



“Marine Protected Areas in the Eastern Baltic Sea”

LIFE Project Number: LIFE05 NAT/LV/000100

PROGRESS REPORT No. 1



MINISTRY OF THE ENVIRONMENT



norden

Nordic Council of Ministers



YMPÄRISTÖMINISTERIÖ
MILJÖMINISTERIET
MINISTRY OF THE ENVIRONMENT
FINLAND

LIFE Project Number
LIFE05 NAT/LV/000100

PROGRESS REPORT No. 1
Covering the project activities from 01.08.2005 to 30.06.2006

Reporting Date
31/07/2006

LIFE PROJECT NAME
Marine Protected Areas in the Eastern Baltic Sea

Data Project

Project location	Estonia, Latvia, Lithuania (Russia)
Project start date:	01/08/2005
Project end date:	31/07/2009
Total Project duration (in months)	48 months
Total budget	3,111,316 €
EC contribution:	1,555,688 €
(%) of total costs	50%
(%) of eligible costs	50.36%

Data Beneficiary

Name of Beneficiary	Baltic Environmental Forum Latvia
Contact person	Ms Heidrun Fammler
Postal address	Peldu street 26/28-505, LV 1050 Riga, Latvia
Visit address	Peldu street 26/28-505, LV 1050 Riga, Latvia
Telephone	+371 735 7555
Fax:	+371 750 7071
E-mail	heidrun.fammler@bef.lv
Project Website	www.balticseaportal.net

1. LIST OF CONTENTS AND ANNEXES

1. LIST OF CONTENTS AND ANNEXES	3
2. LISTS OF KEY-WORDS AND ABBREVIATIONS	4
3. EXECUTIVE SUMMARY	5
4. TECHNICAL DEVELOPMENT	6
A PREPARATORY ACTIONS/MANAGEMENT PLAN PREPARATION.....	6
B LAND PURCHASE	9
C NON-RECURRING BIOTOPE MANAGEMENT.....	10
D RECURRING BIOTOPE MANAGEMENT	11
E PUBLIC AWARENESS AND DISSEMINATION OF INFORMATION.....	11
F OVERALL PROJECT MANAGEMENT	13
5. PROBLEMS ENCOUNTERED	16
6. FINANCIAL ISSUES.....	17
7. PLANNED PROJECT PROGRESS	17

ANNEXES

Annex 1: General map of project sites

Annex 2: Detailed information on A-Actions

- A1: Reports from Training activities and study visit to Germany
- A2: Reports from benthic habitat inventories
Reports from habitat related seminars (2 events)
- A3: Reports from water bird inventories
- A4: Report from marine mammal inventory
- A5: Reports from fish inventories
- A6/A7: Report from GIS database concept
Data base template
Reports from expert meetings on action A6 and A7
Reports from management plan action
Report from seminar related to MPs
Concept of management plan development within LIFE project

Annex 3: Detailed information on C-Actions

- C1: Reports from by catch assessment
- C2: Report from concept development for dumping assessment
- C4: Report from pollution assessment

Annex 4: Detailed information on D-Actions

- D1: Reports from alternative fishing activities

Annex 5: Detailed information on E-Actions

- E1: Project leaflet (4 languages)
- E2: Screen shots from the project web site and inner communication platform
- E3: Concept of film clips

Annex 6: Detailed information on F-Actions

- F1: Report from 1st steering group meeting
- F3: Report from 1st and 2nd partners meetings
- F4: Reports from country coordination meetings in EE, LV, LT
- F6: 1st audit report

Annex 7: Photos from project activities

2. LISTS OF KEY-WORDS AND ABBREVIATIONS

In the following partner names and identification numbers as well as project area codes are listed:

Partners:

- P1: Baltic Environmental Forum - Estonia (BEF-Estonia) - *Estonia*
P2: Baltic Environmental Forum - Lithuania (BEF-Lithuania) - *Lithuania*
P3: Estonian Environment Information Centre (EEIC) – *Estonia*
P4: Estonian Marine Institute (EMI) – *Estonia*
P5: Estonian Ornithological Society (EOÜ) - *Estonia*
P6: Marine and Inland Waters Administration (MIWA) –*Latvia*
P7: Latvian National Armed Forces (NAF) - *Latvia*
*P8: Institute for Aquatic Ecology of Latvia (IAEL) – *Latvia*
P9: Latvian Ornithological Society (LOB) – *Latvia*
P10: Latvian Fish Resources Agency (LATFRA) – *Latvia*
P11: SIA Vides Filmu Studija /Wildlife & Environmental Film Productions / (VFS)
P12: SO Sociāli Orientētu Projektu Aģentūra /PO Socially Oriented Project Agency/ (SOPA) - *Latvia*
P13: Institute of Ecology, Vilnius University (EKOI) – *Lithuania*
P14: Coastal Research and Planning Institute, Klaipėda University (KUCORPI) – *Lithuania*
P15: Centre of Marine Research (CMR) – *Lithuania*
P16: PO Baltic Fund for Nature (BFFN-RU) – *St.Petersburg, Russia*
P17: BirdLife International
**P18: Estonian State Nature Conservation Centre (ESNCC)- *Estonia*
P19: Metsähallitus - Natural Heritage Services (Metsähallitus) – *Finland*
***P20: Federal Agency for Nature Conservation (BfN) – *Germany*
- * legal status of the partner P8 has changed, partner became independent agency*
*** legal status of partner P18 has changed, partner was absorbed by new national roof organisation, which took over partnership in the LIFE project as legal entity*
**** new partner as chance from co-financer to partner*
The above mentioned changes were applied to European Commission on 6 June 2006

Project areas:


- 1EST: East Gulf of Finland
2EST: West Gulf of Finland
3EST: Väinameri
4EST: West Saaremaa
5EST: South Saaremaa
6EST: Irbe Strait
7LAT: Ainaži-Tūja
8LAT: West Cost Gulf of Riga
9LAT: Irbe Strait
10LAT: Akmeņrags - Pāvilosta
11LAT: Nida - Pērkone
12LIT: Palanga
13LIT: Neringa

3. EXECUTIVE SUMMARY

The project objectives as defined in the grant contract (Section C) are the following:

1. Complete the establishment of Natura 2000 in the marine territories of Estonia, Latvia and Lithuania (site selection, designation, protection, and management);
2. Assess and reduce the impact of fishery by-catch on target bird and mammal species;
3. Assess and address other threats to marine Natura 2000 sites (e.g., caused by construction/development, disturbance of species by economic or recreational activities, pollution);
4. Increase public and stakeholder awareness on Natura 2000, marine protected areas and biodiversity in general in Estonia, Latvia, Lithuania and Russia;
5. Promote transboundary networking and capacity building on marine protected areas between the Baltic States, other EU Member States and Russia.

The list of key deliverables and outputs as defined in the grant contract, (Section C) is indicated below. It contains those deliverables scheduled until reporting date 31 July 06) and additionally those which have been fulfilled earlier than originally planned.

Deliverable or Milestone	Number of the associated action	Deadline	
Project management structure established	F.1; F.2, F.3	2005.10.01	✓
Project website established to promote transboundary networking and establish project communication platform	E.2	2005.11.01	✓
Methodology, related to the inventories of species/habitats, harmonized	A.2; A.3; A.4; A.5	2006.01.01	✓
Production and distribution of 2 information flyers for stakeholders and fishermen	E.1	2006.01.01	1 flyer only
All partners and staff trained for their tasks	A.1	2006.06.01	✓
Concept for Management Plans developed	A.7	2006.06.01	✓
Alternative fishing gear provided to fishermen	D.1	2006.12.01	✓
Sites for management plans selected	A.7	2007.04.01	✓

Summarise each of the following chapters in 2-3 sentences.

- A. All "A" actions have started. A1, Training & education of project staff, is completed. A2 – A5 (Inventory actions) started with first rounds of seasonal field visits; all methods discussed and harmonised among partners. A6 (GIS data base) and A7 (management plans for selected sites) concepts developed.
- B. No "B" actions defined in the project.
- C. C1 (by-catch assessment) started with data collection. C2 and C4 started on conceptual level; C3 has not yet started – all according to project schedule.
- D. Only one "D" action is defined in the project: alternative fishing methods; The action has started well ahead as action leader found fishing gear available quicker than estimated and also interested fishermen for pilot trial; surprising good echo from stakeholders, good perspectives for future replication, first positive results from alternative fishing methods.
- E. Project info flyer (E1) and web site (E2) elaborated. Second flyer targeted at fishermen proposed to print at later project stage to advertise the good results; E3 (film) conceptual development started; E4 media informed about main activities.
- F. Project management scheme set up, all contracts signed, financial management organised; regular accounting/reporting of partners introduced and partner meetings held; steering group set up.

General evaluation

The project has started well - no obvious signs that the objectives could not be reached. Most of actions started; those not started yet are depending on results from other actions; so far no major delays have been noted; all partners highly motivated and great team formed; some partners changed legal entity; one partner/co-financer change applied; money is spent according to planned budget and regularly reported to project lead party.

4. TECHNICAL DEVELOPMENT

In the following the activities under each action are summarised and highlights pointed out. The action lead partners report to the project leader regularly about state of development of the action. Their detailed reports from actions A1-A7, C1-C4 and D1 are included in the Annexes 2-4. Due to the fact that during last winter mainly conceptual work took place and preparation of the currently carried out field works, there are not yet results from inventories which could be illustrated in form of data tables or maps, although first data are gathered. Such information will be included in the next project report (July 2007), while in the current report the information will be rather descriptive. The only map attached (Annex 1) is the one of project areas.

The E actions have only partly started and their first products/publications are attached in the Annex 5. Most of E actions are scheduled at later project development stage and will be reported accordingly later.

The F actions are described in more details in the text below as they give core information about the project management, their Annexes are reports from management meetings and the 1st audit report attached in Annex 6. To illustrate project activities Annex 7 shows a few photos from different actions.

A PREPARATORY ACTIONS/MANAGEMENT PLAN PREPARATION

A1 Raising Capacity of project staff for project implementation

Action A1 was meant to provide training and inspiration for the project team to undertake the inventories (habitats and birds) and also to view marine protected areas as holistic concept (Germany study visit).

For this purpose training was organised at the Finnish partner Metsähallitus: three experts from the relevant Baltic partners carrying out the habitat inventory (P4, P8 and P14) were accompanying the Finnish experts for one week (September 05) at habitat mapping activities in Finnish protected areas. The topics of the training were to learn underwater video and scuba diving for the inventories, to discuss the advantages and limitations of the methods and to learn data analysis – interpretation and intercalibration.

The bird inventory team had two trainings: bird counting on ship (Nov. 05) and aerial counts (May 06). The ship training was performed by experts from Partner P17, Birdlife International, the aerial count training by a Dutch expert and the Estonian senior experts of P5. At both courses the vehicles were the same than to be used during the inventories: P7 provided a navy ship for the training and P5 rented the Cessna aeroplane. The trainees learned counting methods and data interpretation. Furthermore the trainings were also used to harmonise the methods among the three countries for the inventories. Besides Baltic partners, also experts from the Russian partner P16 were participating in the bird training courses. The training, both for habitat as well as for bird inventories, was attested by the participants excellent quality and high importance for the project.

Another training element of the project was a study visit to Germany to the Agency for Natura Conservation (BfN) at its location on the island *Vilm* at the shore of the Baltic Sea (March 2006). The department of the BfN is in charge of site designation in the EEZ of Germany. The host provided in-house experts from its department (legal expert, fish species expert, habitat mapping expert and monitoring experts) as well as external experts being involved in the German sites designation (bird experts, habitat classification experts as well as experts on voluntary management schemes from the WWF). The study visit lasted for five days and contained an intensive seminar and two excursions, one on the island, which is a protected area, and one to the *Jasmund National Park*, which has a marine area and a very modern visitor centre, meant to give a good example to the project partners. 17 participants from nearly all Baltic and Russian partner organisations participated in the study visit, which provided very good input and ideas; it helped solving some habitat interpretation questions and build up good partnership with the German project partner.

One more study visit was organised although having been deleted from the LIFE project and budget, but as it was strongly linked to the LIFE project it shall be described here as “accompanying activity”: a visit to the Netherlands was organised in May 2006 for one week and several seminars and excursions to Marine and coastal sides were organised; 30 participants from the Baltic LIFE partners (Russian partner was not found eligible) and Baltic States’ competent authorities were participating in the study visit. It was hosted by the Dutch Ministry of Agriculture and Natura Conservation and financed by the Ministry of Economy, which unfortunately during LIFE project application did not agree to become a co-financer to the LIFE project, but wanted to have a single action. Nevertheless the study visit has happened and provided great input for the Baltic experts and the LIFE project.

The Action A1 is finalised successfully, all activities have been implemented and were of great value for the project team. Reports from the events are attached in Annex 2.

A2 Benthic habitat inventory

The action aims to inventory the marine habitats within the project sites and to gather comprehensive information about their location, extent and quality. The main output shall be i) a map of benthic habitats and ii) data inserted in the GIS database, providing also background information for evaluation of the sites for which management plans shall be developed.

The action has started with screening existing data and information about the project areas. Meanwhile all existing information is collected and systematised in the national databases, which are composed on the basis of the developed meta-database template (see A6).

Two workshops have been organised (November 05 and May 06) for the project partners, involving also experts from other countries to discuss the methodology of habitat mapping (see Annex 2). As result of these workshops it was decided upon Baltic Sea interpretation of habitats and on methods to be applied in the field works (e.g. to use the UW video techniques as main mapping methods) and schedule of field works agreed. At the 2nd workshop the underwater mapping equipment was tested in practice and the UW video methods were compared with diving methods. Testing of the UW video equipment proved its suitability for the project actions.

Currently the field work is being implemented and will last over the whole summer period.

A3 Waterbird inventory

In opposite to habitat inventories which can only take place during summer season, bird inventories are carried out all over the year. The A3 action therefore started with methodological aspects and field practice at the same time to implement first winter counts already in the 05/06 season. (see Annex 2)

During autumn and winter the methodology for ship, aerial and coastal surveys has been prepared and surveyors have been trained on ship (Nov 05), followed in May 06 by the aerial training (see A1).

Some efforts took the negotiation with P7, the Latvian Navy, on exact timing and routes for the counts in Latvian waters and the transboundary Irbe Strait. For the latter permission from both sides' Ministries of Foreign Affairs and Defence was obtained to allow the Latvian Navy ship to enter Estonian waters.

Most of equipment has already been procured in all three countries.

First surveys have been successfully initiated according to the work plan in all three countries under participation of experts from the Russian partner at some sites:

- A successful mid-winter count took place in all the three countries.
- Land-based Waterbird surveys were carried out regularly in April in both Lithuanian project areas and will resume in late July with the Little gull surveys from the ship and from coast.
- In Latvia and Estonia a joint 10-day bird survey from the military ship *Varonis* was carried out during the last week of April in Latvian and Estonian waters, surveying project areas 8LAT, 6EST, 9LAT, 10LAT, 11LAT and 7LAT. The total of 1320 km of transects were surveyed. In addition, in Latvia, flights with oil pollution watch continued in April, May and late June as supplementing measure. Routes for July ship count planned and sent to ship captain in June.
- In Estonia, a special aerial survey of swans was carried out on 25 April in project areas 3EST and 4EST, breeding bird survey was carried out in South Saaremaa (5 EST), and coastal bird surveys were carried out in project area 4EST.

Currently the surveys continue in all sites over the summer.

A4 Marine mammal inventory

The A4 action is targeting three species: harbour porpoise (*Phocoena phocoena*), grey seal (*Halichoerys grypus*) and ringed seal (*Phoca hispida*); different methods and time schedule are applied for those species. The action has started with method and concept development and also first inventory activities for the ringed seal as well as preparatory actions for the harbour porpoise and grey seal inventory.

First evaluations from the action implementation:

According to initial project plan first porpoise detectors were intended to deploy after the ice melt at the Estonian coast. However the porpoise detector producer (Chelonia Ltd.) could not provide the requested equipment as production has changed and new kind of equipment is produced – but not available for the first

field season. Therefore the expert team decided to reschedule the harbour porpoise survey to the beginning of 2007 when new versions of devices will be available. The action still will be implemented successfully as the new device will increase quality and quantity of data.

The ringed seal survey was the third in history of use of this method in the Gulf of Riga and was successful. However, the weather conditions were not ideal and caused some minor problems like drift of ice and navigation in side wind, but the results are sufficiently reliable to enable direct comparison between surveys and draw distribution maps. Altogether 20 hours of flight were used to cover approximately 2376 kilometres of observation transects, total coverage of the ice area was 11.25% to 12.45%, depending on how many observers are included in the final result. As all observations were registered with hand-held GPS units, seal distributions can be later mapped with very high precision. Three more persons got first experience and professional supervision for further work as observers in similar surveys. Population size of ringed seals in the Gulf of Riga was estimated to be about 1475 individuals (+- 30%).

Currently the grey seal survey is been carried out. (more information see Annex 2)

A5 Fish community inventory

Action A5 serves to gain comprehensive and detailed information about existence and abundance of fish species from Annex II of the Habitats Directive (HD) in the project areas. Besides HD Annex II species, the action targets also other rare and protected fish species (e.g. species listed in the national Red Data Books). The preparatory part of the action, analysis of existing data has been implemented during winter; a report is ready and published in the website of the project.

At an expert meeting in October 05 the partners agreed upon and tested certain fishing methods (details of the samplings). It was agreed that the works will be carried out on altogether 30 sites (14 sites in 6 project areas in Estonia; 12 sites in 5 project areas in Latvia; 4 sites in 2 project areas in Lithuania). Since fish compositions differ between cold and warm water periods it was agreed to sample all fishing locations at least twice: in warm water season and in cold water season. Warm water samplings should fall into the period July 1 – September 25. Cold-water studies should be carried out when water temperature at the bottom has decreased below 12°C at autumn and early winter.

There are some differences in some mesh sizes of the gill nets used in three countries. However, since it was agreed that the catch of each net will be registered separately, it is possible to carry on at least partial comparisons between different countries.

Summarising from the first field works the experts stated that the winter months were not suitable for fish inventory due to the harsh winter conditions (storms, ice, freezing gill nets). However, several milder periods were used for some studies in 1EST, 4EST and in 12LIT.

During the summer season the field work continues in all sites. (more information see Annex 2)

A6 Elaboration of National GIS Database / Digital Maps

As GIS is mainly a tool for serving the needs of other actions as well as for visualizing data and results, therefore we cannot yet list tangible outcomes in this first reporting period in sense of ready data sets or maps. So far mainly preparatory actions have taken place – all according to schedule:

- 3 meetings been held (GIS working group at kick-off meeting (27-29.09.05) and A6/A7 meetings on 11.01.06 and on 31.03.06) to harmonise the methodology and discuss technical details of the data base, to agree on task distribution, to do joint planning and define data needs;
- An agreement among actions leaders and GIS experts has been achieved on the concept of the GIS, data formats, database structure and other technical details; it has been communicated to other project partners and the data base is distributed for data entries during field work;
- The common database structure is developed. (see Annex 2)

After the current field season at next partners meeting (Oct. 06) an evaluation of the applicability of the data base will take place and. If needed, a revision of the data base.

A7 Development of management plan concept for MPAs and elaboration of management plans and individual protection proposals for selected project sites

It was discussed among the partners that A6 and A7 actions are so closely linked that the separation would be artificial. Therefore expert meetings are held jointly among the GIS concept developers, main MP concept developers & future authors and actions leaders of the inventory actions. Still to keep the order of the LIFE application reporting is done separated - as far as possible.

The first activities under A7 were: conceptual planning of the whole action, its interlinks with other actions, the organisation of one international seminar on management plans & their concepts as well as the elaboration of the concept for management plan guidelines and pilot MPs to be developed within the LIFE project.

For conceptual development of the A7 action the existing documents and guidelines on management planning of marine areas were collected and studied. This included analysis of the HELCOM recommendations 15/5 on System of Coastal and Marine Baltic Sea Protected areas (BSPA) and following guidelines for management of BSPAs; Baltic States' national regulations on management planning; as well as the draft EC Guidelines for establishment of the Natura 2000 network in the marine environment.

The action complex A6/A7 is one of the core activities of the LIFE project – inventory and threat assessment actions are serving it with information and the stakeholder information actions needs its output to communicate it. During concept development for the management plan action the partners understood that the inventories and threat assessments must be targeting the management plan and follow their data needs. Furthermore an early selection of those project areas for which management plans shall be elaborated is important for scheduling the inventory actions, especially the habitat mapping actions which are scheduled until end of 2008 and should not provide information too late for the management plans.

Therefore the decision of pilot sites was taken earlier than scheduled in the project plan:

Latvia: 8 Lat - West Coast of Gulf of Riga; 9 Lat - Irbe Strait; 11 Lat - Nida-Pērkone
Estonia: 3 Est - Väinameri and 4 Est - West Saaremaa, if resources allow also 5 EST - Irbe Strait.
Lithuania: 12 Lit - Palanga; 13 Lit - Neringa

Besides meetings among the partners to discuss and agreed upon a joint concept for the management plans, an international workshop with was held with more than 50 participants from Baltic States, Russia as well as Finnish, British and German experts (March 06). The workshop was meant to give input to the project team and widen the cycle of discussion partners from the Baltic States and Russia. Competent authorities and protected area administration was invited to join the discussion. (See Annex 2)

Workshop, background research and earlier partners discussions were evaluated in a meeting in end of March and the focus of the conceptual part of Management Plan action within the LIFE project was agreed among the partners:

- To elaborate more on those aspects NOT sufficiently covered by the HELCOM guidelines (for instance assessment on species and habitat level)
- To analyse lessons learned & make a country comparison, based on the LIFE project's experience with the MP development;
- To elaborate and test the best practices for stakeholders' involvement (including strategic discussions, WS, setting up the working groups and practical application).

Based on the results international workshop, the various partners meetings and national working groups an overall concept of the management plan action was developed, including the analysis of presently available guidelines on marine management plans, tasks of the project and specific needs and conditions for the management plan development in each of the Baltic States. The concept defines also the general structure of the management plans; however, the exact content would be different in each of the countries following the national requirements. (See Annex 2; A6/A7)

B LAND PURCHASE

No land purchase activities in this project.

C NON-RECURRING BIOTOPE MANAGEMENT

C1 Assessing and reducing impact of fishery by-catch on species of Community interest

Background data on fisheries industry in Lithuania, Latvia and Estonia was collected. Available/existing information on bird and seal by-catch in fishing gear in the three countries was reviewed. A full report on these issues will be available soon on the project web site.

Most of partners have purchased the equipment (boats, refrigerators etc) for the implementation of the action; parts of refrigerators for the fishermen will be purchased during later project time.

One main activity in the first project year was the recruitment of collaborating fishermen in the project areas; this has been implemented, although with some obstacles due to the bird flue:

In Lithuania, negotiations with fishermen have been completed, but signing of the contracts has been postponed until the autumn, because the majority of the wintering and migration season has fallen under the warning by the Lithuanian State Food and Veterinary Service to avoid any close contacts with wild birds, wildfowl in particular, due to the bird flue threat.

In Estonia, 20 collaborating fishermen were already collecting data for the project. The number of collaborating fishermen will be increased for the next season only (by 5-10 fishermen). These fishermen reported only 14 cases of birds caught in the nets so far. The very successful cooperation with these fishermen in action D.1 suggests that the data provided by them is trustworthy and accurate.

In Latvia, contracts with 7 selected fishermen were signed in February. Since the beginning of fishing activities in March till the end of May data about 980 hours of exposure of fish traps and 5560 net days of exposure of gill nets were reported. Fishermen encountered 45 alive and 103 dead tangled birds. The most commonly encountered species were *Clangula hyemalis*, *Cephus grylle*, *Uria aalge*, *Gavia* sp.

The action is continuing during the next project year. For time being it is too early to make an evaluating statement about the threat.

(more information see Annex 3)

C2 Assessment of possible impact of constructions and dumping of dredged material on habitats of Community importance

The action is scheduled for 2008; nevertheless conceptual meetings took place to secure the interlinks with other action - background information for assessment partly depends on the results of the habitat inventory (Action A2) and results of assessment also shall provide input for the management plans. During project Kick-off meeting and in February conceptual discussion took place on methodology for the assessments. As result of these meetings it was agreed on the model sites for the assessment, modelling approach and methods. Partners decided to use in each country their own approach of modelling based on available information. Results of the assessment will be compared at the later stage - on the assessment product level (see Annex 3).

Since modelling in Latvia will be partly subcontracted the procurement procedure for that has been initiated.

C3 Assessment of the impact of disturbances on waterbird and seal species of Community interest

The action is scheduled for 2007/2008.

C4 ASSESSMENT OF THE IMPACT OF TRANSBOUNDARY AND LOCAL POLLUTION ON HABITATS AND SPECIES OF COMMUNITY IMPORTANCE

The action has started with conceptual discussions already at Kick-off meeting, but mainly on 9 January at a cross-national expert meeting in Riga. Procedure and methodology of sampling, related analysis as well as schedule of sampling and data analyses were discussed and agreed among the three countries. Partners decided to analyse 5 heavy metals (Cd, Hg, Pb, Zn, Cu) and PAHs (poly aromatic hydrocarbons) in molluscs (*Mytilus edulis* from hard bottom and *Macoma baltica* from soft). Total oil will be analysed in sediment.

During spring season only at the Lithuanian sites samples were taken, Latvian and Estonian experts will join the habitat mapping teams and boats for sampling during summer. (see Annex 3)

D RECURRING BIOTOPE MANAGEMENT

D1 Use of by-catch safe fishing gear in pilot project areas and regular reporting

Main content of the action is the use of modified fishing methods by commercial fishermen aiming at behaviour change and positive attitude towards "seal- and bird-safe fishing gear". The action has started in winter with methodological discussions among the partners, analysis of existing data, purchase of equipment and recruitment of fishermen as partners for pilot testing of the new gear.

Until today, in Estonia all 6 project areas have been visited to select suitable partners among the fishermen. According to the project plan modified (seal-safe) fyke nets shall be used by 15 fishermen. So far 10 men have been selected; additional 5 men will be recruited in 2007.

The modified fyke nets were constructed in Estonia during the spring and were ready to use in May, when the fishing started. In average all fishermen have received strong netting material to modify 2 fyke nets, while they still keep fishing simultaneously with their old fyke nets for comparison.

In Lithuania negotiations have been finished with fishermen in both Lithuanian areas: 12LIT and 13LIT. Longlines were prepared by selected enterprises and are in use, most of gillnets (will be used simultaneously to longlines) are purchased and also in use.

This action is crucially dependent on very expensive equipment to be purchased during the project. (fishing gear and boats). Most of it has been purchased at reporting date successfully and is already in use

A first evaluation on the performance of modified fishing gears:

The modified fyke nets proved in Estonia to be as effective in catching fish as fyke nets made from "traditional" material. At the same time they are easier to handle due to the fact that they do not overgrow with algae as quickly as the older ones; this makes them much lighter. Also, the material has proved to sustain seal attacks: from some fyke nets fishermen have got damaged fish, but no holes in the netting have been found.

From the experiments with longlines and "commercial gill nets" used in parallel in testing areas in Lithuania results show that that longlines are more effective in catching cod – which will be a convincing argument towards the stakeholders.

In case the action continues as successful as it has started mind setting among fishermen shall be a reachable goal. The information obtained so far shall be inserted into the leaflet (E1) for the target group to raise their interest.

The project experts discussed furthermore that support for the fishermen might be available from EU and national fishery funds for alternative fishing methods. The project team will investigate these opportunities and communicate them to the stakeholders, potentially also assist with application concepts.

The action will continue with practical exercises, more information can be obtained in Annex 4.

E PUBLIC AWARENESS AND DISSEMINATION OF INFORMATION

E1 Production and distribution of information flyer for stakeholders

The project information flyer is printed and distributed. The content of the flyer includes: i) general information about marine values and EU nature conservation requirements; ii) the goals of the project; iii) main activities; iv) expected results; v) list of the project partners and donors; vi) relevant contact information. The flyer is printed in English, Lithuanian, Latvian and Estonian languages. Although initially it was not foreseen to print the flyer in English language, it was achieved due to a good offer from the printing house.

The flyers was distributed to the main stakeholders of the project such as Ministries of Environment, Regional Environmental Authorities, Protected Areas' Administrations; project partners, experts, fishermen, local authorities and green NGOs. The distribution of the flyer is continuing during bilateral meetings, seminars and public events.

The second foreseen flyer targeted at fishermen is not yet published, however, a draft text is available and layout is in process. The main reasons for the delay are:

- i) the start of project activities was a bit delayed due to complex management and contracting activities and the experts did not reached a quick common agreement what messages should be

- included in the leaflet as there were no results visible yet from the relevant actions (C1, D1); therefore the leaflet elaboration was postponed to get more attractive information addressing the target group with results from first actions;
- ii) the past winter season was very unfavorable for fishermen as well as for the project experts to carry out the fieldworks: due to strong and long ice cover of the Baltic Sea fishing activities were limited and at the same time the ice coverage resulted in low concentrations of wintering birds and consequently less by-catch.

The second flyer will now be produced in the autumn 2006.

E2 Development and maintenance of the project website “The Baltic Sea Portal”

The project website (www.balticseaportal.net) was elaborated and launched according to project schedule. The website includes basic information about the project (goals, actions, areas, donors, project partners, contact information). It is also possible to download a detailed map of the project area.

The project team is currently inserting more information on the website, such as report from events (action A7), picture gallery and elaboration of news (since the first experiences from the field visits can be published soon). This information is mainly targeted at experts on marine eco-systems and “insiders”.

Besides, the public awareness group is elaborating a separate part of the website, which would be addressing more the interests of the general public and will be functioning as educational tool. Currently a pool of ideas has been compiled, which is foreseen to be more elaborated in autumn.

“*Extranet*” as partner communication tool is elaborated and launched as well as separate part of the website. This tool serves for the communication between the partners, information exchange, calendar planner and file storage. The extranet has a discussion platform where all partners have the possibility to place announcements or ask for comments on certain project aspects. An interactive project calendar helps the partners to follow the whole process of the project implementation and reminds about coming events where he/she has to be involved.

The website is a living product and will be developed further during project implementation. A few impressions from its current outlook are attached in Annex 5.

E3 Production of film / DVD material “The Eastern Baltic Marine Environment”

The concept of the envisaged 20 film clips is elaborated and agreed among the project partners (see Annex 5). The film clips will include a few attractive features of the Baltic Sea (e.g. invasive species, herring spawning, sunken ships on the sea bottom) as well awareness raising messages about facts and threats to the sea directly related to our project (e.g. by-catch, pollution, dumping of dredged materials and other economic activities, threatened birds species, marine habitats of EU importance). There will be also a clip about the project and how the experts are working and investigating the Baltic Sea.

Actual filming has not yet started, but currently the filming team is coordinating with the project partners the possibilities to join the fieldworks during summer 2006.

E4 Work with media

Intensive media work of the project team has not yet started mainly due to mostly conceptual works at beginning of inventories and not much attractive and media-conform information to be published. Nevertheless, the project was presented to media and several journalists have attended international events and national stakeholder meetings. Although no articles were published yet in any newspaper cooperation was agreed among journalists and project team and will develop further with project implementation.

E5 Production and setting up information boards at strategic places accessible for the public

The action is scheduled for 2008.

E6 Production and distribution of a book “Marine Protected Areas in the Eastern Baltic Sea”

The action is scheduled for 2008/2009.

E7 Organisation of public events in Estonia, Latvia and Lithuania

The action is scheduled for 2008/2009.

E8 Organisation of international experience exchange on preliminary project results

The action is scheduled for 2007 and 2008.

E9 Production and dissemination of Layman’s report

The action is scheduled for 2009.

E10 Final project presentation

The action is scheduled for 2009.

F OVERALL PROJECT MANAGEMENT

F1 Establishment and meetings of the Project Steering Group, monitoring of project progress

During the project Kick-off meeting it was agreed among project partners whom to invite to the project steering group and decided to call for a first meeting of this group after the second partners meeting to have some basic concepts to show and give opportunity to advise and feedback.

The project steering group has met first time on 13 January 2006, after the second partners meeting. Representatives from the Ministries of Environment and the designated competent authorities for Natura 2000 management from Estonia, Latvia and Lithuania were invited. Furthermore the major co-financers were represented and also different stakeholder groups such as fishermen’s association and environmental NGOs.

The Steering group defined its role and agreed on procedures as well as on next meeting – October 2006 – and decided that it should meet approximately each 9 months, half-yearly would be too frequently. (see Annex 6) The project was given positive feedback for its ambitions and good start.

F2 Overall project management and administration

The first project activities in August and September 2005 after and during contracting between European Commission and project beneficiary, Baltic Environmental Forum Latvia, was setting up the financial management scheme by the beneficiary. For this purpose a special account as opened at *AS Hansabanka*, Latvia, the only bank which was willing to issue the required bank guarantee for the first rate of the Commission grant. After long negotiations (see chapter 5) the bank guarantee was issued on 19 October 2005. It operates in form of a “frozen” account, which the beneficiary once a month can access and order payments to partners or to its own operating account to reimburse project spendings.

After the project kick-off meeting (see Annex 6) the project manager prepared contracts with each partner describing partner’s tasks and duties as well as its budget. The common budget was divided according activities & involvement of all partners as laid down in the joint budget, the own financial contribution is calculated as percentage of partner’s budget. According to their budget all partners receive a share of the overheads. Partners are made responsible for their budget in terms of pre-payments and reporting in the EU

format. Except for one partner's equipment purchase no prepayments were made; most partners are accounting with beneficiary quarterly, some less frequent; partners are regularly submitting time sheets, expenditure reports and copies of all receipts/invoices. The beneficiary's bookkeeper controls all documentation, agrees on revisions if needed and reimburses the invoiced sum taking into account partners' own contribution. At the end of each reporting cycle the bookkeeper merges the expenditure reports and produces one joint balance.

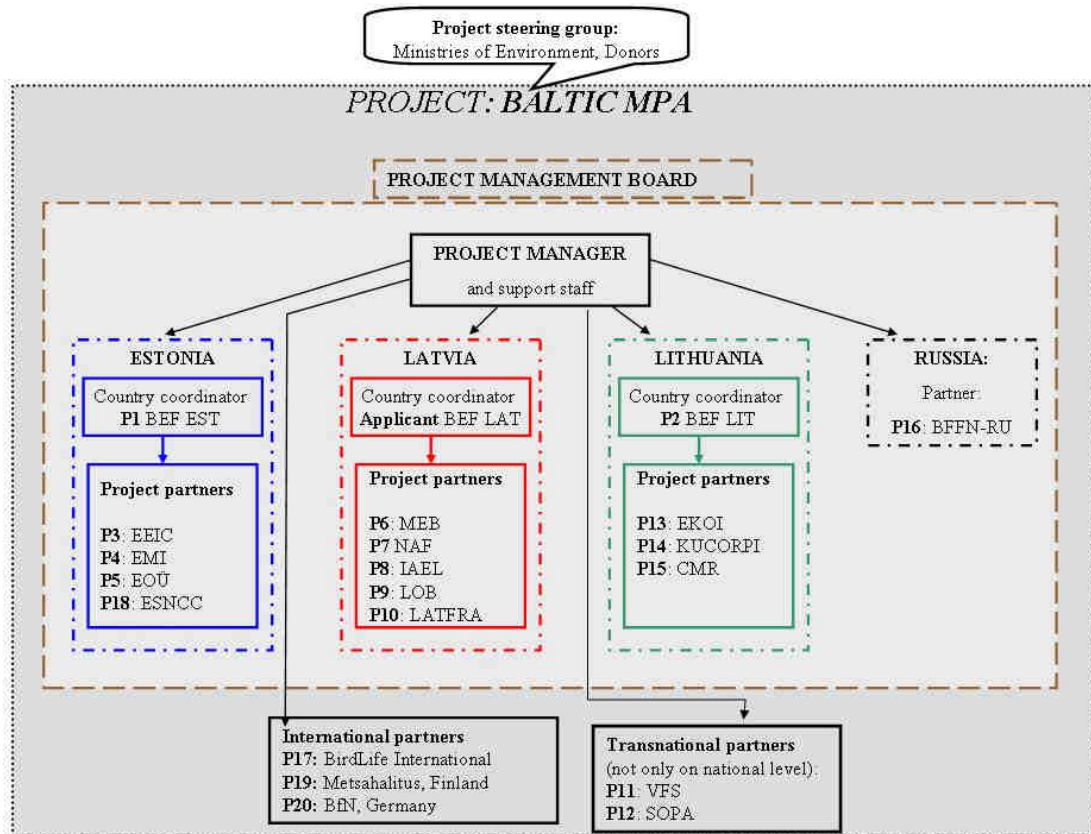
Although the financial reporting seems to be tough for the partners, the beneficiary set up such scheme to keep tight control over such a large amount of partners (20) from 7 different countries. After challenging first reporting cycles one can state that the project financial system has been set up efficiently and is working well. The project bookkeeper has established the LIFE accounting system at partners' and visits them frequently.

The organisation of action implementation is taking place in "cross-country setting" with ONE action leader from one of the countries and relevant counter parts for action implementation in the other two Baltic states. The role of the Russian partner is the one of an observer and trainee learning the methods and comparing to theirs. Experts from the three other partners act as resource persons (Birdlife, Metsahallitus, BfN). The action leader is responsible for action reporting to the beneficiary, as well on quarterly basis. Furthermore the actions leaders are participating and reporting at steering group meetings and are asked to hold regular meetings with the experts from the cross national teams. Joint field visits and discussions on methodologies are rounding up the efforts of the project to created synergies from the cross-national setting.

As up-to-date communication tool for project management the interactive web site ("Extranet") with its partner log-in function is established and used. Not only inventory data, photos or future maps shall be stored and accessed through the Extranet, but also project reports and management communication is currently being established to flow through this tool.

Project manager and the three country coordinators and the assistants from the BEF offices in Estonia, Latvia and Lithuania are meeting frequently to feedback on project progress, administration challenges and undertake project planning jointly. The coordinator at the Russian partner is in close contact to communicate the participation of its experts in the actions and receive the required administrative reports in terms of visa arrangements.

The project management organigram is illustrating the partner structure; it is updated in comparison to the scheme of the application in terms of changes partner names/legal status and one additional partner:



Last but not least the project manager is in close contact with the external monitoring team and received advice from the monitoring expert in all questions asked so far.

This is the first project progress report; it will be followed by the interim report after the second project year in July 2007, a 2nd progress report in July 2008 and the final project report in July 2009.

F3 Establishment and meetings of the Project Management Board

The project management board is the decision making organ of the LIFE project, while the steering group gives advice and brings in donor interests. Big partners meetings are organised twice a year, in-between smaller partners meetings are held during project events, e.g. seminars, and give opportunity to discuss a few topics, but not the complex project setting obligatory for all partners to participate. Sometimes the combination with events makes it difficult to distinguish between partners meeting and action meeting in terms of reporting, however all meetings are documented still with some flexibility in name of action.

To set up the project management scheme all project partners met at the project kick-off meeting in Sigulda, Latvia 27-29 September 2005 (see Annex 6) and discussed project management, action coordination, accounting and reporting as well as project activities and joint planning. The goal of the meeting was to start mutual cooperation and to give the project an official start. The intensity of the meeting created a good team feeling which is kept through regular partner meetings and joint events.

The second big partners meeting was held 11-12 January 2006 (see Annex 6) combined with meetings on most actions and steering group. The second meeting was mainly used to inform each other about action concepts and methodologies, to harmonise planning across countries and actions and to clarify contractual and financial issues.

A smaller meeting was held during the Seminar of Action 7 (on management plan development, 29-31 March, 06) to agree with the Internet experts of P12 about the extranet design and use for partner communication purposes.

The next meeting will be organised in October 2006 when it is expected that first results from the inventories after field seasons can be reported to each other.

F4 Country Co-ordination Meetings

Another management level of the project is the country level in Estonia, Latvia and Lithuania where the actions are targeted. For this purpose all partners of one relevant country meet frequently under the leadership of the relevant BEF office. Exempted from the national meetings are the two Latvian partners P11 and P12 (film and web maker) who rather serve cross-national project actions.

So far 3 meetings have been held in each Baltic country. The first meetings in November 2005 were targeted at setting the scheme for country coordination and discussing involvement of stakeholders into the project as well as steering group members to be invited from each country. At the meetings in Estonia and Latvia also priorities for management plans was discussed (out of 5 sites 2-3 had to be selected in those countries due to limited resources) and the areas were selected. At the second meeting round (Feb. 06) the national needs with regard to the GIS data base and filling of Natura 2000 datasheets as well as coordination between the actions was discussed. At the third meeting round the upcoming challenges and legal implications for management plans derived from the seminar in March (see Action A7) were discussed as well as schedules of the different actions were exchanged.

In the autumn the country meetings will continue to be held frequently. One issue to be discussed beyond the scope of the LIFE project is the site selection within the EEZ of the three countries, where none of them has yet any Natura 2000 site identified.

F5 Project Monitoring (effects of measures)

The action is scheduled for 2008/2009.

F6 Independent audit

Although the LIFE grant requires the audit only twice during the project, the bank, “*Hansabanka*”, which gives the bank guarantee and operates the project account, has set the rule that the project account has to be audited twice a year. In a competition the company BDO Invest was selected out of three companies (best price offer) and is contracted for the project auditing including requirements of the bank as well as of European Commission. The first audit report is attached in Annex 6, the auditor found all financial operations as according to rules and standards and had no objections to the beneficiary’s financial management.

F7 After-LIFE Conservation Plan

The action is scheduled for 2009.

5. PROBLEMS ENCOUNTERED

So far no serious problems have been encountered, although the setting-up of the project reporting & accounting scheme, contracting of 20 partners and educating them in accounting according to LIFE rules was a challenging exercise. Nevertheless, it proved true that the idea to demand quarterly reporting by most of partners (except those with small contributions) is a good one and guarantees the project lead party to follow partners’ activities and spending timely.

Furthermore receiving the bank guarantee was difficult and required long negotiations due to the fact that the project has no investment compound, but is purely intellectual (in understanding of the bank) and furthermore because of the beneficiary not having any real estate, which would have made a guarantee issuing easier. One obstacle was that the bank did not want to issue the guarantee before European Commission had signed the grant contract, while European Commission required the bank guarantees as basis to sign the contract.

The inventory actions have started with small delays due to multi-country harmonisation needs, the bird flu has impacted the winter counts of water birds, and one piece of equipment could not be purchased for the harbour porpoise detection; but now all field activities are running well and the data are being gathered.

Two partners faced legal changes mostly related to institutional changes in the country and their status as organisation. P8, the institute for Aquatic Ecology separated from the Latvian state university and got a new status as “agency”, P18, Vilsandi National Park, got absorbed by the Estonian Centre for Nature Conservation – a new national body consisting of all protected area administrations. However, the new/reformed legal entities take over all responsibilities and activities of the earlier partner. Furthermore during preparation and implementation of the study visit to Germany (Action A1), the beneficiary and the hosting organisation, the Federal Agency for Natura Conservation, BfN, (being a co-financer of the project), understood that actually the status of the host is rather project partnership while being actively involved in preparation of the action than a sponsorship. On advice of the external monitoring team the beneficiary applied for a change for the BfN from co-financer to partner with the same financial contribution. This all has been announced to European Commission and contract changes are requested.

The budget is currently well-balanced; it will be carefully revised before next reporting to find out if a budget change between positions will have to be made. Most probably there will need to be an exchange between budget positions personnel, travel and external assistance, but this needs further observation.

With the available budget the planned project activities can be implemented, although, if there were more resources more management plans could be elaborated in Latvia and Estonia and a few more sites would be needed to be investigated in those two countries.

Currently the project manager cannot any serious obstacles that could hinder successful continuation of the project.

6. FINANCIAL ISSUES

PROJECT COSTS INCURRED (in ca 21% of project duration)

Cost category	Total cost according to the Commission's decision	Total costs incurred from the start date to 31.05.06 (partners) 30.06.06 (beneficiary)	%
1. Personnel	1 152 863	172 008	14.92%
2. Travel	417 865	58 781	14.07%
3. External assistance	611 391	87 910	14.37%
4. Equipment: total cost	339 215	134 527	39.66%
5. Land purchase	0	0	0
6. Consumables	219 346	19 106	8.71%
7. Other costs	168 636	16 498	9.78%
8. Overheads	202 000	32 760	16.22%
SUM TOTAL	3 111 316	521 590	16.76%

To submit the project progress report by 31 July 2006, the partners submitted accounting to the beneficiary dating 31 May and the beneficiary closed its account on 30 June. Consequently partners reported on 10 and beneficiary on 11 months of spending, ca. 21 % of project duration.

The budget spent so far is 521,590 EUR, which stands for 16.76% of the total budget. The less spending in comparison to duration is to be explained with the fact that the first 2-3 project months were mostly labour for the beneficiary to set up the project management scheme, prepare partner contracts and kick-off meeting. Currently the field season is ongoing and it is expected that the costs to be reported at next interim report, will be in harmony with spent time.

The only position which is spent more than project time passed is "equipment" - by its nature this position shall be exhausted at early project time to use the equipment for action implementation. Still more than 60% of equipment is ordered, but not year received/paid; some is delayed as explained in A4 action, see above.

During winter 2005/2006 mostly conceptual work took place, which explains the low consumption of consumables (field and laboratory consumables to be spent during/after field works).

"Other costs" are mostly bank guarantee and audit; the audit has only been performed once, but not yet invoiced and the bank guarantee costs, although regular monthly fees, occurred only from November; therefore the position is absorbed less than 10%.

In general the money is being spent constantly, partners are reporting regularly and no major delays or disturbances are monitored.

It is expected that spending of 935 283.63 EUR (150% of the Commission's 1st rate of 623 522.42 EUR) will be reached earlier than the envisaged date of interim report (July 2007), approximately in January 2007. If so, the project manager plans to submit the Interim report accordingly earlier and looks forward to earlier arrival of the 2nd Commission's rate to provide continuous cash flow to the project.

7. PLANNED PROJECT PROGRESS

In the second project year until next reporting date the inventories (A2 – A5) will go on regular basis to collect the data. In parallel those data will be inserted in the developed data base system which is harmonised for all partners (A.6). Within action A7 one more conceptual seminar will be carried out in winter 2006/2007 to discuss stakeholder involvement in management of marine protected areas.

Within the C-action-package the C1 (By-catch) and C4 (pollution assessment) will continue their data gathering. C2 and C3 will start with full intensity only in the third reporting period.

D1, alternative fishing methods, will continue and become a basis for communication with one of the most sensitive stakeholder groups, the local fishermen. E1 will elaborate a leaflet to address this group.

Actions E2 (web) and E3 (film development) will continue their implementation, same as media work E4). Within action E8 an international conference with regard to SPA/IBA will be carried out and used as forum to show the results from the Baltic water bird counts.

Project management actions (F) will continue on regular basis.

To accompany the successes of the current LIFE project and to utilize the conceptual work efficiently with more activities in the Eastern Baltic Sea the project team will seek for additional funds, for example to do more activities in Russian waters or to do inventories in the countries' EEZ to designate real off-shore marine sites. Different donor courses are being explored by different project partners; some applications have been made already (e.g. GEF) or will be made (EEA grants). If grants will be received then the current LIFE project will also have generated more resources for establishment of Natura 2000 sites in the Baltic Sea and for applying their sound criteria even to Russia (to report to Emerald data base and to implement the HELCOM BSPA concept).

*Report by: Heidrun Fammler, Project Manager & Inga Ludzeniece, Project Assistant
Financial information: Majja Vitjazkova, Project Accountant
With support of the BEF country coordinators and project action leaders*