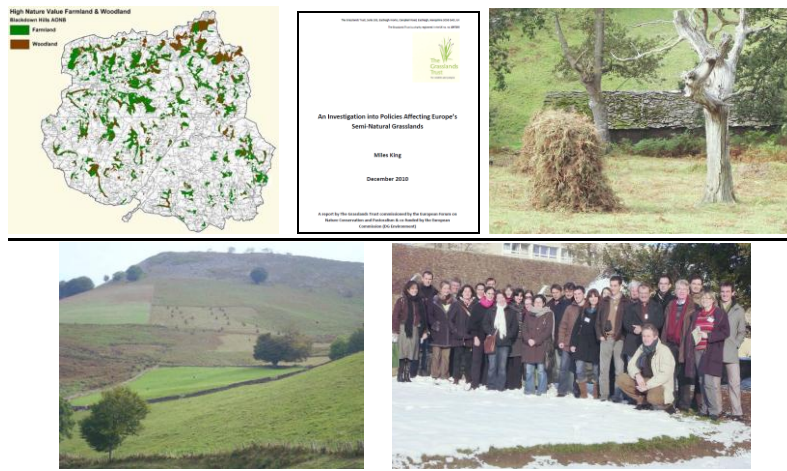




EUROPEAN FORUM ON
NATURE CONSERVATION
AND PASTORALISM

ANNUAL REPORT

January 2010-December 2010



The European Forum on Nature Conservation and Pastoralism brings together ecologists, nature conservationists, farmers and policy makers. This non-profit network exists to increase understanding of the high nature conservation and cultural value of certain farming systems and to inform work on their maintenance.

A Company Limited by Guarantee registered in England and Wales
No 3150755. Registered Office: 97 Oakwell Court, Hamsterley Vale
Derwentside, County Durham, NE17 7BE, United Kingdom

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INTRODUCTION

The European Forum on Nature Conservation and Pastoralism (EFNCP) is a company limited by guarantee, established in 1996. Its aims are to raise awareness of the link between certain types of farming systems and some areas of high biodiversity, socio-economic and cultural interactions as key factors in the survival and creation of a sustainable future for High Nature Value (HNV) farming, to encourage networking and dialogue to foster this awareness, to increase understanding of high nature conservation and cultural value, and to develop and promote policy options which support the above. The aims of EFNCP are:

- Raising of awareness of the link between certain types of farming and some areas of high biodiversity, summarised in the term High Nature Value (HNV) farming
- Raising of awareness of socio-economic and cultural interactions as key factors in the survival of and the creation of a sustainable future for HNV farming
- Encouragement of networking and dialogue to foster this awareness, especially between actors who traditionally have found it difficult to find common ground
- To increase understanding that certain European farming systems are of high nature conservation and cultural value.
- To ensure the availability, dissemination and exchange of supporting information combining research and practical expertise.
- To bring together ecologists, nature conservation managers, farmers and policy makers to consider problems faced by these systems and potential solutions.
- To develop and promote policy options which ensure the ecological maintenance and development of these farming systems and cultural landscapes

The EFNCP is a pan-European non-profit organisation, bringing together non-governmental and governmental participants from several interest areas. It is a network to exchange information, identify conclusions, and inform policy development. To achieve its aims, the Forum organises conferences, workshops and seminars and produces a new newsletter (*La Cañada*) which is widely distributed within Europe. The EFNCP also conducts research into the ecological relationships on high-nature-conservation-value farming systems and into the development of appropriate support policies for such systems. This report of Forum activities in 2010 is structured around the five main headers which encompass the Forum's work.





ADMINISTRATION & MANAGEMENT

- The Forum was successful in obtaining an EU DG Environment grant of €560,481 under their LIFE+ programme, to fund 69.93% of a work programme for the 2010 calendar year. The Forum's 2010 work programme was put together with a wide range of partners and co-funders, and represented a marked significant increase in activity, not only over 2009 (when the Forum did not receive LIFE+ funding as its proposed work programme was not considered broad enough to score highly against all the criteria use to evaluate applications) but also over all annual work programmes since the Forum's establishment.
- In late 2008, a decision was taken to employ staff where possible, cutting back on the number of sub-contractors engaged to undertake pieces of work. This not only fits with EU Commission requirements, it gives the Forum greater control over the delivery and quality of the projects. Due to the reduced activity in 2009, only three members of staff were employed that year, with a contract of a daily rate with no fixed or agreed levels of work, and were engaged as finances permitted. In 2010, in addition to those three employees, a further 5 employees were engaged on short-term contracts in order to help service the Forum's greatly extended work programme. The Forum also opened branches in Bulgaria and France in 2010, in order to allow it to employ nationals of these countries.
- As previously indicated, the payment schedules of the LIFE+ funding (60% being paid usually in May or June, i.e. 5 or 6 months into that years work programme, with the the balance paid the following year, once the audited accounts and full report on activities have been submitted) continues to put pressure on cash flow at certain times of the year. At the end of 2010, while waiting for the balance of the 2010 grant and the pre-payment of the 2011 grant, the Forum found it necessary to arrange for some short-term borrowing from some Board members and others. The Forum's Board of Directors is very grateful for such support.
- The Forum's work programme, activities and operating procedures were subject to an independent audit in October 2010, as part of DG Environment's monitoring of their LIFE+ programme. Overall the Forum was deemed to be operating well, with a well controlled financial system. The audit did highlight a



ADMINISTRATION & MANAGEMENT

continued

few areas where some more formal procedures could be implemented, but these were low level issues and did not raise any major concerns. Overall compliance of the terms of the grant agreement was therefore classed as being generally good, while the technical aspects of the Forum's work programme were found to be proceeding largely as planned with large amounts of good quality evidence of this being made available to the auditors.

- A comprehensive SWOT (Strengths, Weaknesses, Opportunities, Threats) and risk analysis was conducted during 2010, and steps have been taken, where possible, to minimise operational and financial risk to the Forum. One main risk, however, is associated with exchange rate variances, and the differing methods of accounting for foreign currency transactions by the Commission and UK accountants. This is managed through constant and careful monitoring of all expenditure in order to ensure the books are balanced, both in euros and in sterling.
- However, the exchange rate of the final amount of grant funding is outwith the Forum's control. In 2010, an exchange rate variance was responsible for a considerable loss incurred by the Company, which had the effect of reducing the reserves it had built up during the year through donations. The Company aims to protect itself against the recurrence of this by building up reserves through obtaining further donations and undertaking of consultancy work outwith the EU programmes.
- Nevertheless, the Board of Directors are pleased to report that a surplus of £23,376 was achieved in 2010, bringing the overall Forum balance sheet back into the black (an overall £17,205 surplus at the end of 2010). The Forum is also forecast to report a surplus by the end of 2011, achieved by activities outwith the LIFE+ work programme.
- It is the aim of the Board of Directors to continue to achieve similar surpluses in years to come, in order to act as a cushion against exchange rate fluctuations and contribute to working capital requirements.



CONFERENCES



- The Forum was a joint organiser of a three-day international conference held in Gyimesközéplek, Romania in June 2010, with a focus on *Mountain hay meadows - hot spots of biodiversity and traditional culture*. This meeting was organised jointly by the Pogány-havas (Pagan Snow Cap) Association, Sapientia Hungarian University of Transylvania, Fundatia ADEPT, Hargita Environmental Protection and the Forum. (further details can be found at: <http://mountainhaymeadows.eu/conference.php>)
- The Forum was a joint organiser of a four-day international workshop held on the island of Vilm, Germany in June 2010, with a focus on *High Nature Value Farmland- exchange of experiences throughout Europe*. This meeting was organised jointly by the Institut für Agrarökologie und Biodiversität (IFAB), the Forum and the German Federal Agency for Nature Conservation (BfN) (further details can be found at: <http://www.efncp.org/events/seminars-others/vilm201006/>)
- The Forum held a three-day international conference in Sibiu, Romania in September 2010, with a focus on *High Nature Value grasslands: securing the ecosystem services of European farming post 2013*. This meeting was organised jointly by the Forum, Fundatia ADEPT and Lucian Blaga University of Sibiu. The conference attracted 140 delegates from 18 countries from Azerbaijan to Spain and from Norway to Albania. A range of expert speakers was complemented by video messages from Agriculture Commissioner Dacian Cioloș, Environment Commissioner Janez Potocnik and Prince Charles. (further details can be found at: <http://www.efncp.org/events/conferences/hnv-grasslands/>)

The organisation of conferences fulfil a major part of the role of the Forum. These review progress on basic scientific work and identify further research needs in order to fulfil the requirements of informing policy development and awareness raising. An important role of these main Forum meetings is to ensure that the debate draws on the experience and expertise of a wide range of audience members.



RESEARCH



Examples of projects which the Forum led and/or provided input to in 2010 are:

- *Agricultural practices in French HNV farmland: impacts on biodiversity*. In France, the Forum has been working for many years in partnership with ASCA, with funding from the DG Environment LIFE+ programme and French Ministries of Agriculture and Environment. The 2009 French conference facilitated the launching of a range of partnerships, amongst which 3 led to detailed case-studies of HNV farming in 2010: in Pays d’Auge (Normandy) by EFNCP itself; in Vercors (Northern Alps) by a trainee monitored by the Natural Park of Vercors and EFNCP and in Haut-Jura by a trainee monitored by the Natural Park of Haut-Jura. For details see: <http://www.efncp.org/projects/hnv-farming-france/>
- *Common Grazings in the United Kingdom*. Common grazing land accounts for about 7% of the UK’s agricultural area, but a much higher proportion of High Nature Value farmland. In 2010, the Forum conducted research to investigate the state of Scotland’s common grazings, how they are coping with current policy and how they might be affected by policy changes in the future. The final report of this work was published early in 2011: <http://www.efncp.org/download/Trends-in-Common-Grazing3.pdf> The Forum also commissioned the Countryside and Community Research Unit and Foundation for Common Land to investigate what impacts, if any, can be detected on active graziers of common land in England: <http://www.efncp.org/download/SPS-Revised-Final-report.pdf>
- *HNV farmland as a future strength for Irish uplands*. The Forum is collaborating with the Heritage Council of Ireland by building on the work of existing studies (Burren Life project, the HNV farmland pilot in Connemara and the Aran Islands, the BioUp ecological and socio-economic research project in Kerry and Irish Uplands Forum work in the uplands of Sligo/Leitrim and south Leinster) to develop a ‘next step’ approach using the HNV farmland concept which can be used by policy makers for assessing the needs of and delivering support to HNV farmland in the RDP post 2013. In 2010, the Forum supported an HNV Officer

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RESEARCH

continued

in Ireland and: organised three workshops on the Aran Islands; formed an Aran Island HNV farmer representative group; organised a tour of some of that group to the Burren Peninsula; and conducted a High Nature Value Farmland case study for the Iveragh Peninsula in Co. Kerry based on desk research, stakeholder interviews and consultation meetings and highlighting the problems facing farmers in the area and how this was affecting the quality of some Natura 2000 sites. A range of follow-on activities is planned for all these elements of Forum work in 2011. For more information see: <http://www.efncp.org/projects/hnv-farmland-irish-uplands/>

- *Support to HNV identification in Navarra, Spain.* The Forum is working with GAVRN S.A. and the Government of Navarra on the development of HNV farming and forestry indicators for monitoring the effects of rural development programmes in this autonomous region of Spain. The aim of this work is to come up with a system of indicators that would satisfy the requirements of the CMEF (Common Monitoring and Evaluation Framework applied to all RDPs in the EU), and that would provide genuinely useful information on trends in farming to feed into policy. Details of the work on the project in 2010 are available at: <http://www.efncp.org/projects/projects-spain-navarra/>
- *High Nature Value farming in Bulgaria and Romania.* Romania and Bulgaria both have substantial areas of HNV farming systems, and as such have formed a key focus for the work of the Forum and its partners in recent years. In 2010, the Forum cooperated with Pogányhavas Kistérség in Harghita county to raise awareness of HNV farming's significance for the culture and biodiversity of hay meadows – in addition to the hay meadow conference reported above, the Forum is supporting the production of a video record of a year in the life of a hay meadow. With Fundatia Adept the Forum also used Romania, and Târnava Mare in particular, to highlight the European importance of semi-natural grasslands through the other high profile conference reported above at which a new policy proposal for the support of HNV farmland through direct payments was launched. See the following for more information: <http://www.efncp.org/projects/projects-in-romania/>



DISSEMINATION



During 2010, the Forum:

- Markedly increased the amount of material and information on ongoing projects, publications, etc on the Forum's website (<http://www.efncp.org>) and introduced processes to track the number of visits and routes that visitors take to enter the site. The website is becoming an increasingly important mechanism for raising awareness of the work of the Forum and directing interested parties to more detailed information on ongoing and past projects.
- Organised a study tour, with funding from the DG Environment LIFE+ programme and Foundation for Common Land, where common graziers in the UK were able to meet fellow graziers and visit various projects in northern Spain. The rationale behind this tour was to help lessen the sense of isolation and marginalisation in common graziers in the UK and to allow them to experience different approaches to common land through meeting fellow graziers and visiting various projects in northern Spain. A report of the tour is available at: <http://www.efncp.org/projects/2010/exchange-visit-spain/>
- Organised a study tour for representatives of all the Forum's partners in Romania to north-central Spain, in order that they could see that many of the challenges faced by HNV farming in Romania are common to other countries: For more information: http://www.efncp.org/download/EFNCP_Field_trip_in_Spain_Oct_2010.pdf
- Established a High Nature Value Farming in South-Eastern Europe network, and held the first meeting of the network in Sofia in December 2010. For more detailed information see: <http://see.efncp.org/events/2010/20101206/>
- Attended and contributed to discussions at a number of meetings and produced responses to consultations on a number of major policy issues in which the Forum highlighted the relevance of and potential impact on HNV farming systems. The Forum also produced and distributed a variety of reports and publications relating to the range of work with which the Forum is involved. See the Publications section of this report for more detail.





ORGANISATION OF SEMINARS & REPRESENTATION ON EC COMMITTEES

During 2010, the Forum, in addition to the other activities reported in previous sections:

- Continued to have representatives attend meetings of the Consultative Committees on 'Rural Development', 'Agriculture and Environment' and 'Animal Products' established by DG Agriculture. Four networks (World Wide Fund for Nature, BirdLife International, European Environment Bureau and the Forum) are working together to provide the environmental NGO input to meetings of these and other associated Consultative Committees. The Forum also provided background justification for greater support for HNV farming post-2013 at an enlarged meeting of the CAP post-2013 advisory group in June 2010: <http://www.efnccp.org/download/EFNCCPEnlargedAdvisoryGroupCAP2013.pdf>
- Was a joint organiser of a three-day international workshop held on the island of Vilm, Germany in September 2010, with a focus on *Large-scale extensive grazing systems in Europe: advancing knowledge to improve policy*. This meeting was organised jointly by the International Academy for Nature Conservation of the Federal Agency for Nature Conservation, the Federal Agency for Nature Conservation (BfN), the University of Rottenburg (HFR) and the Forum. Further details can be found at: <http://www.efnccp.org/events/seminars-others/large-scale-extensiv-grazing/>
- Organised in association with ASca a conference in Normandy, France in December 2010, on *High Nature Value (HNV) farming*, with the support of the DG Environment LIFE+ programme and French Ministry of Environment. The aim was to get a common picture from the local initiatives on HNV farming launched during 2010, discuss the results, and propose perspectives in the context of the CAP beyond 2013. Further details can be found at: <http://www.efnccp.org/events/seminars-others/hnv-farming-normandy/>



PUBLICATIONS



Two issues of the Forum's newsletter were produced in 2010. See the Forum's website for pdf copies of both: <http://www.efnccp.org/publications/la-canada/2010/> Other publications arising from the work of the Forum during 2010 included (with hyperlinks to those available electronically built into the title):

- Beaufoy, G. & K. Marsden 2010: [CAP Reform 2013 – last chance to stop the decline of Europe's High Nature Value Farming?](#) – Joint position paper by EFNCCP, BirdLife International, Butterfly Conservation Europe and WWF.
- Biber, J.P. 2010: Transhumance in France. *Pastoralism: research, policy and practice*, 1, 91-98
- BirdLife International, EEB, EFNCCP, IFOAM & WWF 2010: [Proposal for a new EU Common Agricultural Policy](#). – Joint position paper, Brussels.
- EFNCCP 2010: [High Nature Value Farmlands case study report: Iveragh Peninsula, south Kerry](#). Report to the Heritage Council.
- Huband, S., McCracken, D.I. & Mertens, A. 2010: Long and short-distance transhumant pastoralism in Romania: past and present drivers of change. *Pastoralism: research, policy and practice*, 1, 55-71
- Jones, G. (In press): [Trends in common grazing: first steps towards an integrated needs-based strategy](#). European Forum on Nature Conservation & Pastoralism.
- Kazakova, Y. & V. Stefanova 2010: [High Nature Value Farming in the Western Balkans: Current Status and Key Challenges – a Scoping Document](#). – Brochure produced by the EFNCCP, **English** version, Sofia, 34 pages.
- Kazakova, Y. & V. Stefanova 2010: [Poljoprivredna proizvodnja visoke prirodne vrednosti na Zapadnom Balkanu: Trenutni status i ključni izazovi – Okvirni dokument](#). – Brochure produced by the EFNCCP, **Serbian** version, Sofia, 34 pages.
- Kazakova, Y. & V. Stefanova 2010: [Poljoprivredna proizvodnja visoke prirodne vrednosti na Zapadnom Balkanu: Trenutni status i ključni izazovi – Okvirni dokument](#). – Brochure produced by the EFNCCP, **Serbian** version, Sofia, 34 pages.

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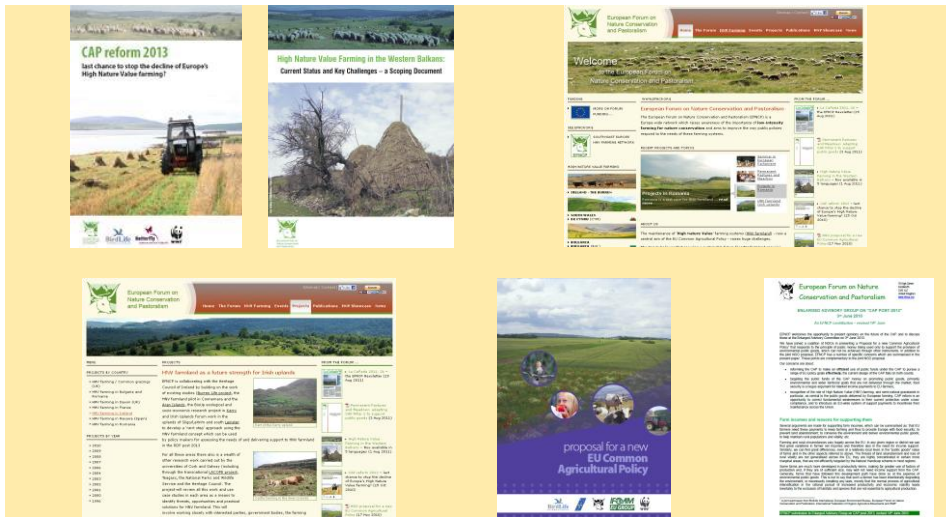


PUBLICATIONS

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- Kazakova, Y. & V. Stefanova 2010: [Bujqësia me Vlera të Larta Natyrore në Ballkanin Perëndimor: Statusi aktual dhe Sfidat kryesore-Dokument qëllimor.](#) – Brochure produced by the EFNCP, **Albanian** version, Sofia, 34 pages.
- Kazakova, Y. & V. Stefanova 2010: [\[High Nature Value Farming in the Western Balkans: Current Status and Key Challenges – a Scoping Document.\]](#) – Brochure produced by the EFNCP, **Macedonian** version, Sofia, 34 pages.
- McGurn, P. & Moran, J. 2010: [A draft High Nature Value programme for the Aran Islands based on the Burren Farming and Conservation programme.](#) Report to the Heritage Council by the European Forum on Nature Conservation and Pastoralism and IT Sligo.
- Short C, Humphries A, Waldon J, Aglionby J and Gaskell P 2010: [Assessment of the impacts of an area-based payment implemented within the Single Farm Payment Scheme on active graziers of common land in England.](#) Report to the European Forum for Nature Conservation and Pastoralism. CCRI: Cheltenham
- Yoldi, U.I., Massa, C.A. & G. Beaufoy 2010: [Sistemas Agrarios y Forestales de Alto Valor Natural en Navarra – Identificación y monitorización.](#) – Report by Gestión Ambiental, Viveros y Repoblaciones de Navarra (S.A.) and EFNCP, 110 pages.



CUMULATIVE BREAKDOWN OF INCOME AND EXPENDITURE

In 2003, the Forum's financial year changed to a 1 January - 31 December period. The following Table shows a summary of the relevant information from the Financial Statements for the 2003- 2010 financial years (for detail see the individual end of year accounts). Financial figures are in £ sterling.

	Year ended 31 Dec 2003	Year ended 31 Dec 2004	Year ended 31 Dec 2005**	Year ended 31 Dec 2006****	Year ended 31 Dec 2007*****	Year ended 31 Dec 2008	Year ended 31 Dec 2009**	Year ended 31 Dec 2010***
Balance brought forward from previous year	46,055	34,594	(15,092)	(18,280)	(8,675)	(7,268)	11,212	(6,171)
Income during year	132,126	56,273	110,800	135,300	187,332	179,504	41,061	630,628
Expenditure during year	(143,784)	(98,730)	(114,302)	(125,851)	(185,925)	(161,380)	(58,444)	(607,252)
Retained Surplus/(deficit) for the year	(11,461)	(42,219)	(3,188)	9,604	1,407	18,480	(17,383)	23,376
Prior year adjustment***		(7,467)						
Balance carried forward	34,594	(15,092)	(18,280)	(8,675)	(7,268)	11,212	(6,171)	17,205

** Note 1 extracted from financial statement for Year ended 31 December 2005: *Going Concern - The company experienced a deficiency this year after the grant applied for in respect of the 31st December 2003 accounts was not fully received. This was due to a lower level of eligible expenditure actually undertaken compared to the grant accrued for in the 31st December 2003 accounts. Since this event, the company have undertaken a number of fully funded projects. However, in some cases this has not been possible. In the period since 31 December 2005, the company are working on a number of fully funded projects and together with the support of the directors it is believed that the company will return to a positive net asset position. The board therefore feel confident that the company can continue in existence for the foreseeable future.*

*** Note 4 extracted from financial statement for Year ended 31 December 2005: *Prior year adjustment – During the year ended 31st December 2005, it was discovered that grant income has been received in advance but has been recognised incorrectly. Grant income to the value of £7,467 was registered in the period ended 31st December 2003 when it should have been deferred and registered as £3,637 in 2004 and £3830 in 2005. Although it was apparent that the grant income should have been deferred, this was missed in error and therefore a prior year adjustment has been required this year to recognise the income in the correct periods. There is no tax effect resulting from this adjustment.*

**** Note 1 extracted from financial statement for Year ended 31 December 2006: *Going Concern – During the current year, the company has returned to generating an annual surplus. The company has generated this surplus by securing a number of fully funded projects, together with grant funding from other sources. The annual deficiency experienced in previous years was due to lower levels of eligible expenditure, resulting in lower grant income. As the company now work predominantly on fully funded projects such shortfalls are believed to be isolated. The company expects to continue their work on fully funded projects and together with the support of the directors it is believed that the company will return to a positive net asset position. The board therefore feels confident that the company can continue in existence for the foreseeable future.*

***** Note 8 extracted from financial statement for Year ended 31 December 2007: *Going Concern –The annual deficiency which has existed in previous years has again been reduced during the year. The company continues to work on fully funded projects and the board feels confident that the company will return to a net asset position and can continue in existence for the foreseeable future.*

** Note 1.2 extracted from financial statement for Year ended 31 December 2009: *Fundamental accounting concept:* The company incurred a loss of £17,383 in the year and at 31 December 2009 had net liabilities of £6,171. The directors have reviewed budgets for a period of at least 12 months from the date of signing these financial statements and have concluded that sufficient cash flow should be available to enable the company to continue to trade and meet its liabilities as they fall due. The directors believe that it is therefore appropriate to prepare the financial statements on the going concern basis.

*** Note 1.2 extracted from financial statement for Year ended 31 December 2010: *Fundamental accounting concept:* The company recorded a profit of £23,376 in the year and as at 31 December 2010 had net assets of £17,205. The directors have reviewed budgets for a period of at least 12 months from the date of signing these financial statements and have concluded that sufficient cash flow should be available to enable the company to continue to trade and meet its liabilities as they fall due. The directors believe that it is therefore appropriate to prepare the financial statements on the going concern basis.

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