

LIFE Project Number
LIFE12NAT/LT/000965

MIDTERM Report
 Covering the project activities from 01/07/2013 to 12/11/2015

Reporting Date
12/11/2015

LIFE AUKSTUMALA Restoration of Aukstumala Raised Bog in Nemunas Delta Regional Park

Project Data

| | |
|---|---|
| Project location | Silute distr. Klaipeda county, Lithuania |
| Project start date: | 01/07/2013 |
| Project end date: | 30/06/2017 Extension date: |
| Total Project duration (in months) | <48> months (including Extension of <> months) |
| Total budget | 733 077 € |
| Total eligible budget | 733 077 € |
| EU contribution: | 549 807 € |
| (%) of total costs | 75 |
| (%) of eligible costs | 75 |

Beneficiary Data

| | |
|-------------------------|--|
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2. Executive Summary (maximum 5 pages)

The project's main objective is to restore and maintain the favorable conservation status of the "7110 Active Raised bog" habitat within the Aukštumalės Telmological Reserve. This will be done by damming old drainage ditches within the high moor, thus raising the water table within the project area and increasing sphagnum growth. A large scale removal of invading bushes and trees from overgrown high moor areas will complement the damming action. The foreseen conservation actions will also support other Annex II habitat types ("3160 natural dystrophic lakes") and species (e.g. *Tetrao tetrix*, *Tringa glareola*).

Secondary project objectives are to A) build up an international board of experts dedicated to the protection of Aukstumala, B) train and educate local nature guides, C) disseminate the project's experiences and raise awareness about the importance of high moor protection in Lithuania, D) restore and develop an existing educational path and observation tower.

Main outputs are the length of dammed ditches: 70 km of small and 10 km of main ditches; clear cutting of forest made in 100 ha of overgrown high moor supporting bog habitats, which are negatively influenced by dense network of ditches and overgrown forest; international high moor expert group established and exchange of good practice on bog restoration, 15 nature guides trained, one education trail reconstructed.

Key deliverables: movie about bog restoration produced, publications published: project leaflet, poster, Lithuanian translation of Prof.C.A.Veber produced, a book about the Aukstumala bog published; one exhibition established, monitoring reports produced.

Project started in July 2013 as appointed in GA. It took time to prepare partnership agreements and agree what and how partners shall implement actions. Project management scheme is set in a way that it ensures appropriate distribution of responsibilities between partners, where everyone contributes best knowledge and capacities. The partnership agreements were signed in the beginning of 2014. They were adjusted removing all inconsistencies. Steering committee for the project was set in 2013, 3 meetings took place, once a year. The members of committee were changed in 2014.

Project has preparatory and implementation phases, which consist of preparation of management plan, technical design and expert group establishment. The C concrete conservation actions in fact are 2: dam construction and forest clearing. Monitoring of action impacts consist of biodiversity monitoring and hydrological measurements. There is set of educational activities, which cover study trips, workshops, publications, reconstruction of educational trail and movie preparation.

The project progresses with some delays in C actions. These delays were caused by delayed approval of Management plan. C actions could not be started without approved management plan. The delay will be managed within the rest of the project as indicated in the recovery plan in the Action plan (Annex 1) and updated time table (Grant chart, which is attached as Annex 15).

The preliminary concrete conservation actions were indicated on the GA. After completion of A1 management plan and A2 technical design, these locations and scale of the actions were corrected. The major dam construction will be ongoing in eastern most damaged parts of the reserve, but dam number and locations were calculated very precisely.

The C1 and C2 actions started in October 2015 and they are progressing rather very fast. Therefore, existing delay of C actions will not cause major discrepancies in project implementation, unless unforeseen obstacles will delay permission for forest clearing under C3 action. It will disturb implementation of dam construction, because forest must be cleared before

damming the site. To avoid such problems, regular contact is kept with MoE, its' department responsible for protected sites and Forestry department as well constant contact is kept with local forestry enterprise in Silute, who are the actual managers and owners of the site. NDRP is involved into the

The public awareness and dissemination actions plan is being implemented as it was planned. Some actions like E6 educational trail will be completed earlier than planned in GA. A set of deliverables is available for public: leaflets, poster, video footages from the project site. 2 study tours to other project sites provided good knowledge for project team and invited representatives on bog restoration activities and benefits of wetland restoration. 1 workshop so far was organised, which gathered wide audience of foreign experts to share their knowledge in wetland restoration and conservation.

The methodology for the implementation of the project has been chosen correctly. Therefore objectives and targets will be achieved if all foreseen actions will be implemented as planned. The long term sustainability of the project results and further dissemination will be ensured by NDRP . The best practice is applied in the project site, which will serve as a demonstration for other projects.

The half of the project budget has been spent despite delayed C actions. The threshold of 150% of the first prepayment is reached. The spent budget now is 362 782 €. Equipment, Infrastructure has been used mostly, almost reaching 100% of foreseen amounts. There are no substantial discrepancies in the categories and between actions so far. However, there are some increases in consumables due to wrong allocation of expenditures under Travel budget. Also, it is still not clear the price for timber purchase under C3 action, which was not foreseen in GA.

3. Introduction

Overall objective is to restore and maintain the favorable conservation status of the "7110 Active Raised bog" habitat within the Aukštumalės Telmological Reserve, and also other habitats and threatened species, which exist in the project site.

Specific objectives are:

- build up an international board of experts dedicated to the protection of Aukstumala
- train and educate local nature guides
- disseminate the project's experiences and raise awareness about the importance of high moor protection in Lithuania
- restore and develop an existing educational path and observation tower.

The main targeted habitat is "7110 Active Raised bog", which is the priority habitat. Then other EU habitats:

Natural dystrophic lakes (3160)

Degraded raised-bog (7120)

Bog woodlands* (91D0)

Deciduous swamp woods* (9080)

Targeted species:

Amphibians: common spadefoot (*Pelobates fuscus*) and natterjack toad (*Bufo calamita*), Birds: Black grouse (*Tetrao urogallus*), Common crane (*Grus grus*), Corncrake (*Crex crex*), Golden plover (*Pluvialis apricaria*), Wood sandpiper (*Tringa glareola*).

The main targeted threat is the drainage of the project area by old shallow ditches, which were dug in the beginning of 20th century when preparing the whole wetland for peat mining. This drainage causes the biggest problem because hydrology is the key factor in the ecosystem of the bog. Drainage causes secondary threats: oxidisation of the peat, overgrowth by forest, changes in plant communities etc.

Another threat is the active peat mining, which is bordering the reserve and has impact on hydrology too. Blocking of ditches will solve the problem partly, however it does not address it directly.

Lack of public awareness is very important threat as there is general lack of knowledge about wetlands and their function among general public. But also specialists, e.g. foresters have no knowledge about bogs, and tend to use wetlands for intensive forestry, which is not in compliance with FSC.

Socio-economic context was foreseen when:

- Supporting regional companies and service providers by inviting them to limited tenders/direct treaties, e.g. organising local seminars, or inviting to open tenders for C actions
- Strengthening of regional identity and Creation of multipliers, tourism e.g. nature guides, who will guide tourists to one of their famous sites in the region, and at the same time increasing attractiveness to visitors and employment of tourism sector.

Expected longer term result is to ensure favourable conservation status of Active raised bogs 7110 by some 10-20% increase of the habitat after restoration of water level. The initial coverage was 600 ha, thus, at the end of project it must be more than 660 ha. We foresee positive impact due to raised water level on other habitats as well, e.g. natural dystrophic lakes 3160, bird species like golden plover, which prefer active raised bog habitats while there will be decrease of the area of degraded bogs 7120.

4. Administrative part (maximum 3 pages)

4.1 Description of the management system

The project have preparatory and implementation phases:

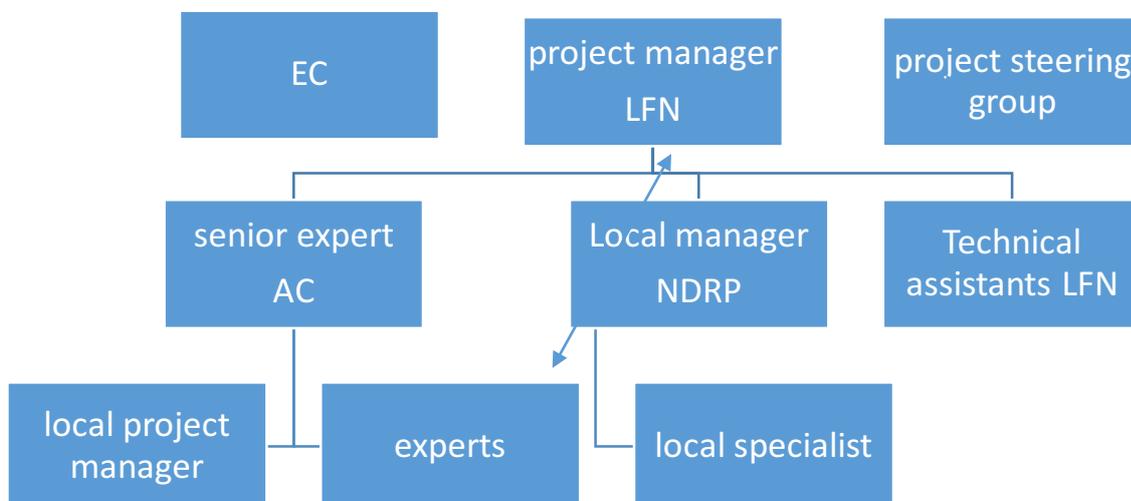
- preparatory:
 - Preparation of project action plan
 - Preparation and approval of Natura 2000 management plan and hydrological technical design
 - Environmental impact assessment and other documentation, necessary for the implementation of the actions.

- Implementation and monitoring:
 - Construction of dams:
 - Tender organisation for purchase of dam materials and works
 - Supervision of dam construction

 - Forest clearing:
 - Incorporation of forest clearing measure into Forestry management plan
 - Permission for forest clearing
 - Purchase of wood
 - Tender for forest clearing
 - Supervision of forest clearing
 - Monitoring of impact:
 - Biodiversity inventory and monitoring
 - Hydrological monitoring

- Educational activities.

Due to delayed approval of management plan for the Aukstumala telmological reserve, the recovery plan was established as requested by *EC letter of 23/09/2015*. It is included into updated action plan (annex 1).



LFN has the team, which consists of project manager and technical assistants.

The project manager is Nerijus Zableckis, employed as a projects manager at LFN. He is working 80% of his work time in this Life project. Project manager is responsible for project administration, which includes: sound project implementation, accountancy and compilation of project reports and coordination of actions in Lithuania. The tasks of manager include: communication with EU and Monitoring team, issuing partnership agreements, communication with project partners, adjustment of partnership agreements, communication with project experts and external institutions and subcontractors, giving instruction to technical assistants, follow the timeline of actions implementation, making necessary arrangements for carrying out actions, monitoring of actions implementation and quality, tender organisation, preparing the contracts with subcontractors, organizing the project's promotion in the media, preparation of project reports.

Technical assistants

The project manager is assisted with 3 project assistants: dr. Jurate Sendzikaite, PhD student Leonas Jarasius, and Žydrūnas Sinkevičius, all employed part time in this Life project. Jurate and Leonas both also work at Nature Research Centre, where they specialize in wetland research, that's why they have been employed in the project. The tasks of dr. Jurate Sendzikaite include professional scientific advices on wetland issues and performance of project actions where high level scientific assistance is needed: monitoring performance, advices in preparatory actions, contribution to the educational activities. Leonas Jarasius is technical assistant employed for daily assistance to project manager to help in daily performance in project actions. Žydrūnas is employed from the end of June 2015 to help on supervision of concrete conservation actions: dam instalment and forest clearing. He used to work in previous Life projects, therefore he is experienced in nature management and can supervise and make advices in the place. He actually is part of AC team, but due to burocratic reasons LFN and AC agreed that LFN will employ him.

The project accountant Lina Meskauskiene left the job in March 2015, from this month accountant of LFN Romas Garbaravicius supports project manager with financial accountancy.

Nemunas Delta regional Park (NDRP) has the following team:

Local manager is Žilvinas Čėsna, previously it was Aurelija Jakstaite, but she left the job in 2014. Žilvinas is the chief officer for recreation of NDRP. His task is to communicate to Project manager about project progress, organise implementation of tasks according to the partnership agreement, assist project manager in getting permissions for C actions etc. Local project manager is assisted by local specialist. In 2014 and partly in 2015 it was ecologist Robertas Kubilius (the chief officer for ecology of NDRP), he helped to monitor hydrology. From March 2015 another ecologist Kristina Keterienė is employed to work for the project, her task is to assist local manager in all actions: A1, A2, C1, C2, C3 and E6. Project accountancy is performed by Gražina Šilinskienė (the accountant of NDRP).

AC has set up the team of management in different way since they do not have any project sites in Denmark. AC provides expertise on wetland restoration and perform other tasks of the project under supervision of LFN and NDRP. The senior expert was nominated Lars Briggs, his team will assist him: Florian Bibelriether as a local project manager, and Marzenna Rasmussen, she is appointed also as a manager because she is experienced in Life projects. The responsibilities are divided between these persons. Project accountancy is performed by Margrethe Voigt (the accountant of AmphiConsult). For minor expertise connected to the initial monitoring, the herpetologist Richard Podloucky was hired as personnel. Further assistance for that monitoring

came from Wouter de Vries and Lars Hansen who had to be hired as external staff. All AC staff is partly employed in the project.

Members of Steering committee were selected and nominated in October 2013 and corrected in 2014 May adding new members. Now the committee members are: Dr. Romas Pakalnis from State Service for Protected Areas under the MoE, nominated as a chairman, Vaidas Grigaliunas, Kamanos Nature Reserve, Valerija Daukantiene, JSC Klasman-Deilman Silute, Vaidas Pavilionis, NDRP. The committee is primarily responsible for ensuring smooth implementation of project actions in compliance with the project time plan, decision-making in case of target/actual variances, priorities setting, coordinating project procedures, approving project outcomes, representing the project, removing stumbling blocks. The members shall meet at least once a year. The first meeting took place in Vilnius on 04/09/2013, during which the members were introduced to the project; the second meeting took place during the 1st study tour. The second meeting raised actual questions on preparation of management plan and management methods; the 3rd meeting took place during the 2nd study tour in Germany on 10th of June. The discussion was focused on forestry management and nature conservation issues. The chairman of the steering committee Dr. Romas Pakalnis promised to help solving the conflict between foresters and bog conservation.

The Partnership agreements were submitted to the Commission with the inception report on 1st of April 2014 as Annex 4. They were corrected as requested in EU letter of 24/03/2014. The agreements with NDRP and AC were adjusted by including the request for more frequent reporting every quarter. Corrected agreement with NDRP and agreement adjustments with NDRP and AC attached as Annex AD-1.

The co-financing agreement was signed with Environmental protection Agency, which represents the MoE on 13/05/2014 No.LIFE12NAT/LT//000965/11. The agreement foresees co-financing of 497550 LTL (144100 €) as indicated in A8 form in GA.

4.2 Evaluation of the management system

The project is managed in a rather sound way. Especially lessons were learnt from the last LIFE projects when CB did not require proper and timely reporting from partners, that later resulted in delayed submission of project reports to the commission. This time the partnership agreements were adjusted with financial reporting every quarter, including submission of time sheets and other corresponding documentation of expenditures. The duration of agreements was extended 5 years from the payment of the balance. The Lithuanian version of agreement with NDRP was corrected to make it the same as English version. Technically the CB regularly twice or thrice per month goes to Nemunas Delta to meet the partner and other institutions, e.g. Forestry, municipality to discuss the progress or solve the problems. There was an intention, mentioned in the IR, to sign the cooperation agreement with the Forestry Enterprise of Silute, however, due to very negative attitude of the foresters to the management plan of the Aukstumala, such agreement is not possible.

The Monitoring team was changed from January 2015, but the new monitor assimilated previous information and has good knowledge about the project. New monitor is Lithuanian, therefore it is easier to communicate and explain specific problems, especially when it is related to country specific issues, e.g. Forestry management, political situation, which influences permissions etc.

5. Technical part (maximum 50 pages)

5.1. Technical progress, per task

The project has been progressing and there are achievements, even though serious delay occurred in implementation of C actions due to late approval of natura 2000 site management plan on 1st September 2015.

- Preparatory actions / management plan preparation

Action A1. Nature management plan and action plan preparation

Start 01/07/2013; end 30/09/2014

| Deliverable/milestone | Original deadline | Revised deadline with the IncR | Actual/expected implementation | Implementation status |
|---|-------------------|--------------------------------|--------------------------------|-----------------------|
| Deliverable | | | | |
| Management and action plan | 30/09/2014 | 30/09/2014 | 31/12/2014 | Completed |
| Milestone | | | | |
| Management and action plan * completed and approved by ministry | 30/09/2014 | 30/11/2014 | 01/09/2015 | completed |

*action plan cannot be approved by MoE as it is internal project document.

The management plan for the project site was ready in autumn 2014, but it took one more year to reach agreement with responsible institution. The minister of the MoE signed the plan on 1st September 2015. VSI Nature Heritage Fund prepared the plan in period May – December 2014. The plan includes all the rare and threatened habitats and species found by project team (species found by LFN and AC), other available information and measures, needed to ensure good conservation status of these species. Most of measures will be financed by this Life project, while NDRP will be responsible for continuation of some actions, e.g. monitoring.

The plan was severely delayed due to Forestry Enterprise of Silute, who disagreed to approve the plan. According to foresters, entire project site is appointed as so called “forest land”, which has the primary purpose – management of forestry. Therefore, forest would disappear if clearing which is one of main actions in the management plan, would be implemented. Such land shall be transformed into “other type of landuse” and compensation for the loss of timber paid to the Forestry Enterprise. However, we did not agree with such opinion, therefore MoE was consulted. The problem is described under C3 and chapter 5.4. The final result is that approved management plan gives the permission to carry out dam construction, but the permission is needed to cut the forest. Dam construction is not possible to be carried out in 120 ha of the project site, where forest must be cut first.

The management plan attached as Annex 2.

Project Action plan was completed in 2014, but it is regularly updated. A plan of recovery has been adjusted to this action plan. The plan attached as Annex 1.

Action A2. Technical preparation of the concrete conservation actions

Start 01/07/2013; end 30/09/2014

| Deliverables/milestone | Original deadline | Revised deadline | Actual/expected implementation | Implementation status |
|------------------------------------|--------------------------|-------------------------|---------------------------------------|------------------------------|
| | Deliverable | | | |
| Technical dam construction project | 30/06/2014 | 30/09/2014 | 15/01/2015 | completed |
| | Milestone | | | |
| Technical preparation completed | 30/09/2014 | 30/11/2014 | 15/01/2015 | completed |

Hydrological regime restoration plan (in Lithuanian it is called simplified project) was prepared and approved in the end of 2014. Plan attached as Annex 3.

The subcontractor VSI Nature Heritage Fund signed contract in February 2014. Technical project was made according to Lithuanian legislation on simplified constructions. It includes inventory of draining ditches, evaluation of current hydrological situation and feasibility to change it, proposals for dam construction, detailed costs, technical specifications and letters from stakeholders on permissions. All stakeholders: Silute municipality, Klaipeda Regional Environment Department, Silute Road Authority, and NDRP agreed that dam construction is needed. The only Road authority did a special request not to flood the surrounding road, which will not be the case because dams are built in the inner ditches avoiding any entrance into so called "road ditches". All letters are attached to the hydrological regime restoration plan.

According to the plan, there are 560 dams foreseen to be built. they are divided into two phases: the I phase covers almost 85% of the project site, the II phase covers 15% of the project site in the northern area. The reason to divide the dam construction into 2 phases was based on the available amount of money. According to preliminary calculation of dam construction service and materials, the amount exceeded available allocation in GA. 135537 € vs. 125 000 € (80 000 € in external and 45 000 € in infrastructure for materials). In case the subcontractor proposed higher price, only I phase could be implemented.

There will be totally 1153 dams built, 1098 out of them for C1 (small ditches) and 55 dams for C2 (big ditches).

Different types of dams are foreseen:

- peat dams for small ditches,
- various diameter plastic pile sheets for small ditches,
- various diameter plastic pile sheets for big ditches,
- dams with tube to let the overflow for water,
- dams with blocking existing drainage tubes (at the end of ditches).

The number of dams might slightly vary according to the situation, which might change due to meteorological situation, or local conditions.

Total length of ditches to be dammed: more than 10 km of big ditches, and over 100 km of small ditches.

Action A3. Environmental impact assessment of the project's conservation actions

Start 01/07/2013; end 30/09/2014

| Deliverable/milestone | Original deadline | Revised deadline | Actual/expected implementation | Implementation status |
|--|--------------------------|-------------------------|---------------------------------------|------------------------------|
| Deliverable | | | | |
| EIA screening document | 30/09/2014 | 30/09/2014 | 30/09/2014 | Completed |
| Milestone | | | | |
| Permission issued by responsible EIA authorities | 31/10/2014 | 31/10/2014 | | Not needed |

Project team did analyse existing Environmental impact assessment legislation and procedures; the team consulted responsible for Natura 2000 site management institutions: MoE and State Service for Protected Areas.

Outcome of the assessment: no EIA is legally requested if management plan is in place.

Management plan states the actions and measures, which will improve the situation in protected area, therefore no other procedures, e.g. EIA is needed to prove if foreseen measures won't cause any damage.

Since this action required small amount – 233 €, we ask for permission to reallocate unused 2256 € to Action A1.

Action A4. Establishing international high moor expert group

Start 01/07/2013; end 31/12/2016

| Milestone | Original deadline | Revised deadline | Actual/expected implementation | Implementation status |
|-----------------------------------|--------------------------|-------------------------|---------------------------------------|------------------------------|
| Initial Expert group meeting held | 10/09/2013 | 30/06/2014 | 30/11/2015 | Completed |

LFN established 2 expert groups. The first group was established in 2014 June as yahoo group. It includes experts from the 1st workshop. There was communication on management plan of Aukstumale, best methods to manage forest and its' regrowth, specifics of instalment of educational trail and similar topics. However, the communication is not very intensive as the experts are busy and not fast responding. Therefore, LFN gathered another group of experts in cooperation with NABU – German nature conservation NGO. The contacts to NABU were taken during the seminar of another Life ECONAT project. NABU focuses on many nature conservation topics, including wetland conservation. NABU used to restore wetlands in Russia, but due to changed political situation it had to cancel their plans to work in Russia. Therefore it was good situation to start cooperation with German experts, who have experience in wetland restoration in Eastern part of Europe. The first meeting took place in Vilnius, 19th November, 2014. The experts from Germany and Baltic states (Latvia and Estonia) and Poland met and presented problems of raised bogs conservation in Eastern Baltic region. The bogs in this region have the same origin, the same exploitation history (Forestry and mining) and similar conservation problems. We had next two meetings (March 2015 in Ryga, July 2015 in Berlin) to discuss possible actions how to help the bogs, restore habitats, reduce emissions, and visited sites to learn from restoration experiences, and also used to work on elaboration of new projects, which could transfer gained experience from ongoing Life projects. Yahoo group mailing list and communication, lists of participants of the meetings and agendas of meetings attached as Annex 5.

AC also helps on finding experts in the other part of EU – in Denmark and Germany. They contacted LIFE project experts in Denmark and arranged visits to their project sites during the 2 study tour on 8-10th of June.

Envisaged progress

The group of Baltic, Polish and German experts will continue its' work on exchange of information and experiences. Next meeting of experts shall be in Spring 2016 when 2nd workshop will be held in Lithuania (probably in Vilnius and in project site).

RECURRING ACTIONSAction C1. Blocking of small ditches**Start 01/01/2014; end 30/09/2016**

| Milestone | Original deadline | Revised deadline | Actual/expected implementation | Implementation status |
|--------------------|--------------------------|-------------------------|---------------------------------------|------------------------------|
| 250 dams installed | 01/01/2015 | 28/02/2015 | 28/02/2016 | Started with delay |
| 500 dams installed | 30/09/2016 | 30/09/2016 | 28/02/2017 | |

The action is delayed due to prolonged approval of the management plan.

Dam building on small ditches was started on 19th October 2015. By the date of reporting 290 peat dams and 83 plastic pile sheet dams were installed. UAB Alytaus melioracija won the tender (against 2 companies) as they proposed lowest price. The price for both phases for dam construction service (for details see the A2) is 62405,75 €, which is below planned amount in GA. UAB Alytaus melioracija is experienced in building dams in raised bogs in southern Lithuania. They use 2 light mass excavators equipped with wide caterpillars. Since starting day peat dams are built in easier accessible areas without forest, or very low forest coverage like previous fire place (in 2010 there was a fire, which affected some 200 ha of the bog). This area is marked on project site map (Annex 13). All dam places are indicated on the map for dam construction (Annex 14).

According to the recovery plan, which is included into action plan (Annex 1), the company has to start building dams in plot No.7, No.1, No.2. and No.10 as shown in the scheme of action plan Annex 1. Other plots (No. 4,5,6,8,9) has to be cleared from forest and the dammed.

The materials: plastic pile sheets, type G200/6 mm, 747 m² are purchased. Open tender was announced. The materials were bought from UAB Dogas, they were brought to the project site on 3rd of November 2015. There is still missing about 350 m² of plastic pile sheets for II phase, we will purchase them in the end of dam construction if needed. It might be that amount of materials will slightly change due to variation of local conditions, which are not possible to foresee until the work is done (peat decomposition, overgrowth of trees, roots, which might break the sheets).

The technical supervision of dam construction is subcontracted to VSI Nature Heritage Fund (VšĮ Gamtos paveldo fondas) according to the requirements of Construction Reglment (STR).

Totally 1098 dams have to be installed.

Envisaged progress

Continue dam building.

Action C2. Blocking of main ditches

Start 01/01/2014; end 30/09/2016

| Milestone | Original deadline | Revised deadline | Actual/expected implementation | Implementation status |
|-------------------|--------------------------|-------------------------|---------------------------------------|------------------------------|
| 10 dams installed | 01/01/2015 | 30/12/2015 | 30/12/2015 | Started with delay |
| 20 dams installed | 30/09/2016 | 30/09/2016 | 28/02/2017 | |

The action is delayed due to prolonged approval of the management plan. So far big ditches were not dammed. The dam construction service covers both actions: C1 and C2. The work is performed by UAB Alytaus melioracija.

For C2 bigger plastic pile sheets, type EPZ/17 are used. UAB Viacon won the tender and provided 1064 m² of the plastic pile sheets. In C2 only plastic pile sheet dams will be installed because they keep better in ditches, which accumulate bigger amount of water.

The technical supervision of dam construction is subcontracted to VSI Nature Heritage Fund (Vši Gamtos paveldo fondas) according to the requirements of Construction Regulation (STR). will be totally 1153 dams built, 1098 out of them for C1 (small ditches) and 55 dams for C2 (big ditches).

Totally 55 dams for big ditches have to be installed.

Envisaged progress

Continue dam building.

Action C3. Removal of vegetation

Start 01/01/2014; end 29/02/2016

| Milestone | Original deadline | Revised deadline | Actual/expected implementation | Implementation status |
|------------------------------|-------------------|------------------|--------------------------------|-----------------------|
| 50 ha of vegetation cleared | 31/03/2015 | 28/02/2015 | 28/02/2016 | Not started |
| 100 ha of vegetation cleared | 31/03/2016 | 29/02/2016 | 28/02/2017 | |

the approval of the Nature Management Plan does not allow you to continue with the removal of vegetation and extra permission for forest clearing is needed. First of all, there is still missing permission for forest clearing. Technically the permission might be issued after approval of new Forestry management plan, which is due by the end of this year. But usually approvals might take extra months, therefore forest clearing will be implemented either in winter 2016 or after the 1st of July 2016 (March-June are not allowed for forest clearing due to restrictions in the Reserve).

LFN must purchase the timber from the Silute Forestry Enterprise because the timber is their property.

According to the latest forest inventory 2015, there are about 4000 m³ of timber. According to the request of LFN by end of October 2015, the Enterprise did preliminary price assessment for timber, which equals to 156000 € (price assessment, forest inventory data and communication with foresters attached as annex 6). However, it looks suspicious, because according to forest inventory, made by the Forestry institute, there is no such valuable timber. LFN will clarify the reason for such a high price in November – December 2015 before the approval of Forestry management plan. LFN may ask for independent forest inventory and consultation. It will cost additional amount in C3. Yet such service price is not clear. LFN tries to clarify if Enterprise did a mistake.

In case there is such valuable timber (and higher amount than inventory says), some part of timber, which is easier to transport from the bog, will be sold to compensate the purchase. Other ways it will be impossible to implement forest clearing, which has budget of 102000 € in GA.

Initially cut wood will be laid down into ditches creating conditions for *sphagna* to colonize them faster, and create wood logs for insects, snakes and stopping water flow. Timber will be declared as consumables.

LFN will inform EC as soon as the timber purchase will be clarified with the Forestry Enterprise.

There will be need to repeat cutting in some places after forest removal, especially where birch trees are growing therefor we assume that last cuttings might be finished at the end of the project in June 2017.

The recovery plan for C actions is included into the action plan under A1.

Envisaged progress

Supervise approval procedures of Forestry management plan keeping measures, foreseen in the Natura 2000 site Management plan, included into the plan; complete procedures of the forest clearing permission, recalculate the timber price, purchase timber, implement clearing.

MONITORING

Action D1. Monitoring of biodiversity indicators in the project area

Start 01/04/2015; end 30/09/2016

| Deliverable/milestone | Original deadline | Revised deadline | Actual/expected implementation | Implementation status |
|--------------------------------------|-------------------|------------------|--------------------------------|-----------------------|
| Deliverable | | | | |
| First monitoring report prepared | 30/09/2015 | 30/09/2015 | | completed |
| second monitoring report prepared | 30/09/2016 | 30/09/2016 | 31/05/2017 | |
| Milestones | | | | |
| First monitoring schedule completed | 01/09/2015 | 01/09/2015 | | completed |
| Second monitoring schedule completed | 30/09/2016 | 30/09/2016 | 31/05/2017 | |

In September 2014 AC submitted the 1st monitoring report to LFN. It is based on field studies carried out in the project area in May 2014. Aim of the report is to a) conduct an ex-ante monitoring in order to later assess the effectiveness of the C-actions on selected target species as well as b) elaborate suggestions for the implementation of C-actions in order to promote the conservation status of the investigated species within the confines of the project area.

The report focuses on the four animal groups: 1) birds, 2) amphibians, 3) reptiles and 4) invertebrates. For birds an overall monitoring was carried out. Monitored amphibian species were *Rana arvalis* (Annex IV), *Rana temporaria*, *Lissotriton vulgaris*, *Rana esculenta*, *Rana lessonae* (Annex IV), *Rana ridibunda* and *Bufo bufo*. As invertebrates, *Leuconorhina pectoralis*, *Leuconorhina albifrons*, *Leuconorhina caudalis* (all Annex IV) and *Graphoderus bilineatus* (Annex II and Annex IV). *Vipera berus* was monitored as a representative of the reptiles. The current status of the species in the project area was documented. One of the conclusions is that most important is to consider requirements of birds when implementing the C-actions. Especially *Pluvialis apricaria* and *Tringa glareola* should be used as lighthouse species when planning and implementing the conservation actions. Creating or favouring structures that serve these species will have positive effects on other, rare and associated species. For all invertebrates, the foreseen changes in the hydrological regime are expected to have positive effects on the conservation stage of the Annex II and Annex IV species. These species are qualified to serve as indicators, measuring the success of the project on the fauna at the project area. Based on these findings, concrete recommendations for the implementation of the C-action were elaborated and presented to LFN together with the report. The report is attached as Annex 11.

Envisaged progress

Perform monitoring in 2017, after implementation of the first C-actions in order to evaluate the effect of the measures.

Action D2. Hydrological monitoring at the targeted sites

Start 01/07/2013; end 30/09/2016

| Deliverable/milestone | Original deadline | Revised deadline | Actual/expected implementation | Implementation status |
|---|-------------------|------------------|--------------------------------|-----------------------|
| Deliverable | | | | |
| Hydrological monitoring report prepared | 30/09/2016 | 30/09/2016 | 31/05/2017 | In progress |
| Milestones | | | | |
| hydrological monitoring performed | 30/09/2016 | 30/09/2016 | 31/05/2017 | 2 reports made |

LFN started coherent hydrological monitoring from the end of 2013. There are annual updates of the hydrological report. The last report encompasses period from the end of 2013 until October 2015 (attached as annex 12). Water level is measured in 114 wells, installed in 12 profiles in the eastern part of the highmoor. Measurements of water level are done regularly every month. LFN performs the monitoring in eastern part of the bog, NDRP does monitoring in western part, there are 9 wells installed. This part is less damaged, therefore number of wells is smaller.

The report represents also vegetation monitoring, which supports hydrological monitoring. If water level raises, then coverage of *caluna vulgaris* should be reduced. Since damming action is delayed, there will be only one year for evaluation of action success, therefore, another indicator – the vitality of *caluna vulgaris* – might be used. When water level increases, the vitality of *caluna vulgaris* decreases. Also, coverage of typical bog species *sphagna* will increase when water level increases. In GA it was foreseen to measure the incremental growth of *sphagna*, but since no *sphagna* is available in the monitoring plots, we'd like to use another indicator – the appearance and coverage of *sphagna* (together with *caluna vulgaris*).

Envisaged progress

Continue hydrological monitoring

Action D3. Assessment of the project's socio-economic effect and impact on ecosystem functions

Start 01/01/2016; end 31/08/2016

| Deliverable/milestone | Original deadline | Revised deadline | Actual/expected implementation | Implementation status |
|--|--------------------------|-------------------------|---------------------------------------|------------------------------|
| Deliverables | | | | |
| Report "Evaluation of the project's socio-economic and ecological effects" completed | 31/08/2016 | 31/08/2016 | 31/08/2016 | Not started |
| Milestones | | | | |
| Evaluation of the project's socio-economic and ecological effects | 31/08/2016 | 31/08/2016 | 31/08/2016 | -- |

Not started yet.

Timetable deadlines are corrected since they were wrongly distributed per quarters of the year.

Envisaged progress

Perform assessment in 2016.

5.2 Dissemination actions

5.2.1 Objectives

The public awareness and dissemination actions plan is being implemented as it was planned. Deliverables: poster and leaflets were printed, they are being distributed during project meetings and other external events. Information boards (notice boards), which bare the Life logo and project name, are placed since the very beginning of the project. Website is functioning and all deliverables, reports and other stuff is available for wider audience. Photo exhibition has been installed in the information centre of Nemunas Delta regional park. Educational trail is being reconstructed; it will be finished even earlier than planned deadline. Movie is in preparation, 2 short videos from project area prepared. 15 nature guides are trained, they provided 2 excursions for local students in the bog. There are 5 articles about the project printed in newspapers and journals, over 10 articles appeared in various web news and portals.

Objectives of project dissemination activities are these:

- disseminate projects experiences and raise awareness about the importance of high moor protection in Lithuania,
- restore and develop an existing educational trail and observation tower.

5.2.2 Dissemination: overview per activity

Action E1. Project website

Start 01/01/2016; end 31/08/2016

| Deliverable/milestone | Original deadline | Revised deadline | Actual/expected implementation | Implementation status |
|------------------------|-------------------|------------------|--------------------------------|-----------------------|
| Deliverables | | | | |
| Project webpage | 31/07/2014 | 28/02/2014 | 28/02/2014 | Done |
| Milestones | | | | |
| Project webpage online | 31/07/2014 | 28/02/2014 | 28/02/2014 | Done |

Webpage has been created by web programmer in February 2014. Its address is www.aukstumala.lt. It is constantly updated with information and news until the end of the project (changed deadline in milestones table).

The website It contains project deliverables, reports, and other information about project.

LFN is responsible for the website and its updates. The programmer was consulted for corrections and update of the webpage design, that fits better to organise increasing amount of information.

NDRP has a link to the project in main page www.nemunodelta.lt where project logo can be found and redirected to main website, and also here <http://www.nemunodelta.lt/27805/projektai/life- aukstumala.html>

Envisaged progress

Update the news and other information.

Action E2. Notice boards

Start 01/01/2016; end 31/08/2016

| Deliverable/milestone | Original deadline | Revised deadline | Actual/expected implementation | Implementation status |
|------------------------------|--------------------------|-------------------------|---------------------------------------|------------------------------|
| Notice board installed | 31/12/2013 | 31/03/2014 | 31/03/2014 | Done |

Clarification:

Notice boards in the application were wrongly named as information boards. Actually, the E 2 description has both types of the boards. 3 notice boards were installed already in March 2014 (pictures attached as annex 8 in Inception report). EC in letter of Inception report and later of 23/09/2015 requested to install information boards.

Therefore LFN did 3 new information boards in October 2015, which can be called information boards as they contain not only the name of the project, but also have wider description of the habitats and threats of the bog, and tell about activities foreseen in the project. One board is 1,3 m wide and 1 meter tall, the 2 other boards are smaller (60 cm x 40 cm). The pictures of the board are attached in CD. Locations of the boards as on the project site map attached as annex 13: 1 board stands in the beginning of the education path, 1 board stand in the Western part, and 1 in Northern part of the site.

Action E3. Study tours

Start 01/07/2013; end 15/07/2015

| Deliverable/milestone | Original deadline | Revised deadline | Actual/expected implementation | Implementation status |
|---|-------------------|------------------|--------------------------------|-----------------------|
| Deliverable | | | | |
| 1st Presentation of preliminary results | 15/07/2015 | 15/07/2015 | 10/08/2014 | Completed |
| 2nd Presentation of preliminary results | 15/08/2016 | 15/08/2016 | 15/08/2016 | |
| Milestones | | | | |
| 1st study tour realized | 31/12/2013 | 30/06/2014 | 30/05/2014 | Completed |
| 2nd study tour realized | 31/12/2014 | 30/06/2015 | 30/06/2015 | Completed |

2 study tours were organised.

1st study tour took place on 12-17th of May in Scotland with the group of 13 persons (attached programme, list of participants and report of the tour as Annex 8). 2nd study tour took place on 7-12th of June in Denmark and Germany (attached programme, list of participants and report of the tour as Annex 9).

We decided to go for the first study tour to Scotland instead to Baltic states and Finland as foreseen in the application. Scottish high moors are close to Baltic highmoors in their origin and situation, where active peat excavation was on-going in the past and restoration done afterwards. Implemented and ongoing LIFE projects were visited: Restoration of Scottish raised bogs (LIFE00 NAT/UK/007078) and Border Mires (Kielder Butterburn) (LIFE98 NAT/UK/005432), Rerabog "Inovative methods of wetland restoration in Denmark" and ongoing project LIFE10NAT/DK/000102 "Restoration of Lille Vildmose".

LFN organised both study tours, AC contributed to 2nd study tour.

As foreseen in GA the study tours group of at least 10 persons were invited to take part: in 1st study tour 10 persons from Lithuania and 2 from Denmark, and in the 2nd study tour 9 persons from Lithuania and 1 from Denmark took part (16 persons in 1st study tour and 13 persons in 2nd study tour including guides). The invited persons from Lithuania represented project partners and stakeholders: State Service for Protected Areas, other protected site administrations, Forestry Enterprise. These persons were invited to take part and learn experiences in other countries in order to transfer this knowledge to Lithuania and help on getting permissions on management in the project site. All travel costs for all participants were covered by the project as foreseen in GA. In the budget it was specified to cover costs for 6 persons by LFN, and 2 by AC. No exact number was given for NDRP. That's why LFN paid for their staff (3 persons) and other invited persons.

Project was presented in the 9th Conference on ecological restoration organised by SERA (International society for ecological restoration), in Finland, Oulu, on 3-8th August, 2014. 2 persons took part: project manager and 1 assistant, The poster on the project was presented and printed in the abstracts (Oulu poster and abstracts attached as Annex 3 under dissemination annexes), also wetland restoration projects, implemented by Finish Forestry (Metsähalitus) in Finland were visited, which provided knowledge on wetland restoration techniques. Costs of Nerijus Zableckis were split: part of it was declared to another Life project Econat (per diem declared for Aukstumala, other costs: fuel, accommodation – for ECONAT). Therefore instead of foreseen 1 person, we managed with the same amount (1420 €) to cover costs for 2 persons.

All published project articles are attached under dissemination annex No.4.

Envisaged progress

Present the project in the conference on ecological restoration organised by SERA in 2016 in Germany. We envisage participation for 2 persons.

Action E4. Kick-off meeting, workshops and final seminar

Start 01/07/2013; end 31/11/2016

| Deliverable/milestone | Original deadline | Revised deadline | Actual/expected implementation | Implementation status |
|-----------------------|-------------------|------------------|--------------------------------|-----------------------|
| Kick off meeting held | 30/09/2013 | 30/10/2013 | 30/10/2013 | Done |
| 1st workshop held | 31/12/2014 | 31/12/2014 | 13/06/2014 | Done |
| 2nd workshop held | 31/12/2015 | 31/12/2015 | 30/04/2016 | In progress |
| Final seminar held | 31/05/2016 | 31/11/2016 | 31/03/2017 | Not started |

2 events organised: kick-off meeting and 1st workshop.

Kick-off meeting was organised on 18th October 2013. It gathered more than 30 participants (programme and list of participants attached in the Annex 7).

The 1st workshop was organised on 11-13th June 2014 together with initial expert meeting. More than 60 persons took part (40 planned).

The workshop focused on raised bog restoration practices, therefore we had a lot of presentations from Baltic states, Finland, Denmark, Germany, Poland about ongoing and implemented projects. The workshop also was good place to meet many experts and start contacts and experience exchange, which later turned into closer cooperation, trips to each other and new project generation. The workshop also had trip to the project site. Agenda, and list of participants attached as annex 10.

Envisaged progress

Organise 2nd workshop and final seminar. 2nd workshop was foreseen in 2015 with focus on Lithuanian wetland conservation and restoration strategies. We'd like to shift it to spring 2016. There are 2 reasons: first, we do not have progressed much with concrete actions in the project site, and second, MoE is also organising similar workshop. Therefore we'd like to propose new deadline, because such workshop will have much more impact if organised in cooperation with MoE. The 2nd workshop will have particular focus on forestry management within wetlands, increase of CO₂ emissions due to bad forestry practice and similar tasks. Therefore forestry sector is among main target audiences. It is planned to invite Norwegian institutions to share their experience, also other experts will be invited to give presentations.

Organise final seminar. Due to delayed C actions, we'd like to shift the deadline into 31/03/2017.

Action E5. Informational material & exhibition

Start 01/07/2013; end 31/05/2016

| Deliverable/milestone | Original deadline | Revised deadline | Actual/expected implementation | Implementation status |
|--|-------------------|------------------|--------------------------------|-----------------------|
| Deliverable | | | | |
| Leaflet Aukstumala | 02/12/2014 | 30/04/2014 | 30/04/2014 | Done |
| Poster Aukstumala | 02/12/2014 | 02/12/2014 | 30/06/2014 | Done |
| Lithuanian translation of WEBER (1902): „Über die Vegetation .." | 30/10/2015 | 30/11/2015 | 30/11/2015 | In progress |
| Book about Aukstumala | 31/05/2016 | 31/05/2016 | 31/05/2016 | In progress |
| Milestones | | | | |
| Leaflet and poster printed | 02/12/2014 | 02/12/2014 | 30/06/2014 | Done |
| WEBER translated and published | 30/10/2015 | 30/11/2015 | 30/11/2015 | In Progress |
| Exhibition installed | 01/07/2015 | 01/10/2015 | 01/10/2015 | Done |
| Aukstumala Book published | 31/05/2016 | 31/05/2016 | 31/05/2016 | In progress |

The leaflet about Aukstumala highmoor, its' habitats and project has been published in Lithuanian. It was produced for the kick-off meeting in October 2013. Updated version was printed in 1500 copies, and English version in 500 copies. Attached as annex 1 under dissemination annexes. Poster was printed in 500 copies. Attached as annex 2 under dissemination annexes. They were distributed during project meetings and other events. Still some ¼ of copies are left in LFN for further distribution.

Translation of Monography of the professor C.A.Weber is almost at the end. The subcontractor for design and printing has been selected and design started from 1st of October. The text is ready, I'd like to mention, that text required extreme efforts to translated from old German written by professional botanist. Therefore, extra checking of text was made by project team to avoid mistakes and unclarities.

Exhibition in NDRP was opened on 18th September 2015. It is photo exhibition, which presents pictures from the project site with nature values and threats. There are 25 big (A2) pictures installed on wooden stands as it will be permanent instalment in new building of informational centre in Rusne. The exhibition is transportable, so, it will be moved around other regional parks until the end of the project. The pictures attached in the cd.

Aukstumala book text preparation is in progress. Dr. Romas Pakalnis is subcontracted to write the text.

All materials are organised and prepared by LFN, NDRP and AC contribute with corrections, text translations.

Envisaged progress

Print the Weber monography in November 2015, print the Aukstumala book by 31/05/2016.

Action E6. Restoration and renovation of educational trail**Start 01/04/2014; end 30/06/2016**

| Deliverable/milestone | Original deadline | Revised deadline | Actual/expected implementation | Implementation status |
|------------------------------|--------------------------|-------------------------|---------------------------------------|------------------------------|
| Educational trail ready | 01/11/2015 | 30/06/2016 | 31/12/2015 | In progress |

NDRP organises reconstruction of the trail. The educational trail reconstruction is in progress. UAB Silutes polderiai perform the work. Reconstruction technical design was made in spring 2015 by Aurimas Vengris. Updated trail will have 1200 m length; wooden path on plastic tubes to avoid decay of the wood; 6 information boards. The trail will guide the visitors to the centre of the bog to observe the habitat “Natural dystrophic lakes”. The path total cost was foreseen – 31 889 € under infrastructure, however reconstruction of it will cost about 47 000 €. The amount above the planned budget will be used from savings (see financial comments). The technical design is attached as Annex 4.

Envisaged progress

Complete the construction.

Action E7. Training of Nature guides**Start 01/01/2014; end 31/05/2016**

| Deliverable/milestone | Original deadline | Revised deadline | Actual/expected implementation | Implementation status |
|------------------------------|--------------------------|-------------------------|---------------------------------------|------------------------------|
| 15 nature guides trained | 01/12/2014 | 01/12/2014 | 01/11/2014 | Done |
| 4 excursions carried out | 31/05/2016 | 31/05/2016 | 31/05/2016 | In progress |

NDRP organised training of 15 nature guides in period from September to October 2014. Professional certificates were granted to the guides. UAB Ēka provided the courses, which were set according to existing requirements on guide trainings. Therefore, additionally wetland expert dr. Romas Pakalnis was invited to give lecture on specific issues of the bog. NDRP Extra transport and catering (food) for the final certification of the guides. The guides are local people from NDRP, local schools, county administrations.

There are 2 excursions carried out until now. They were organised by Regional Park.

Envisaged progress

Carry out 2 excursions.

Action E8. Preparation of educational film about Aukštumala raised-bog, its restoration and conservation

Start 01/07/2013; end 31/08/2016

| Deliverable/milestone | Original deadline | Revised deadline | Actual/expected implementation | Implementation status |
|---------------------------------------|-------------------|------------------|--------------------------------|-----------------------|
| deliverable | | | | |
| DVD documentary movie Aukstumala | 31/08/2016 | 31/08/2016 | 31/12/2016 | In progress |
| Milestone | | | | |
| 1st showing of Aukstumala documentary | 31/08/2016 | 28/02/2017 | 28/02/2017 | In progress |

What has been done

The movie is in progress. Professional operator Eugenijus Ostasenkovas performs movie creation. He has old documentary material from previous conservation efforts, thus, the movie will compromise entire story about saving the bog. There are 3 movie shoots made: about workshop, nature guides and bog conservation, they are available on www.auskumala.lt and attached as annex 5 in CD.

Envisaged progress

Finalise the movie, but due to delayed concrete actions, we'd like to postpone the deadline until the end of 2016.

Action E9. Best practice guidelines

Start 01/07/2016; end 31/12/2016

| Deliverable/milestone | Original deadline | Revised deadline | Actual/expected implementation | Implementation status |
|---|-------------------|------------------|--------------------------------|-----------------------|
| Deliverable | | | | |
| Best practice guidelines about protection of raised peat bogs | 31/12/2016 | 31/12/2016 | 31/12/2016 | |
| Milestone | | | | |
| Publishment of best practices guidelines | 28/02/2017 | 31/12/2016 | 31/12/2016 | |

Not started yet.**Action E10. Layman's report**

Start 01/07/2016; end 31/12/2016

| Deliverable/milestone | Original deadline | Revised deadline | Actual/expected implementation | Implementation status |
|-------------------------------------|-------------------|------------------|--------------------------------|-----------------------|
| deliverable | | | | |
| Project's Layman's report published | 31/12/2016 | 31/12/2016 | 31/12/2016 | |
| Milestone | | | | |
| Publishment of Layman's report | 31/12/2016 | 31/12/2016 | 31/12/2016 | |

Not started yet.

list of deliverables (number indicates annex no.)

- 1 – leaflet in pdf (2 languages)
- 2 – poster in pdf
- 3 - poster of the conference in ppt and abstract in pdf
- 4- articles and publications in pdf
- 5 – movie shoots
- 6 – pictures
- 7– website

5.3 Evaluation of Project Implementation

Generally, the methodology for the implementation of the project has been chosen correctly. The preparatory actions were planned in a way to ensure smooth implementation of concrete conservation actions. Despite the delay of approval of management plan, majority of other actions are implemented in due time. The potential conflict between forestry and nature conservation has not been identified and mentioned among the risks related to project implementation in GA. It was a good lesson for project team, that all the potential stakeholders, especially the ones, which are owners or have a right for land use, must be contacted before or within project planning. The problems for land management could be then better addressed in the project application.

Gathering of experts and visits to other Life projects provided sufficient knowledge on dam building techniques. We are sure that chosen method by clearing the forest and raising water table is the best available method to restore the bog. The questionable issue is the usage of plastic pile sheets for dam construction. We have seen many unsuccessful projects when only wood or wood with geotextile is used for damming, and still water flows through such dams. In Lithuania plastic pile sheets are used for some years in other protected sites: Kamanu nature Reserve, Zuvintas biosphere Reserve and other sites. So far, such dams are working well and no reparation was needed.

Monitoring methods are satisfactory. In such a short time it is difficult to assess the impact and effectiveness of project actions in a wider scale. It will be difficult to measure whether degraded habitats converted into active raised bogs within one or one and a half year period after dam construction. However, raise of water table does fast progress after instalment of dams. We will be able to observe changes in the cover of vegetation by dominant plant species *Caluna vulgaris* and measure its' vitality; as well as appearance of typical bog species *sphagna sp.* will be observed quickly as both plants react to changed hydrological conditions. Also, rare birds like golden plover will react into forest clearing as it likes open areas. Therefore, there might be increase by one or two pairs when forest is cleared. However, there are many external risks, which influence population of birds.

Public awareness and educational activities support the general aim of the project. Many institutions and decision makers, especially in forestry sector, have a lack of knowledge and understanding of bog conservation benefits. Therefore workshops, study tours and publications help to distribute gained knowledge to wider audience and help to increase awareness.

The project partners are chosen correctly. NDRP is a local administration of Nemunas delta regional Park, located close to the project site. Therefore it is easier to coordinate project actions and solve the problems. AC has specific knowledge and experts, experienced in nature management, therefore, their knowledge is used to monitor and evaluate the site and design the management actions. Inclusion of Forestry Enterprise of Silute as project beneficiary perhaps would have ensure smoother implementation of the project, at least approval of management plan and forestry clearing.

| Task | Foreseen in the revised proposal | Achieved | Evaluation |
|---|----------------------------------|-------------|---|
| Restore and ensure favourable conservation status of active raised bogs | | | |
| Damming of small and main ditches | 10 km of main ditches | In progress | Raising water table is the most important measure to restore the bog. Dam construction using peat dams, plastic pile sheets and timber will help to stop water outflow from |
| | 70 km of small ditches | In progress | |

| | | | |
|--|---|--|--|
| | | | the bog; help recolonization of typical bog species (sphagna and others). |
| Clear forest in overgrowing high moor | 100 ha | Not yet | Forest clearing is the second important measure to restore the bog. Trees evaporate huge amount of water; therefore trees must be removed from the area, also, they disturb construction of dams, because are hardly accessible. Cut timber can be put into ditches, supporting constructed dams. Such management was done in many projects (Life to admire, Lille Vildmose etc.) . In case the permission for forest clearing will not be issued, the forest will die, but it will require many years. |
| Coherent and comprehensive monitoring | 2 biodiversity monitoring reports, hydrological monitoring ongoing | In progress | Monitoring methods are the most appropriate to measure the effects of actions in a short period. |
| Raise expert and public awareness about wetland ecosystems | | | |
| Various experience exchange meetings, workshops | 1 expert group established, 2 study tours, 2 workshops | The expert group established, active exchange ongoing, 2 study tours organised, 1 workshop organised. | Chosen methods to raise awareness of public and specialists from state institutions, are correct and promising. However more efforts must be made to change attitude towards benefits of wetland conservation. Therefore in the rest of the project time, more attention will be put to conservation of habitats and CO ₂ emissions in wetlands (when organising 2 nd workshop) . Active cooperation with experts from Baltic states, Poland and Germany and Denmark ongoing, other managed sites visited. |
| Training the nature guides | 15 guides trained, 4 excursions organised | 15 local guides trained, certificates acquired, 2 excursions | Local guides are trained, and official certificates obtained. After reconstruction of educational trail better access to the bog will be provided for tourists, which will increase a demand for guided tours. |
| Dissemination actions to raise the awareness of locals | 1 Website, 3 notice boards, 1 exhibition, 4 publications, 1 educational trail | 1 Website created, 3 boards erected, 1 exhibition installed, 2 publications printed, 1 trail in progress | Dissemination activities are ongoing. Translation of Veber Monography as the first scientific book about bogs will be huge event for the scientific audience and students. Printed materials and online staff is available to wide audience, that will increase public awareness. |

So far, fastest visible result is accumulation of water in dammed ditches (pictures in the CD). However, 2015 was unusually dry, therefore there is huge drop of water level. It is a good time to build dams as it is easy to enter the bog. As shown in the pictures, water is accumulating slowly in dammed places. If we assume that more rainfall will come in next months, we may expect raise of water in dammed ditches and increase of water table in the bog. This will have effect on increase of active raised bogs. However we have to wait until next spring to see the results.

5.4 Analysis of long-term benefits

In this section please discuss the following:

1. Environmental benefits

a. Direct / quantitative environmental benefits

The project will generate implication on Natura 2000 site management due to contradictory laws on Forestry and Conservation of habitats and species. This is long term conflict, since majority of wetlands are managed by foresters as a woodland. In fact, forestry has a right to manage areas without actual forest, e.g. meadows, but Lithuanian development Strategy (2000) foresees a task to increase afforested area not less than 1/3 of Lithuanian territory. Also, all forest enterprises are business oriented state companies, therefore every square meter is used for intensive forestry. Therefore, we communicated the problem of this project to the MoE because they are responsible for the favourable conservation status of protected sites. There were discussions initiated by MoE on 26/02/2015 (protocolled) and then other unofficial internal meetings between departments of MoE on this problem. It is unsolved yet, but possible solutions for future might be: change of Forest law with emphasis on Natura 2000 site management in woodland; payment of compensations for foresters for taking the woodland.

b. Relevance for environmentally significant issues or policy areas (e.g. industries/sectors with significant environmental impact, consistency with 6th or 7th (as applicable) EU Environment Action Programme and/or important environmental principles, relevance to the EU legislative framework (directives, policy development, etc.)

The project has a relevance to implementation of Habitat directive and ensurance of favourable conservation status of natura 2000 sites. The main conflict arised in forestry sector, however there are other stakeholders, who also interfere with the proposed conservation actions, e.g. road authority, local farmers. Since technical solutions ensure functioning of melioration system outside the bog, we do not escalate further this issue. However in cases when entire melioration system should be changed, additional compensations shall be paid or land purchased as it is done in other EU countries.

Also, we aim at the restoration of exploited peat mining area. Therefore we cooperate with UAB Klasman – Deilmann, which is German owned company asking them to restore a bog ecosystem in exploited fields by applying innovative sphagna planting techniques. New Life project application, submitted in 2015, foresees such innovative measure in the peat mining areas of Aukstumala peatland.

2. Long-term benefits and sustainability

a. Long-term / qualitative environmental benefits

The sustainability of the project will be ensured by NDRP, which is the legally responsible for the management and supervision of protected sites. NDRP will be responsible for taking care of project results, maintaining the dams and other infrastructure, e.g. educational trail, clearing forest (in case of regrowth).

b. Long-term / qualitative economic benefits (e.g. long-term cost savings and/or business opportunities with new technology etc., regional development, cost reductions or revenues in other sectors)

We hope that Nemunas delta region will develop in environmentally friendly way. Tourism is a sector, which has enormous potential due to geographic location of delta, it's history and nature. Therefore nature guides were trained for giving excursions for tourists, who come to visit delta. The region largely depends on industry like peat mining, but local people shall understand that pristine huge raised bog shall contribute to region's economy as well. Therefore we cooperate with UAB Klasman – Deilmann, which is German owned company asking them to restore a bog ecosystem in exploited fields.

c. Long-term / qualitative social benefits (e.g. positive effects on employment, health, ethnic integration, equality and other socio-economic impact etc.)

Local company UAB Silutes polderiai is building educational trail, thus, the project contributes to local economy. Workshops are organised in local tourism facilities, including meals, services etc.

d. Continuation of the project actions by the beneficiary or by other stakeholders. NDRP will continue maintenance of infrastructure, built during the project.

3. Replicability of the project.

Such project will serve as good example for other sites, therefore we expect that other protected site administrations will be interested to visit the project site and learn restoration techniques, particularly the concept of dam construction and construction techniques. Construction of educational trail might be of some interest because to our knowledge it is first trail, which is combined of plastic and wood.

4. Best Practice is used in building the dams. Plastic pile sheets are specific for Lithuania, they were tested in several locations, thus, proving as reliable solution, especially in bigger ditches with high water debit. Other countries (Latvia, Estonia) use only wood, and peat, also geotextile. But in high water time, they are destroyed. In our opinion, plastic pile sheets dams are better not only in reliability but also in cost efficiency. Such dams are built faster than huge rather complicate construction of peat, wood and geotextile.

5. Innovation and demonstration value: we do not invent new methods, but rather test and adjust existing methods. Filling in ditches with cut wood is another best practice solution. However, we will measure how much of wood can be dumped into ditches, or they should be chipped before or just cut into pieces.

6. Long term indicators of the project success: describe the quantifiable indicators to be used in future assessments of the project success, e.g. the conservation status of the habitats / species.

The long term indicator is the 10-20% increase of area of raised bogs according to the habitat indicators (vegetation type, cover, hydrology). Thus, in 2016 and 2017 we will perform habitat mapping. Also biodiversity and hydrology monitoring will provide data on the success of restoration: water level increase, sphagna growth, bird species etc.

6. Comments on the financial report

6.1. Summary of Costs Incurred

– Complete the following table concerning the incurred project costs and comment on each of the cost categories focussing particularly on discrepancies compared to the allowed flexibility of 30,000€ and 10% (cf. Article 15.2 of the Common Provisions)

| PROJECT COSTS INCURRED | | | |
|--|--|--|---------------|
| Cost category | Budget according to the grant agreement* | Costs incurred within the project duration | %** |
| 1. Personnel | 201 355 | 111 403,89 | 55,33% |
| 2. Travel | 111 965 | 35 148,69 | 31,39% |
| 3. External assistance | 282 850 | 101 884,34 | 36,02% |
| 4. Durables: total <u>non-depreciated</u> cost | | | |
| - <i>Infrastructure sub-tot.</i> | 81 899 | 81538,33 | 99,56% |
| - <i>Equipment sub-tot.</i> | 2300 | 2 135,69 | 92,86% |
| - <i>Prototypes sub-tot.</i> | | 0 | |
| 5. Consumables | 0 | 8 255,76 | #DIV/0! |
| 6. Other costs | 4750 | 729,11 | 15,35% |
| 7. Overheads | 47 958 | 21 686,11 | 45,22% |
| TOTAL | 733 077 | 362 781,93 | 49,49% |

*) If the Commission has officially approved a budget modification indicate the breakdown of the revised budget. Otherwise this should be the budget in the original grant agreement.

***) Calculate the percentages by budget lines: e.g. the % of the budgeted personnel costs that were actually incurred

comments on categories:

totally 362 781, 93 € spent, which is half (49,5%) of the total budget foreseen in GA.

Personnel – 55 % consumed. There will be slight increase by some 10 % because of delayed approval of the management plan, the C actions will be implemented in 2017 and it will require extra personnel costs. In GA all activities were planned to be finished by the end of 2016. Clarification on personnel for LFN and NDRP: the column E2 indicates annual obligatory charges 30,98% paid by the employer. This amount includes social security, health insurance and pension payment together, that's why column E3 annual pension contribution is empty as it is impossible to distinguish these amounts.

This work is done outside his main job. He is not reported financially as his employer (State Service for Protected Areas) did not issue a permission by to perform the work for this project. Such permission is obligatory, meaning, that he cannot perform such work in his main job

Travel: 31 % used, there will be savings under this category by AC. They had budget for travel 54350 €, now used only 3831 €. It is estimated that they will use totally max 25 000 € within the rest of the project. More travels will be performed by AC because C actions started, therefore they will travel more often to the bog.

Subsistence costs (accommodation, catering, car parking) were planned under travel budget as indicated in the application guidelines. However, the monitor requested to report catering (food costs) costs under consumables, which were unforeseen in this project.

Clarification on Reimbursement of travel costs:

Actual travel costs are reimbursed according to national regulations. In Lithuania travel rules are set by Lithuanian Government act No. 99 of 28-01-2003, which regulate compensation for travel expenses. These rules set the following procedure to be completed by employer:

- Order of appointment before travel.
- Travel sheet to be filled in after the travel, corresponding fuel invoices must be attached;
- Other invoices, documenting incurred costs: accommodation, car rent, bus ticket etc. including proofs of payment;
- Per diem;
- Accountancy sheet, where all expenditures are summed up;
- Other related documentation, e.g. car rent contract.

Thus, in Lithuania only actual incurred costs are reimbursed. In Denmark all travel costs (gasoline, car rent, food, accommodation etc.) are reimbursed for employees while per diem is not paid. However if travelled by private car, reimbursement is calculated on the basis of driving book and the km-rate (fixed by national tax authority).

Other clarifications:

Items with minus sign (lines No.106-108) were booked for the project but later refundend because the ticket was not used.

Out of office car fee (line No.117) paid because of late arrival of the plane the car rental office charged this amount for out of office hours pick up of the rented car.

Taxi usage: taxi was used in several cases. In Lithuania for the first workshop taxi was used to transport guest from airport in Palanga to Silute and back because of late or very early arrival of the guests when no public transport is available. Taxi was used when travelling in abroad. In Oulu, Finland, taxi hired because plane landed in late night in Oulu (1 am), no public transport was available at this time.

Usually all travel costs were foreseen, but number of trips changed according to the situation and needs.

Unforeseen cost occurred on presenting the project in other events, e.g. international wetland day celebration on 2nd of February in Kamanos Nature Reserve. We expect more such events in coming years, where project and its' results will be presented to wider audience.

External: 36% used, but main external work under C actions still has to be implemented. According to spent amounts of implemented external actions and signed contracts for ongoing actions (C1 and C2), approximately about 10 000 € might be spent less for external.

Tender procedures

External services were purchased throughout tender procedures, which are represented by Purchasing bodies and Non purchasing bodies. It means that state budget institution NDRP is purchasing bodies, therefore their tenders are organised according to the Law on public procurement. LFN and AC are non purchasing bodies, which have their own approved public tender rules.

NDRP has tender rules approved on 12/02/2015 by order of No.V1-11. The rules say that:

- Up to 3000 € the tender might be carried questioning orally
- Up to 5800 € the tender has to be carried in written form asking at least one subcontractor
- Up to 43500 € the tender has to be carried in written form asking at least three subcontractors
- Above the 43500 open tender must be organised.

The rules are attached as Annex Fin-4.

LFN has approved in 2005 the simplified rules of commercial practice, meaning that it follows negotiated procedure when choosing subcontractor. Under this procedure LFN as the contracting authority selects potential contractors either by oral (up to 20 000 Lt (5792 €) for service and goods and up to 30 000 Lt (8688 €) for works) or written procedure (more than 20 000 Lt (5792 €) for service and goods and more than 30 000 Lt (8688 €) for works). The selection form is filled in, where winner is indicated. Since 2012 LFN follows the order of minister of MoE for non purchasing organisations, e.g. open tender is required by announcing it in newspaper for goods and services for more than 50 000 Lt (14 481 €) and for works more than 500 000 Lt (144 810 €). The rules are attached as Annex Fin-3.

All tender procedures were organized as required by the tender rules, except one case:

Film preparation purchase by LFN. The direct treaty was made with the film maker Eugenijus Ostasenkovas, who did filming in Aukstumala for more than 10 years, and has video materials about the bog. He also has good knowledge about the area. That's why negotiation was carried out with him. The price based on previous LFN experiences on film making.

Infrastructure: almost 100 % of foreseen budget spent, however category's budget will increase by about 15 000 € due to cost of the educational trail. The foreseen length of the trail (more than 1 km long) and a watching tower will cost more after tender procedures. After the construction the education trail will be capitalized by NDRP. Foreseen expenditure: Instalment of exhibition was reported under external because of its' nature it became as external service (not possible to be capitalized).

Equipment: used 92,86%, no more equipment is foreseen to be bought.

NDRP purchased one extra laptop instead of 2 GPS as emailed to DO (email of 11/12/2014). The local project manager and local ecologist needed a laptop for taking data directly in the field (measuring water level D2, bird and vegetation monitoring D1, supervising dam construction C1 and C2) and for project management (F1). They are sharing the equipment in NDRP.

Consumable: it was not foreseen in the budget, but due to CP requirements, part of subsistence cost, mainly food, were declared under this category. All consumables, which include catering were foreseen under travel subsistence costs.

The unforeseen cost include PVC tube, which was used to install hydrological monitoring transects in the bog.

Other: used 15,35%, it is foreseen to use totally about 50% of this category, thus, 2000 € will be saved.

OH: flat rate applied, 6% of the total expenditures.

6.2. Accounting system

This should include among other aspects,

- Brief presentation of the accounting system(s) employed and the code(s) identifying the project costs in the analytical accounting system,

The accounting system in LFN is based on special project account number 342241 used in internal book keeping. All costs related to this project are registered under this account. LFN has separate bank account for this project. However some costs, e.g. salaries are paid from main account, and later divided in internal book keeping system into different projects.

NDRP uses similar system, when all costs of the project have a special account number in internal book keeping. The name “Projektai” in 2014 was used to dedicate costs to the project. In 2015 the name was changed into “Life projektas”.

AC has cost center, where all costs are prescribed to this project.

– **Brief presentation of the procedure of approving costs**

LFN: project manager checks and approves all expenditures after consultation with projects financial manager. Approved costs are delivered to the executive director of LFN for final approval. Approved costs are submitted to the accountant who assigns the right account number and performs payment. Director controls and confirms the payment.

NDRP: local project specialist collects the invoices/or they are delivered by local specialists. Director approves and delivers them to the accountant, who assigns them to the right programme in the accounting software and performs payment.

AC: All invoices related to the project are checked by desk officers responsible for an order. They are confirming payment of invoices as well as assigning invoices to the right project cost-centre.

– **the type of time recording system used, i.e. electronic or manually completed timesheets**

Time worked on the LIFE Aukstumala project was identified and noted on the project time sheets, prepared specifically for the recording working time on the aukstumala project. The excel sheets were filled in by staff member in excel sheet digitally every day, then printed and signed. The

instruction on time sheet filling and validations were sent to projects ABs as advised in the EC letter of 24/03/2014.

– Brief presentation of the registration, submission and approval procedure/routines of the time registration system

Daily devotion of the time on tasks related to the different projects was registered on daily basis by a worker. In case of absence, i.e. travel, sickness etc. staff member next working day filled in the time sheet. The working hours were typed into the LIFE aukstumala project time sheet every day. Since 2012 LFN and AC registered working time in one LIFE projects time sheet, where all LIFE projects are listed. At the end of the month the time sheet was printed and signed by staff member and submitted to the local project manager/the director of organisation for approval. The approval was made the same or next working day in case of absence. The same procedure of time registration is performed by NDRP: all employees fill in the time sheet every day, and signed at the end of the month or beginning of next month. At the beginning of the project local manager Aurelija Jakstaite signed the time sheets only by herself, but it was improved and all time sheets are validated by at least two persons.

– Brief explanation how it is ensured that invoices contain a clear reference to the LIFE+ project showing how invoices are marked in order to show the link to the LIFE+ project.

All beneficiaries assure proper allocation of expenses to different projects co-financed by EU following procedures were put in place:

- reference to the life Aukstumala project is written on bills/invoices, the stamp indicating Life aukstumala LIFE12NAT/LT/000965. It was wrongly used in the beginning when only number of the project was used. Now entire acronyms are used.
- expenses are book- kept on accounts (LFN) or cost- centre (AC, NDRP) assigned to the respective project.
- control and approval of invoices and financial reports by responsible staff members to confirm proper allocation of costs;

6.3. Partnership arrangements.

Partnership agreements were submitted with Inception report. The agreements with NDRP and AC were corrected as requested in EU letter of 24/03/2014 adding more frequent reporting at least every quarter, also mistakes were removed from the text of the agreement with NDRP. Partners adjustments are attached as Annex AD-1. Transactions of financial support to partners are usually made according to the time table set in the agreement, .e.g twice in the whole period. Project manager evaluates the report and confirms/ asks for additional information.

6.4. Auditor's report/declaration

UAB Audito laikas was nominated for the audit. The contract No.LGF-A-1 was signed on 02/03/2015 . the report will be prepared at the end of the project. The contract with auditor attached as annex Fin-2.

6.5 Summary of costs per action.

The table below presents an allocation of the costs incurred per action. It is presented also in Excel format as Annex FIN-5 in Cd.

Table. Division of costs according to actions.

| Acti on no. | Short name of action | 1. Personnel | 2. Travel and subsistence | 3. External assistance | 4.a Infra-structure | 4.b Equip-ment | 6. Consu mables | 7. Other costs | TOTAL |
|-------------------|----------------------------|------------------|---------------------------|------------------------|---------------------|----------------|-----------------|----------------|------------------|
| A1 | management plan | 14028,96 | 544,56 | 22970,46 | 0,00 | 0,00 | 37,40 | 0,00 | 37581,37 |
| A2 | Technical preparation | 5363,05 | 134,99 | 28410,19 | 0,00 | 0,00 | 0,00 | 0,00 | 33908,23 |
| A3 | EIA | 233,06 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 233,06 |
| A4 | expert group | 4143,75 | 1213,92 | 0,00 | 0,00 | 0,00 | 179,32 | 0,00 | 5536,99 |
| C1 | Blocking of small ditches | 444,36 | 176,99 | 20000,00 | 34632,14 | 0,00 | 0,00 | 0,00 | 55253,49 |
| C2 | Blocking of main ditches | 1779,65 | 0,00 | 0,00 | 14009,99 | 0,00 | 0,00 | 0,00 | 15789,64 |
| C3 | Removal of vegetation | 418,61 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 418,61 |
| D1 | Monitoring of biodiversity | 5799,63 | 57,38 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 5857,01 |
| D2 | Hydrological monitoring | 1902,69 | 769,61 | 0,00 | 0,00 | 1152,69 | 64,89 | 0,00 | 3889,87 |
| D3 | socio-economic | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| E1 | Project website | 4944,91 | 0,00 | 1449,12 | 0,00 | 0,00 | 0,00 | 0,00 | 6394,03 |
| E2 | notice boards | 345,62 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 345,62 |
| E3 | Study tours | 9248,95 | 22047,96 | 90,00 | 0,00 | 0,00 | 2174,36 | 579,11 | 34140,37 |
| E4 | workshops | 3566,69 | 5083,05 | 0,00 | 0,00 | 0,00 | 5799,80 | 150,00 | 14599,54 |
| E5 | Informational material | 3323,10 | 119,56 | 12205,94 | 0,00 | 0,00 | 0,00 | 0,00 | 15648,61 |
| E6 | educational trail | 3291,42 | 377,89 | 758,21 | 32896,20 | 0,00 | 0,00 | 0,00 | 37323,72 |
| E7 | Nature guides | 1346,52 | 209,95 | 4359,73 | 0,00 | 0,00 | 0,00 | 0,00 | 5916,20 |
| E8 | educational film | 1255,86 | 0,00 | 11640,69 | 0,00 | 0,00 | 0,00 | 0,00 | 12896,55 |
| E9 | Best practice | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| E10 | Layman's report | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 |
| F1 | Project management | 47674,56 | 4412,86 | 0,00 | 0,00 | 983,00 | 0,00 | 0,00 | 53070,42 |
| F2 | Audit | 267,64 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 267,64 |
| F3 | After life | | | | | | | | |
| F4 | Networking | 2024,84 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 2024,84 |
| Over-heads | | 0 | 0 | 0,00 | 0,00 | 0,00 | 0,00 | 0,00 | 21686,12 |
| | TOTAL | 113428,72 | 35148,70 | 101884,34 | 81538,33 | 2135,69 | 8255,77 | 729,11 | 362781,93 |

Comments on discrepancies between actions

A1 foreseen increase by 8 000 € due to long procedures on getting approval for management plan. Since A3 action is not consumed, we'd like to translocate saved resources to A1.

A2 – about 2000 € saved.

A3 – 2255 € saved.

A4 – about 3000 € increase due to increase in travel and consumables

C1 and C2 – about 12 000 € could be saved according to external expenditures as the tenders have been carried out, and major expenditures known.

C3 – as planned, but it might change because of forest price.

D1 – about 10 000 € will be saved because less travel used.

D2 – 5000 € saved, less travel used.

D3 - as planned,

E1 – increase by 3000 € due to more personnel, spent on updated, and external, spent on creation of the site.

E2 – 1800 € saved

E3 – 3700 € saved

E4 – 19 000 € saved (less travel used)

E5 - as planned

E6 – 18 000 € increase (due to educational trail)

E7 – 2000 € saved

E8 - as planned

E9 - as planned

E10 - as planned

F1 - increase by 10 000 € due to more personnel and travel

F2 – 4000 € saved

F3 – as planned

F4 as planned

Other comments:

VAT

LFN is a VAT payer, but LFN cannot recover VAT in LIFE projects. LFN send an enquiry for the TAX Inspectorate whether VAT can be recovered in Life projects by Lithuanian juridical bodies, which do implement Life projects. The enquiry asked about all LIFE projects, run by LFN and its' partners. Tax inspectorate of Lithuania issued a certificate on VAT on 22 05 2014 No.(32.39-PVM)-RM7966 (attached as Annex FIN-1), which confirms that LFN as well as other Lithuanian juridical bodies cannot recover VAT because LIFE projects (LIFE Aukstumala, ECONAT) are not used for their commercial activities. It means they are not a subject of VAT according to the paragraph 58.1. of the VAT law. Therefore, LFN is not able to recover VAT in LIFE projects. The certificate attached as Annex FIN-1.

NDRP is not VAT payer , the certificate issued by Tax inspectorate Klaipeda department on 02/05/2015 No.(24.24)-U2-13 confirms, that NDRP is not a VAT payer.

AC is a VAT payer, all costs are declared without VAT.

7. Annexes

7.1 Administrative annexes

- **Partnership agreements adjustments** attached as annex AD-1 (agreements were delivered in Inception report).
- **the co-financing agreement with MoE attached as annex AD-2**

7.2 Technical annexes

List of abbreviations

LFN – Lithuanian Fund for Nature
 NDRP – Nemunas Delta Regional Park
 AC – Amphi Consult
 EIA – Environmental Impact Assessment
 MP – Management plan (Natura 2000 site)
 MoE- Ministry of Environment
 FES – Forest Enterprise of Silute
 AB – Associated Beneficiary
 CB – Coordinating Beneficiary
 EPA - Environment Protection Agency
 IR – Inception Report
 MTR- Midterm Report

Technical annexes

No.

1. action plan A1
2. Management plan A1
3. Technical design for dam construction A2
4. Technical design for nature trail installment
5. International expert group A4
6. Communication with forestry, forestry inventory, price for timber C3
7. Kick off meeting
8. 1st study tour
9. 2nd study tour
10. 1st workshop
11. Biodiversity monitoring report
12. Hydrological monitoring
13. Project site map
14. Project site map for dam construction
15. Grant chart

7.3 Dissemination annexes

Other dissemination annexes

Only in digital format

- 1 – leaflet in pdf (2 languages)
- 2 – poster in pdf
- 3 - poster of the conference in ppt and abstract in pdf
- 4- articles and publications in pdf

- 5 – 1st movie shoot
- 6 – 2nd movie shoot
- 7 – pictures

In paper:

- D-1 leaflet (2 languages)
- D- 2 poster
- D-3 poster of the conference
- D-4 articles and publications

8. Financial report and annexes

Financial report

Financial annexes:

FIN-1 VAT declarations

FIN-2 Audit contract

FIN-3 tender rules of LFN

FIN-4 tender rules of NDRP

FIN-5 – breakdown of costs into actions in excel (in cd only)

Answers to EC letters:

Letter of EC of 24/03/2014

The comment from EC on including instructions into time sheets, how to fill in.

Answer: The instructions and request to follow them were sent by email to all ABs; and they were included into time sheets.

The comment from EC on missing reference to actions in car log books.

Answer: the reference is incorporated into the LFN orders for travel appointments; NDRP indicates the action in the driving sheet.

All other comments were answered or solved within IR.

Letter of EC of 13/08/2014

All comments on actions are properly answered in the report above. There are no unsolved or unclarified questions from this letter.

Letter of EC of 23/09/2014

Action A.1

1. I understand that the draft nature management plan was prepared in time and while the approval of the plan was pending at the time of the visit to your project it has recently been granted. The approval is granted with a 10 month delay compared to the plan indicated in your Inception Report was 30 November 2014. I have been informed about contradictions between the respective responsible institutions in relation to the bog conservation and the forestry management issues as well as your efforts in solving these contradictions. Taking into account that the conservation actions completely depends on the successful completion of this action, I request you to keep me updated on the content of the approved plan and any still pending related administrative procedures.

Answer:

As already in the MTR has been explained, the management plan grants the permission for many actions, foreseen in the plan, e.g. construction of dam, educational trail etc. However extra permission is needed for forest clearing. Forest clearing must be foreseen and approved in the Forestry management plan for Silute. Then Forestry Service in Kaunas might grant a permission for Silute Forestry Enterprise for forest clearing. But the second reason why management plan was not agreed by foresters is based on contradictions between Forest law and Law on Protected sites and species. This issue is described in chapter 5.4.1 a).

Action C.1, C.2 and C.3

2. I have been informed that you had considered how to catch up with the delayed implementation of the conservation actions, which were planned to be started right after the approval of the nature management plan (A.1), i.e. in the end of 2014. Moreover, I understand that the forest cutting (C.3) activities have to be foreseen in the forest management plan which is now being prepared by the Silute Forestry Enterprise and expected to be finalised only by the end of 2015. Please, prepare a detailed work program

and a contingency plan for the delayed implementation of the conservation actions which would ensure that the project objectives are met and submit it with the Mid-term report.

Answer:

Recovery plan with detailed work programme is provided in annex 1 within Action plan. Since the dam activities are implemented rather fast and so far without troubles, we do not think there is a need for more detailed plan.

Action E.2

3. Following my previous letter of 13 August 2014 on the Inception Report and findings of the monitoring visit, I note that notice boards containing the information as envisaged in the Grant agreement are still not installed. Please, provide the information on the implementation of this action (including pictures) in the next report.

Answer: 3 Information boards are installed. See action E2.

Financial/administrative issues

4. Partnership agreements

I am pleased to note that you have revised the Partnership Agreements in the light of the comments raised in my letter of 13 August 2014. Please, submit the signed revised Partnership Agreements with the next report.

Answer: the agreement of NDRP and adjustments of agreements with NDRP and AC are attached as annexes AD-1.

5. Project code

You informed Ms Viktorija Maceikaite that the project code in your accounting system is 60362. However, this code cannot be identified in the extract from the accounting system, where the code 342241 appeared. Please clarify this issue in your next report.

Answer: the correct code is 342241.

6. Invoices

The invoice of your associated beneficiary Amphi Consult No. KNB 0000217 of 23 May 2014 contains only the reference to the project number. Please be reminded that the recommended reference is the project number and the acronym. The invoice from UAB "Kintai" dated 18 May 2014 and attributed to you by Amphi Consult has no reference to the project at all and it is therefore not possible to establish the relevance for these costs for the project. Consequently these costs cannot be considered eligible.

Answer: the ABs are regularly reminded to use both number and the acronym., however not all the time it is possible to include both into the invoices. Then, a stamp is used. The mentioned invoice is a not an invoice, but a list of food, ordered in the restaurant. It seems it does not have any relation to declared costs. Since no one in AC understand Lithuanian, it was mistaken to be included into the list of invoices.

Remark on time sheets:

It is noted that the timesheet from Amphi Consult for Florian Bibelriether for June 2014 contains hours only worked on LIFE projects and not for any other activities, i.e. 11 hours, even considering he is part time employee it is a rather low number of hours for one month. Please comment on this in your next report.

Answer : In June 2014 Florian Bibelriether's main work consisted in rearing amphibians for various clients in Germany, therefore his workload for Amphi Consult was reduced considerably.

This mutual agreement of the division of work between Mr. Bibelriether and AmphiConsult is in power for several years already and not unusual.

The instructions for time sheets were sent to partners and included into time sheets, but usually they are not printed on the page, where signatures are signed. They remain in digital format, together with other information (detailed list of hours per actions).

AC and LFN uses one time for all Life projects if such are running by ABs.

8. Travel costs

I am pleased to note that your car log books have been improved to reflect the purpose of the trip, the route/destinations, distance in km and the reference to the project action. At the same time I understand that the car log books of your partner Nemunas Delta Regional Park remain to be too general as only the name of the driver and the route/destination is indicated. Please make sure that the data recorded in the car log books of your partner also contain the same information.

With reference to the invoices from UAB "Kintai" dated 18 May 2014 collected during the mission, I learn that your partner Amphi Consult invoices expenses for meals during the trips. This is not in compliance with the Grant Agreement where the daily allowances are budgeted. Please explain how travel expenditures are reported by Amphi Consult in your next report.

NDRP makes a special note on the car log books indicating number of action, for which the travel was incurred. In order to act economically, AC had originally suggested to invoice in Lithuania actual meals and not the subsistence rate, which would have been higher. Since we are informed that this is not acceptable, AC will in future budget the relevant costs as a subsistence rate.