

**EXPLANATORY MEMORANDUM TO THE  
RENEWABLE ENERGY ZONE (DESIGNATION OF AREA) ORDER 2004**

**2004 No. 2668**

1. This explanatory memorandum has been prepared by the Foreign and Commonwealth Office and is laid before Parliament by Command of Her Majesty.

2. **Description**

2.1 Under Chapter 2 of Part 2 of the Energy Act 2004 provision is made for the exploitation of areas outside the territorial sea of the United Kingdom for energy production. Under section 84(4) a Renewable Energy Zone may be designated as the area within which the United Kingdom's rights to exploit areas for energy production are to be exercisable. This Order designates the area in question.

3. **Matters of special interest to the Joint Committee on Statutory Instruments**

None

4. **Legislative Background**

4.1 As explained in paragraph 2.1, the Order designates the area within which the United Kingdom's rights to exploit areas beyond the territorial sea for energy production are to be exercisable.

The limits of the Renewable Energy Zone are to be co-extensive with the limits of the zone within which the United Kingdom already exercises jurisdiction with respect to marine environmental matters under the Merchant Shipping (Prevention of Pollution) (Limits) Regulations 1996, as amended by the Merchant Shipping (Prevention of Pollution)(Limits) Regulations 1997. These limits either follow or fall within internationally agreed boundaries between the United Kingdom and neighbouring States, and therefore only cover areas within which there can be no objection to the United Kingdom exercising rights to exploit for energy purposes.

5. **Extent**

5.1 This instrument applies to all of the United Kingdom.

6. **European Convention on Human Rights**

Not applicable

7. **Policy Background**

7.1 The Government has set a target that 10% of the UK's electricity supplies are to be produced from renewable energy sources by 2010, and aspires to double this figure by 2020. The United Kingdom has substantial renewable energy sources – wind, wave and tidal – beyond its territorial seas. The designation of this Renewable Energy Zone is necessary so that these renewable energy resources can be exploited for the generation of electricity, and thus make a contribution to meeting the Government's renewable energy targets for 2010 and beyond.

## **8. Impact**

8.1 A Regulatory Impact Assessment has not been prepared for this instrument as it has no impact on business, charities or voluntary bodies.

8.2 This measure carries no identifiable costs to the Exchequer. On the contrary it will enable the Crown Estate to make a charge for the licensing of sites in the Renewable Energy Zone for the production of renewable energy.

## **9. Contact**

Chris Whomersley at the Foreign and Commonwealth Office [Tel: 020-7008-3284 or email: [Chris.Whomersley@fco.gov.uk](mailto:Chris.Whomersley@fco.gov.uk)] can answer any queries regarding the instrument.