

European Forum on Nature Conservation & Pastoralism

ANNUAL REPORT

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Introduction

Europe's natural and cultural heritage is enriched by the wide variety of regional farming systems which work in harmony with local environmental conditions. However, many of these farming systems are currently under threat. The aims of the European Forum on Nature Conservation and Pastoralism (EFNCP) are therefore:

- 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 farmland and into the development of appropriate policies for such areas.

Between 1988 and 1996, the Forum developed a network of European scientists, conservationists, and policy makers which interacts with farmers, land managers and agricultural departments through biennial conferences (the Fora), a six monthly newsletter and a series of targeted seminars and workshops. The period 1996-2004 saw the further development of these activities, a crucial time for nature conservation on farmland with the second phase of CAP reforms and subsequent Mid-Term Review of the CAP, enlargement of the European Union and development of Natura 2000. This work has continued in 2005, as detailed below. The report is structured around the five main headers which encompass the Forum's work.

ADMINISTRATION & MANAGEMENT

- The Forum was successful in obtaining a grant for 2005 from DG Environment under their programme providing support for NGOs working in the field of environmental protection (from which, with the exception of 2002 and 2004, the Forum has otherwise obtained funding in every year from 1997). This grant was welcome and helped provide the Forum with sufficient funds to hold the biennial conference.
- The Forum budget was, however, still limited and subject to strict controls during 2005. In part this was due to the fact that during 2004 the Forum experienced a deficiency 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. This was an isolated occurrence and is not expected to happen again. During 2005 the Forum worked hard to return to a positive net asset position through some fully funded projects and, on the basis of income and expenditure recorded during the year, was on schedule to reduce the overall deficit. However, while finalising the accounts for the year ended 31st December 2005, it was discovered that grant income which had been received in advance in 2004 had been recognised incorrectly (see note on the 2005 financial return at the end of this document). The result was that a prior year adjustment had to be made in the 2005 accounts, with the overall effect that the overall deficit showed an increase.

- The Forum has continued discussions on making changes to its legal structure. The current legal structure is exceedingly complex and the Directors have come to the conclusion that a simpler and more transparent structure is desirable. While discussions are continuing on the exact form that these changes will take, it is envisaged that the Board of Directors will become more independent of the Executive Committee.
- As indicated on previous reports, as DG Environment funding in particular has declined over the years, the Forum has become increasingly dependent on income from project work, with all concerned giving some voluntary time to Forum work. Although such an arrangement is workable for a short time, it soon becomes untenable, especially if project work and core functions are carried out by different individuals for any length of time. The Forum is therefore also continuing to investigate ways of re-establishing a degree of core funding.

BIENNIAL CONFERENCES

- The EFNCP held the Ninth Meeting of the Forum in Pamporovo, Bulgaria in September 2005. The conference was organised by EFNCP in partnership with the Sofia office of the WWF Danube-Carpathian Programme. Additional support was provided by the Ministry of Agriculture and Forestry, Bulgaria; The Ministry of Environment, France; the Swiss Agency for Development & Cooperation; DG Environment, European Commission; and the World Initiative on Sustainable Pastoralism. The focus of this meeting was *Can High Nature Value (HNV) farming in Europe's marginal agricultural areas be socially sustainable?*

The Forum's conferences fulfil a major part of the role as a 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 see examples of high-nature-value farming systems and to speak to the farmers and managers involved. The 2005 meeting in Bulgaria built on contacts built up over the years and on the success of recent Forum workshops highlighting the issues facing HNV farmers and farmland in Central and Eastern Europe following accession to the EU.

RESEARCH

During 2005, the Forum completed input to:

- *PAN: Thematic Network on Cultural Landscapes and their Ecosystems*. This Thematic Network was funded under the European Commission's 5th Framework programme. The project was coordinated by the University of Bergen and conducted in collaboration with partners from throughout Europe. The Forum assisted with the organisation of two of six workshops over a three year period and contributed to these and helped with the dissemination of the outputs. During 2005, meetings of the network were held in Vienna (April 2005), in the Burren, Ireland (June 2005) and in Portugal (*scheduled* for October 2005). A book summarising the project

findings is currently in preparation. Further information on the project can be found at <http://pan.cultland.org/>

- *Assessing the potential impact on the Natural Heritage of the mid-term review of the CAP.* This project was conducted under contract from the Irish Heritage Council and involved the Forum working in collaboration with a freelance economist and a landscape character expert. Reference farms in HNV farmland areas in Ireland were used to examine both the economic and non-economic drivers which will influence farmers' responses to the reform. Information was collected through a combination of interviews and a workshop.

In 2005, the Forum continued to focus on how the movement of agricultural support from the first pillar to the second pillar of the CAP will affect farming systems of high nature conservation value. This is especially relevant to the Mediterranean areas, to peripheral and mountain regions and to the recently acceded countries of central and eastern Europe. To this end, during 2005, the Forum submitted the following applications:

- *High Nature Value farmland - recognising the importance of SE European landscapes.* This proposal was submitted to the Dutch Ministry of Agriculture, Nature Management and Fisheries BBI-MATRA programme. The proposal concerned the organisation of 8 seminars in areas of Bulgaria and Romania which are considered to have significant concentrations of High Nature Value (HNV) farmland. The seminars would have had the overall aim of illustrating at a local level, for the benefit of both policy makers and farmers, what a rather complicated HNV farmland concept means on the ground in these countries. The project would have drawn on existing work by experts in both ecology and the socio-economic problems of marginal farmers; resulted in a high level of publicity for HNV farmland within the countries concerned, and improved further co-operation between Governments in the region and local and European level NGOs. Although this application was unsuccessful, the Forum supports the concept and rationale behind the work and intends to investigate alternative funding sources in 2006.
- *SALTUS: Caractérisation et prospective des systèmes agraires à haute valeur naturelle le saltus à l'interface connaissance et action publique.* This proposal was submitted to the French Institute for Biodiversity. The proposed research concentrated on case-studies in a number of countries of Europe and was designed to contribute to the debate at the crossing of agriculture and biodiversity: (1) by a better understanding of biodiversity objectives in a long term and comprehensive framework (2) by an appropriate analysis of factors influencing the development of HNV agricultural systems, and specifically the policy factors. Although this application was unsuccessful, the work on this proposal helped form the basis of the proposal described below which was submitted to DG Research.
- *Building scenarios for high nature value farmland in Europe: the saltus as an integrating concept for the analysis of agriculture and biodiversity.* This proposal was submitted to DG Research. This project has two interrelated objectives: to disseminate and discuss the growing notion of High Nature Value farmland (HNV) in the scientific and policy communities; to identify future directions for research needed in the field of HNV, with a strong emphasis on interdisciplinary approaches. The project has four main components: a background study, developing a common analytical framework for a better understanding of HNV through the use of the saltus concept; establishing regional test case studies in 9 European countries, in order to assess the practical issues in studying HNV; building "scenarios of change" in the case studies areas, in order to reveal the long term variables influencing the evolution of HNV in different situation and the options available; a dissemination plan, based on presenting the above items at a variety of fora (regional, national and European). The result of the DG Research evaluation of the proposal is expected early in 2006.

- *Predators as indicators for High Nature Value farmland in Romania.* This proposal was submitted to the UK Darwin Initiative in association with WWF International Danube Carpathian Programme, Carpathian EcoRegion Initiative (CERI), Polish Institute for Nature Conservation and Milvus Group in Romania. The project would use UK expertise in HNV farming, environmental economics, and ecological networks and modelling to help build the capacity of Romanian NGOs to monitor and manage wide-ranging predators. It would also raise awareness of and build capacity for linking species conservation with economic incentives among local agricultural stakeholders (farmers, local authorities and NGOs). Two flagship species of the Carpathians - Eurasian lynx (*Lynx lynx*) and Lesser Spotted Eagle (*Aquila pomarina*) – would be used to identify areas high-value farming (HNV) land critical for conserving them and for promoting low-input farming systems. These areas would also be used to test different economic compensation schemes to promote low-input farming systems and ensure mutual economic benefit for landowners and government. The concept for the project successfully passed the first round of the UK Darwin Initiative evaluation and a full proposal will be submitted for evaluation in January 2006. The results of the evaluation process are expected by March 2006.

DISSEMINATION

During 2005, the Forum:

- Produced and distributed issue 19 of the Forum newsletter *La Cañada*, whose distribution is now 1200 and rising. *La Cañada* is sent to those active in Forum activities, appropriate officials in governments and the Commission, and as part of information provided in response to enquiries about the Forum. It has proven a very effective tool. Issue 19 of the newsletter contained overviews of the meetings and workshops with which the Forum was involved in 2005 and provided an additional background context to the biennial conference.
- Provided the Heritage Council in Ireland with the text for a leaflet concerned with *The nature of Irish farming: High Nature Value farmland in Ireland*. This leaflet summarised some of the key issues arising from the project conducted in 2004 for the Heritage Council (*Assessing the potential impact on the Natural Heritage of the mid-term review of the CAP*). The Heritage Council intend to make the leaflet widely available to farmers and interested parties in Ireland.
- Continued to maintain contact with the Biodiversity Expert Group charged with reviewing the EC Biodiversity Strategy and Action Plans, and especially provided comments on the consultation on the "*EC draft third report on the implementation of the CBD to the Conference of the Parties on the CBD*".
- Maintained contacts with a wide variety of interested parties throughout Europe through involvement and representation on other networks (e.g. GAP) and through participation of Forum representatives at a variety of meetings and seminars.
- Continued to update the content of the Forum website (<http://www.efncp.org>) to reflect recent activities. Progress is being made slowly but there is still a need to address general presentational quality issues of the site in order to improve its effectiveness.

ORGANISATION OF SEMINARS & REPRESENTATION ON EC COMMITTEES

During 2005, the Forum:

- Held a seminar in Brussels in on *The future of Less Favoured Areas policy: implications for marginal farming in High Nature Value areas* (February 2005). This seminar was organised by EFNCP together with Euromontana, the Scottish Crofting Foundation and the Swedish Society for Nature Conservation. Funding was provided by Highlands & Islands Enterprise, Comhairle nan Eilean Siar, the Highland Council, Scottish Natural Heritage, Swedish Society for Nature Conservation and the Shetland Islands Council. Papers connected with this workshop are available on the EFNCP website <http://www.efncp.com>
- The Forum has continued to have representatives nominated to 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 these meetings. Regular cancellation and short-notice rescheduling of these Committees by DG Agriculture has, however, made it difficult for the Forum representatives to attend many of the meetings in 2005.

PUBLICATIONS

In addition to the newsletter *La Cañada*, publications arising from the work of the Forum during 2005 include:

- Bignal, E., Jones, G. & McCracken, D. (2005) *The nature of Irish farming: High Nature Value farmland in Ireland*. The Heritage Council, Kilkenny, Ireland.
- Dannebeck, S., Hoppe, A., Küster, H. & McCracken, D.I. (In press) Factors affecting cultural landscapes: an overview. In: *Cultural landscapes in Europe: fields of Demeter, haunts of PAN*. Aschenbeck & Oeljeschläger Verlag, Wildehausen, Germany.
- Luick, R., Muhar, A., Wrbka, T. & McCracken, D.I. (In press) Large-scale sustainable development of diverse Cultural Landscape Ecosystems in Europe. In: *Cultural landscapes in Europe: fields of Demeter, haunts of PAN*. Aschenbeck & Oeljeschläger Verlag, Wildehausen, Germany.
- Luick, R. (In press) The Black Forest, Germany: a mid-altitude central European landscape. In: *Cultural landscapes in Europe: fields of Demeter, haunts of PAN*. Aschenbeck & Oeljeschläger Verlag, Wildehausen, Germany.
- Luick, R. (In press) Sheep-grazing systems in the Jura uplands, Central Europe. In: *Cultural landscapes in Europe: fields of Demeter, haunts of PAN*. Aschenbeck & Oeljeschläger Verlag, Wildehausen, Germany.
- McCracken, D.I. (In press) The New Forest, southern England. In: *Cultural landscapes in Europe: fields of Demeter, haunts of PAN*. Aschenbeck & Oeljeschläger Verlag, Wildehausen, Germany.
- McCracken, D.I. (In press) The Breckland of East Anglia. In: *Cultural landscapes in Europe: fields of Demeter, haunts of PAN*. Aschenbeck & Oeljeschläger Verlag, Wildehausen, Germany.
- McCracken, D.I. & Bignal, E.M. (In press) The Isle of Islay, western Scotland. In: *Cultural landscapes in Europe: fields of Demeter, haunts of PAN*. Aschenbeck & Oeljeschläger Verlag, Wildehausen, Germany.
- McCracken, D.I., Muhar, A., Bunce, R. & Hjelle, K. (In press) A future for European Cultural Landscapes and their farming systems. In: *Cultural landscapes in Europe: fields of Demeter, haunts of PAN*. Aschenbeck & Oeljeschläger Verlag, Wildehausen, Germany

CUMULATIVE BREAKDOWN OF INCOME AND EXPENDITURE

Between March 1995 and April 2003, the Forum operates on a 1 April - 31 March financial year. The following Table shows the relevant information from each of the EFNCP's Financial Statements for the last 8 financial years and the period 1 April 2003-31 December 2003. Financial figures are in £ sterling.

	Year ended								1 April 2003 to 31 December 2003
	31 March 1996	31 March 1997	31 March 1998	31 March 1999	31 March 2000	31 March 2001	31 March 2002	31 March 2003	
Balance brought forward from previous year/period	-	26,875	-	24,227	52,167	45,539	46,435	50,812	43,121
Income during year/period	44,705	61,710	118,069*	159,840	176,079	180,576	92,596	63,794	103,637
Expenditure during year/period	18,147	60,540	95,031	133,111	183,497	180,544	88,509	71,756	112,361
Operating Surplus/(Deficiency) during the year/period	26,558	1,170	23,038	26,729	(7,418)	32	4,087	(7,962)	(8,724)
Interest during the year/period	317	565	1,189	1,211	790	864	290	271	197
Retained Surplus/(deficit) for the year/period	26,875	1,735	24,227	27,940	(6,628)	896	4,377	(7,691)	(8,527)
Balance carried forward	26,875	28,610	24,227	52,167	45,539	46,435	50,812	43,121	34,594

* Income for 1998 also included an exceptional item relating to a gift by resolution of the net assets of the EFNCP unincorporated, amounting to £28,610

In 2003, the Forum's financial year changed to a 1 January - 31 December period. The following Table shows the relevant information from the Financial Statements for the 2003- 2005 financial years. Financial figures are in £ sterling.

	Year ended	Year ended	Year ended
	31 Dec 2003	31 Dec 2004	31 Dec 2005**
Balance brought forward from previous year	46,055	34,594	(15,092)
Income during year	132,126	56,273	110,800
Expenditure during year	143,784	98,730	114,302
Operating Surplus/(Deficiency) during the year	(11,658)	(42,457)	(3,502)
Interest during the year	197	238	314
Retained Surplus/(deficit) for the year	(11,461)	(42,219)	(3,188)
Prior year adjustment***		(7,467)	
Balance carried forward	34,594	(15,092)	(18,280)

** 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.*

ENDS