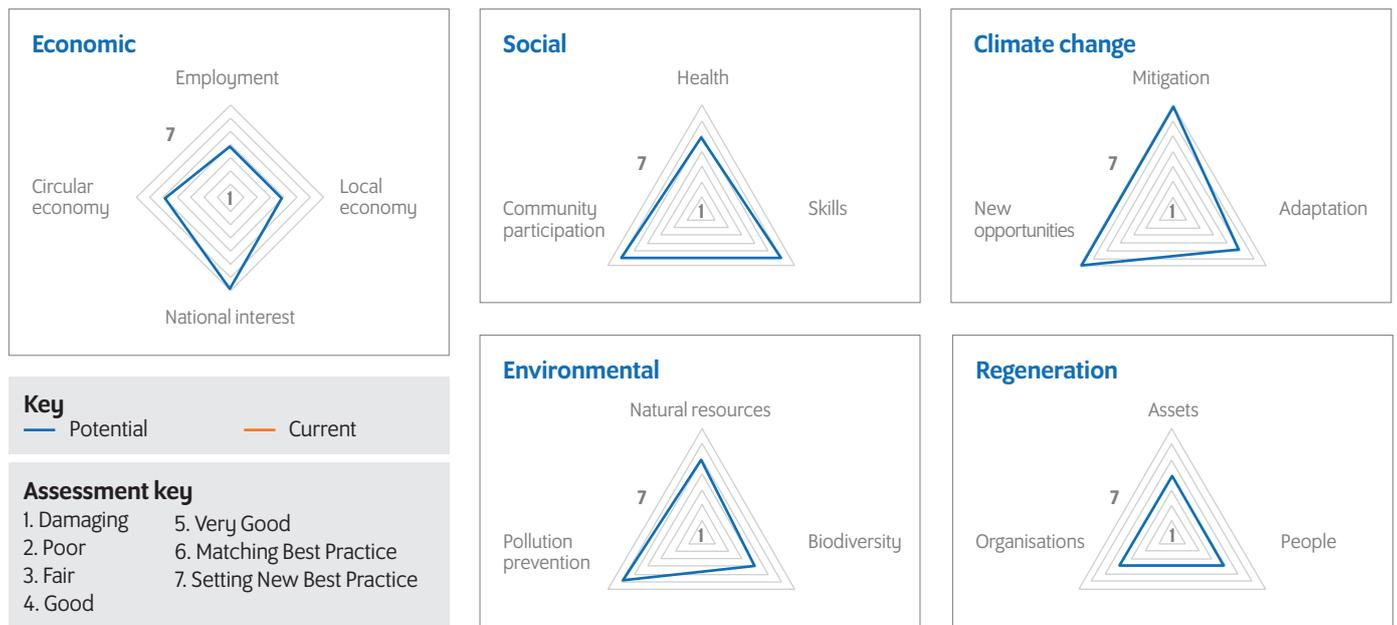


4. Potential for Wider Value

The diagrams below demonstrate the wider value currently generated by the asset class as a whole and indicate where we consider there is potential to deliver increased wider value. This is influenced by a range of factors including the inherent value of the assets, tenant activity, regulator activity and other external factors. For CCS, key areas identified with potential for increased wider value as follows:

- **Economic** –Scotland is well positioned to demonstrate leadership and operate as a hub for storage of CO₂ from the UK and Europe. There are also opportunities in relation to circular economy through the reuse of existing pipelines to transport CO₂.
- **Climate change** –significant potential has been identified in relation to mitigation and new opportunities given CCS is likely to have a key role in supporting industrial decarbonisation.

Opportunities	Threats
<ul style="list-style-type: none"> • Decarbonisation of Scotland’s industry and meeting net zero targets; • Early decarbonisation of heat network through roll out of hydrogen; • Providing skilled jobs building on oil and gas expertise; • Utilises oil and gas supply chain; and • Scale of storage capacity allows Scotland to sell storage and become major provider to Europe and beyond. 	<ul style="list-style-type: none"> • Lack of clarity on business models and financial support mechanisms.



This full value potential is indicated by the blue line. There are currently no operational CCS sites. Therefore no assessment of current performance is shown on the diagrams.

Where potential and actual performance are the same the orange line will hide the blue line beneath it. No weighting has been applied to any indicator.

5. Benefits delivered by Crown Estate Scotland

Our latest Corporate Plan sets out our four roles:

Investor

Investing in, for example, property development, as well as building external partnerships and supporting staff.

Asset Manager

Careful management of leases and agreements, as well as direct management of forestry and mountain bike trails.

Co-ordinator

Supporting other Scottish Crown Estate managers by, for example, coordinating spatial information.

Enabler

Empowering others by supporting local plans and projects, providing access to property and helping address barriers to sector growth.

For CCS, some examples of our activities include:

Asset Manager

- Managing potential interactions between CCS and offshore wind projects.

Enabler

- Collaborating with government and enterprise agencies to progress the sector; contributing to key stakeholder groups such as NECCUS.

The table below presents our assessment of the significance of the benefits that we currently deliver through these four roles. Our Corporate Plan sets out actions against these four roles. Over time, we expect the significance of benefits to increase as considerations regarding wider value are embedded into decision making.

CCS	Investor	Asset manager	Enabler	Coordinator
Economic				
Employment	Inactive	Low	Low	Inactive
Local economy	Inactive	Low	Inactive	Inactive
National interests	Inactive	Medium	Low	Inactive
Circular economy	Inactive	Inactive	Inactive	Inactive
Social				
Health	Inactive	Inactive	Inactive	Inactive
Skills	Inactive	Medium	Low	Inactive
Community participation	Inactive	Low	Low	Inactive
Environmental				
Natural resources	Inactive	Low	Low	Inactive
Biodiversity	Inactive	Inactive	Inactive	Inactive
Pollution prevention	Inactive	Low	Medium	Inactive
Climate change				
Mitigation	Inactive	Low	Medium	Inactive
Adaptation	Inactive	Inactive	Inactive	Inactive
New opportunities	Inactive	High	Medium	Inactive
Regeneration				
Assets	Inactive	Low	Low	Inactive
People	Inactive	Low	Low	Inactive
Organisations	Inactive	Low	Medium	Inactive

Key

- Inactive
- Low
- Medium
- High

Head Office

Quartermile Two
2nd Floor
2 Lister Square
Edinburgh
EH3 9GL
Tel. 0131 260 6070
enquiries@crownestatescotland.com

www.crownestatescotland.com

[@CrownEstateScot](https://twitter.com/CrownEstateScot)
www.linkedin.com/company/crown-estate-scotland

Glenlivet

Main Street
Tomintoul, Banffshire
AB37 9EX
Tel: 01479 870 070
info@glenlivetestate.co.uk

www.glenlivetestate.co.uk