

**INNOVATIVE STRUCTURES FOR THE SUSTAINABLE DEVELOPMENT OF
MOUNTAINOUS AREAS**

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DISCUSSION PAPER 5

**Co-operative strategies and institutional development in the Alpine pasture
area**

Teichalm-Sommeralm, Austria

By

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1. Mountain Policy in Austria

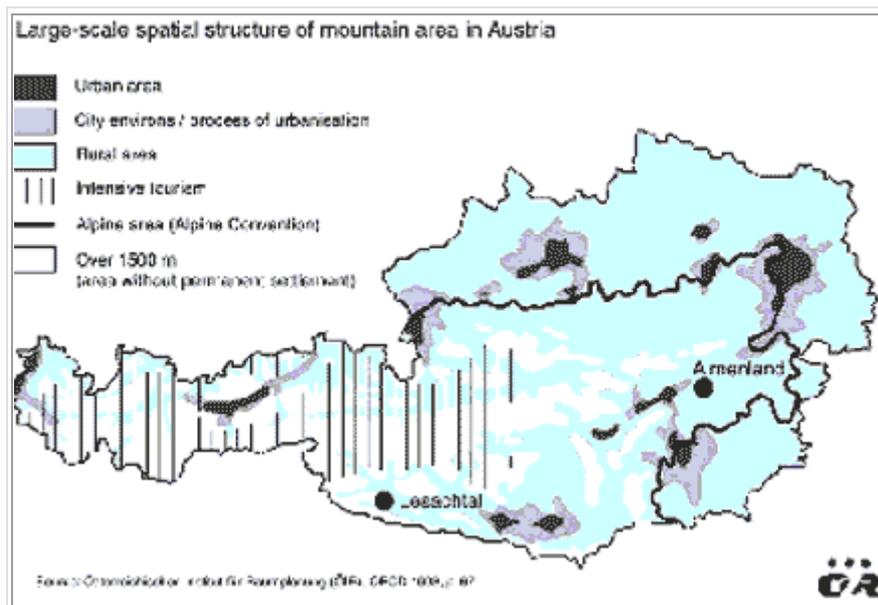
Introduction

According to the EU criteria for demarcation of agricultural less-favoured areas, the mountain area in Austria comprises 70% of the Austrian territory (58% of the utilised agricultural area) and is home to 36% of the Austrian population. It forms part of two of Europe's mountain massifs, the Alps and the Bohemian massif. About 50 % of all farms in Austria are situated in the mountain areas. The Austrian mountain area has long been more than just an agricultural

region. Rather it is a integrated living and working space, whose geographical characteristics do not lead to separation in a structural economic sense. They express themselves much more in the limited space available for settlement and industry, the handicaps on agriculture and forestry, in an expensive infrastructure and a particularly sensitive landscape. However, the various component areas display great differences in structure and development (Schindegger et al. 1997, p.13f.).

Cultural landscapes in mountain regions are important elements of social identity and contribute to political cohesion. They develop and change over time as a result of the interplay of socio-economic, cultural and natural factors and can thus only be understood as a process. Since changes are often irreversible, any change and interference demands careful consideration. Cultural landscapes are, however, not only public interest goods and services that directly affect the social well-being of individuals but also represent important rural development assets. Cultural landscapes are part of a region's capital stock and base for the development of mountain communities. Their quality is as important as the local road network, communication or education facilities (OECD 1998, p. 102f.). In Austria, mountain farming still bears the key role in safeguarding the sensitive eco-system and thereby the multifunctional landscape and the general living and working space.

Figure 1: Elements of the large-scale spatial structure in Austria



Spatially integrated policies for the Austrian mountain areas

Austria is structured in the form of a federal state. The nine Länder (provinces) that make up Austria have, in part, very extensive areas of competence. Regional planning, for example, is within their responsibility, with the Federal State assuming a coordination function in this regard.

In 1979 the Federal Chancellery introduced the Mountain Area Special Initiative as a pilot scheme for remote, mountain areas which has been extended in 1985 towards problem areas outside the mountain region. The objective of the initiative was the support of co-operative-business projects in all sectors. Although the support grants provided were compared to other industrial renewal schemes rather small, it proved to be a stimulating incentive. Due to Austria's federal structure, it is very important that the Länder also developed regional

development programmes (e.g. "Styrian aid initiative for independent regional initiatives" - STEFREI) which complemented the federal schemes (Dax and Hovorka 2000).

The adoption of EU-policy brought about more drastic alterations for regional policy itself. Many objective 5b areas and partly also objective 2 areas of the period 1995 - 1999 (as well as LEADER and INTERREG areas) were lying in the mountain areas. About two third of these programmes were relevant to the mountain areas. With the concentration of Structural funds programmes for the period 2000-2006 eligible areas and population have been cut by one third leading to a scattered support area for the new objective 2. This implies greater difficulties to address general problems of mountain areas through this programme and greater responsibility of national authorities at all levels for regional policy ("subsidiarity").

Since 1995 more than 20 Regional Managements (RM) and 31 LEADER action groups (LAG) in all Länder with rural districts (extended to 56 LAGs under LEADER+ programme) have been set up at the regional level in Austria. RMs and LAGs activities are funded by the Länder, the Federal support and the EU within the framework of the Structural Funds. Furthermore, the Chancellor's Office provides institutional aid for networking activities (LEADER) as well as information and training programmes for people working in RMs and LAGs.

The significance of mountain agriculture in Austria

The importance of mountain agriculture and forestry lies increasingly in the fulfilment of multifunctional tasks. Mountain agriculture provides employment, essential goods and services for the quality of life in Austria and in Europe, through the production of high quality goods, maintenance of the cultural heritage, preservation of habitats and landscapes with high ecological and amenity values. Many of the services to society are not remunerated directly or through income from production. An important basis for targeted support of mountain farmers is the classification of site-specific farming difficulties. Up to the year 2001 in Austria each mountain farm was classified according to four categories of difficulty (Hovorka 1998). A more detailed system for assigning differentiated support to farmers is now applied.

Due to the dynamic development of agricultural methods, especially in lowland areas, the relative competitiveness of mountain agriculture is decreasing over time. Therefore it was the agricultural sector in which the first relevant mountain programme has been developed in Austria. In particular since the beginning of the 1970s support for mountain farming has been given high priority through the establishment of a specific support programme. This "Mountain Farmers Special Programme" was not just focused on site-specific farming difficulties but attached importance to the social situation of farm households and incorporated the regional dimension (Hovorka 1998). Over time the priorities of the programme shifted and direct payments, in particular the mountain farmers' allowance, became the predominant measure.

Conclusions

International work on rural amenity issues have shown that policies, in particular for remote areas, have to take account of combinations of market mechanisms and non-market approaches. Also the concept of sustainability gained importance for the mountain areas over recent years as the environmental performance achieved key recognition. This reflects both the valuation of research on global change (Price 1999) and also the view that rural amenities in mountain areas are basic assets for regional development. There is a host of studies and strategies which address the need to develop concepts to incorporate new visions to use the

specific character of rural/mountain regions and to harness rural amenities development potential (Dax 1999).

The Austrian experience shows that successful policies to safeguard environmental amenities and the cultural landscape while promoting regional development in the mountain areas call for the incorporation of spatially oriented sector policies in integrated regional development strategies. Nonetheless, some of the rural areas in Austria, in particular mountain areas, display developmental strengths. These include rural amenities, a generally high quality of life and environment, a high proportion of natural and organic farming operations, a well-developed education infrastructure and a relatively low unemployment.

Nowadays it is argued that the topographical situation underpins the problems of ecological sensitivity much earlier and in a more acute manner than elsewhere. Hence political reactions can be expected to be taken (or are required) here earlier. Innovative actions which are elaborated also with the support of studies on the strategy for mountain areas contain core elements of pioneer characteristics which can be useful to other regions in Europe.

2. The LEADER Community Initiative in Austria

For the following case study presentation the LEADER EU-Community Initiative has a particular central role in enhancing local based activities. The LEADER programme, started in 1991, is the EU Community Initiative designed for the development of rural areas. Its approach looks for innovative strategies for development of selected rural areas. The core elements of the programme are the preference towards integrated regional development strategies against sector specific measures, the requirement to focus on the participation of local population and the intensive cooperation and networking of rural development activities.

Austria participated since its EU-accession in 1995 in the LEADER programme. The LEADER II programme has foreseen participation of 32 LAGs covering more than 400 municipalities and a population of about 765,000 inhabitants (10% of the Austrian population) in an area of 20,149 km². Almost all LEADER regions were situated within or adjacent to the mountain areas. The population density was just 38 inhabitants per km² which was far below the Austrian average of 96 inh./km². The programme disposed of a financial support of 43 Mio. Euro (up to 1999) of which 50% was paid by EU-funds and 25% by each the Federal state and the concerned Land. At least 24.0 Mio. Euro had to be invested additionally by private actors carrying out the respective development projects.

Austria made good experiences with the application of the LEADER programme in that first period. The positive results are reflected both already in the mid-term review (ÖROK 1999) and in the ex-post evaluation (Austrian Research Centers 2001). The positive assessment was also an important input to the great commitment for an enlargement of the LEADER approach for the current programme period. Following the EU-reform Agenda 2000 the framework for the Structural Funds has been changed for the new period 2000 - 2006. The Regulation (EC) 1260/1999 leaves the general objective of the LEADER+ initiative similar to its predecessor LEADER II, focusing on innovative rural development support. Financing regulations have been streamlined, and support for LEADER+ is now provided exclusively by EAGGF - Guidance Section as well as the required national financing by public and private funds. The main objectives are to encourage and support rural actors in thinking about the longer-term potential of their area and engaging in innovative activities which tend to have an experimental character.

The Commission approved the Austrian LEADER+ programme 2000-2006 in March 2001. This programme covers all the Austrian communes with less than 20,000 inhabitants. It aims to support integrated territorial rural development strategies of pilot nature and cooperation between rural areas, implemented by active partnerships, performing on a local scale. The financial framework of this programme are total costs of 161.5 Mio. Euro, including EU funding of 75.5 Mio. Euro.

There have been two calls for selecting LAGs (in summer 2001 and start of 2002) and the selection of the institution providing national networking services has taken place (in December 2001). Out of the two calls 56 LAGs have been selected which comprise a total area of 47,000 km² (56% of the total area of Austria) with a population of 2.175 Mio. Inhabitants (27% of the Austrian population). Comparing LEADER+ with LEADER II programmes reveals the considerable extension of groups across Austria and the higher financial resources for the current programme period (Bundesministerium für Land- und Forst, Umwelt und Wasserwirtschaft 2000 and 2001).

3. Almenland - Teichalm-Sommeralm (Austrian case study)

Introduction

This region lies in the Austrian mountain area and has a very high ratio of mountain farms with high or extreme farming difficulty. There are well-established regional product brands based on organic farming. The region has a long tradition in tourism, which is based above all on the sustainable farming of the cultural landscape. The general tendencies of the region depict the typical developments in many mountain regions: emigration, of the younger population above all, a high ratio of agriculture and deteriorating economic data.

It was selected primarily because in the "Teichalm-Sommeralm alpine pasture-land regional cooperation initiative", the local action group (LAG), it has a very active and innovative action group whose organisational structures, main players and successes are exemplary for innovative structures for sustainable development in the mountain area. The action group was set up in 1995 on the basis of the EU Leader II initiative and will be continued through Leader+ at least until 2006. This also ensures the long-term nature of the organisational structures.¹

¹The action group has an excellent homepage: <http://www.almenland.at/almenland/indexframeset.htm>. Its main office is: Almenlandbüro, A-8163 Fladnitz/Teichalm 100, Tel. +43 3179 23000-0, Fax +43 3179 23000-20, e-mail: info@almenland.at

Regional context

The Leader area is located in the administrative district of Weiz in the Federal Province of Styria. Most of its local authorities are situated in the northwest of the NUTS-III region Eastern Styria. This region includes different areas from alpine locations to the east Styrian hill country. The tourism that has been developing along the thermal spa line is primarily responsible for the relatively positive development which is a distinct sub-region, well away from the study area.

The Teichalm and Sommeralm area is in the north-east of the Graz mountain area, which is encircled in the west, north and east by the Styrian border mountains, foothills of the central Alps, and in the south runs into the west and east Styrian hill country and into the Graz plain. According to EU criteria all local authority areas in the Leader project are part of the mountain area (in the province of Styria the mountain area makes up 79 per cent of total land registry area; in Austria as a whole it is 70 per cent). The Teichalm-Sommeralm region is the

largest continuous alpine pasture area in Europe. This is a centuries-old cultural landscape that has arisen as a result of human economic activity, primarily alpine farming.

The area is easily accessible and can be reached from three different directions on well-metalled roads which were previously simple alpine tracks. The improvement of access, which was initially aimed at easing the alpine agriculture and forestry, led to a big upswing in tourism.

The alpine pastures, situated at an altitude between 1,200 and 1,500 metres, are largely private property, but there are also some agricultural cooperatives with relatively few members (5-10) as well as rented pastures and leased pastures (Steirische Bergland Marktgemeinschaft 2001). Grazing at pastures is only possible from May to October at most and pasture animals are used to spend day and night in the open.

Work in agriculture in the region is subject to great seasonal variation. Furthermore, many farms are operated by their owners on a part-time basis. Additional sources of income are traditionally trades and crafts. Producer-friendly services are extremely underrepresented in the whole region. Almost all local communities have a high ratio of commuters - on average this is 52 per cent - and a very negative migration balance. Summer tourism has a long tradition. However at the beginning of the 1990s there was a considerable reduction resulting from an inadequate tourist infrastructure. There have been marked increases only in day-tripping and excursion tourism. As a much-loved weekend destination for the nearby urban centre of Graz the region is suffering from an unwanted increase in traffic and heavy pressure on the environment. The traffic problem represents a particular challenge for the conservation of the alpine pasture region. The local authority budgets in the Leader region are burdened by high expenditure on a minimum provision of infrastructure caused by the widely dispersed settlement pattern.

Brief Description of the Region

The Teichalm-Sommeralm alpine pasture land (alpine area), which is the largest continuous alpine pasture area in Europe, is characterised by agriculture and forestry, and tourism (greenbelt recreational area for Graz). When the Leader II project started (1995) it faced falling overnight visitor numbers in tourism (on average 3 to 5 per cent per year), had a high commuting and migration rate, a small-scale agriculture (approx. 60% of farms had under 10 ha UAA) with predominantly part-time farmers (approx. 68%) and the area had poor transport access. Because of the absence of coordinated alpine farming, there was a danger of overgrowth by woodland; the region was an excursion destination for the surrounding area, but there was no value creation that would lead to a sustainable improvement of the situation.

Source: LAG Regionale Gemeinschaftsinitiative Almenland Teichalm-Sommeralm (2001)

A decreasing but still above-average proportion of the population is employed in agriculture. Apart from the two major municipalities Passail and Fladnitz an der Teichalm all local authorities have high agricultural ratios and hardly jobs outside agriculture.

In general, the local authorities also have a negative migration balance of -5.1% (1981-1991; e.g. Naintsch and Gasen between -10.1% and -12.0% respectively). Until now emigration has largely been balanced by the positive natural balance. This situation is also clearly shown by the age profile: Whereas the proportion of 0-20 year-olds (29.6%) is significantly above the figure for Styria as a whole (24.3%), the ratio of 30-60 year-olds (34.2%) is below the all-Styria figure of 37.9% (Amt der Steiermärkischen Landesregierung 1995).

The area has a long tourist tradition as a summer resort. Nevertheless, the overnight visitor level, above all in the winter season, is falling: in the mid-1980s the tourist districts were still recording 170,000 overnight stays; by 1992/93 this had fallen to below 140,000. The reasons for this are the uncertain snow situation in winter, the fall in long-term holiday-makers, and also the inadequate tourist infrastructure. In contrast to overnight tourism, day-tripping continues to prosper, which is causing ever-greater traffic and environmental pressure.

The population of the nine local authorities in the Leader region totalled 10,641 in 2001 and the land-registry area was 271 square km. The population density in the region was 40 inhabitants per square km. The Leader project started with eight local authorities with about 8,000 inhabitants (Arzberg, Fladnitz, Gasen, Haslau, Hohenau/Raabtal, Naintsch, Passail, St. Kathrein am Offenegg), very soon integrated an adjacent municipality (Breitenau) and was extended later on to cover three additional municipalities (Koglhof, Tyrnau and Tulwitz).

Table 1: Study area characteristics

| | Study area | District of Weiz |
|---|------------|------------------|
| Local authorities | 9 | 55 |
| Total area (sq. km) | 271 | 1,069 |
| Population 2001 | 10,641 | 86,133 |
| Population density (inh./sq.km) | 40 | 81 |
| Population change 1991-2001 (%) | -2.1 | 3.5 |
| Active population 1991 (%) | 44.3 | 43.6 |
| Ratio active population place of work/place of living (%) | 59.7 | 78.0 |
| Commuters out of district Weiz (% of active pop.) | 25.3 | 31.4 |
| Share of agriculture employment in total employment (place of living) | 18.5 | 14.8 |
| Share of agriculture employment (place of work) | 29.5 | 18.6 |

Source: Statistics Austria, own calculations

The most important economic sectors are tourism, agriculture and small businesses. All local authorities are defined as tourist areas and belong to a regional tourist association. The most important agricultural and forestry branches in the region are the dairy industry, meat production (above all quality and brand production with the emphasis on organic farming: Almo, Styria Beef, Weiz Lamb) and farmhouse holidays.

The LEADER region is all within the mountain area, where agriculture is predominantly forage growing and cattle raising. Only 35% of the agricultural and forestry enterprises are still operated on a full-time basis. 83.4% of the agricultural and forestry enterprises are mountain farms, of which the great majority (62.7%) are mountain farms with high or extreme degrees of farming difficulty. The special support for mountain farmers by direct payments is very important for this region. Likewise very important for agriculture are the direct payments from the agri-environmental programme ÖPUL, in particular the support for

organic farming, the payments for the mowing of areas on steep gradients and the alpine pasturing premiums.

Table 2: Farm land area

| | Area (ha) | % of total farm area |
|----------------------------------|-----------|----------------------|
| Utilised agricultural area (UAA) | 8,819 | 38.3 |
| of which permanent grassland | 8,418 | 95.5 |
| of UAAalpine pasture land | 1,711 | 19.4 |
| Forest | 13,530 | 58.8 |
| Other areas | 661 | 2.9 |
| Total farm land | 23,010 | 100.0 |

Source: Statistics Austria, own calculations

The number of tourist beds and overnight stays fell significantly between 1990 and 1995. Since then there have been differing developments according to local authority. Between 1995 and 1998, the trend towards falling overnight figures was reversed in the two biggest tourist districts (Fladnitz and St. Kathrein) in a positive direction, which continued since then. In the last years the small tourist region of Teichalm-Sommeralm had an upswing in overnight stays which is in the forefront of the eastern Styria major tourist region. In the estimation of the managers of the LEADER initiative, this increase was largely made possible by the committed involvement of all the LEADER project's groups and organisations.

Table 3: Tourism figures in the study area

| Tourism in study area 1) | 1990 | 1995 | 1990-1995 | 1998 | 1995-1998 | 2000 | 1998-2000 |
|--------------------------------------|---------|---------|-----------|---------|-----------|---------|-----------|
| Overnight stays | 154,761 | 125,780 | | 126,414 | | 130,787 | |
| Change in % p.a. | | | -4.1 | | +0.2 | | +1.7 |
| beds | 1,676 | 1,405 | | 1,398 | | 1,378 | |
| Change in % p.a. | | | -3.5 | | -0.2 | | -0.7 |
| Utilisation of beds(nights per year) | 92.3 | 89.5 | | 90.4 | | 94.9 | |
| Change in % p.a. | | | -0.6 | | +0.3 | | +2.5 |

1) local authorities reporting to tourism statistics (Fladnitz, St. Kathrein, Naintsch, Passail, Gasen)

Source: Statistics Austria, own calculations

In the context of the development of the "Teichalm-Sommeralm alpine pasture-land regional cooperation initiative", (LEADER II and LEADER+) a strengths and weaknesses analysis for the region was made, which gives the following picture.

| Strengths of the Region | Weaknesses of the Region |
|--|---|
| Good location due to proximity to the Graz, Weiz and Gleisdorf conurbations | Poor transport infrastructure, to some extent |
| High leisure and recreation value owing to an alpine pasture landscape maintained in typical regional style | Service provider mentality in the region is underdeveloped |
| High degree of processing in agricultural and forestry production | Emigration |
| Lively cultural life (e.g. farmers' theatre, regional song circle, regional dialect literature etc.) | Purchasing power per resident: 81; (Styria: Basis =100) |
| Committed and ambitious local- authority representatives | Limited alternative production possibilities in the mountain area |
| Good agriculture and forestry organisational structures (machinery and forestry cooperatives, etc.) | Too few modern, producer-friendly services |
| Well cared for walking tracks, facilities for summer and winter sports | Below-average quality accommodation |
| largest continuous alpine pasture area in Europe | Too little cooperation in business |
| Labelling of regional products (e.g. "Almo", "Almenland-Golf", "Almholz" etc.) | Inadequate education infrastructure |
| Excellent basis for products typical of the region in the spheres of wood, food, culture, agriculture and forestry, crafts and small businesses. | Low incomes |
| | Lag in technological development (exception: energy use) |

LEADER II Local Action Group (LAG)

Until the implementation of the LEADER II initiative the regional institutions had operated without mutual coordination. Only some cooperation projects between neighbouring communities had been realised. These rare examples contributed to the start of the concept for the project "Regional Initiative Almenland Teichalm-Sommeralm". In the following years it turned out that this was a sound basis for the new challenges arising in agriculture and business development.

The LAG Initiative was founded in February 1995 as the association responsible for the LEADER II programme on the basis of a study on the alpine pasture area development (Spörk 1995). The initiative started with seven municipalities of the area and soon the municipality Arzberg joined in; since April 2000 also the municipality Breitenau is member of the initiative.

In addition to the nine municipalities also a large number of regional institutions, like machinery and forest cooperatives, cooperation agencies, local farm products associations, tourism associations, and rural youth groups, are cooperating in the LEADER programme.

The main objective of the LEADER project was the enhancement of the alpine pasture region through networking of agriculture, forestry, catering and tourism, trade and local cultural activities. This should improve the economic situation of the farm, the touristic offer and the

innovativeness of the producing business branches. Moreover the local community should be strengthened and the cultural landscape preserved (Amt der Steiermärkischen Landesregierung 1999).

A number of specific objectives was oriented at the different economic sectors, including ecological and economic management of pastures and forests, innovative community projects, conception and development of package offers for several sectors, maintenance of the prerequisites for tourism, creation of marketing co-operations, safeguarding and improvement of the infrastructures, intra-regional marketing, utilisation of new technologies, including renewable energies.

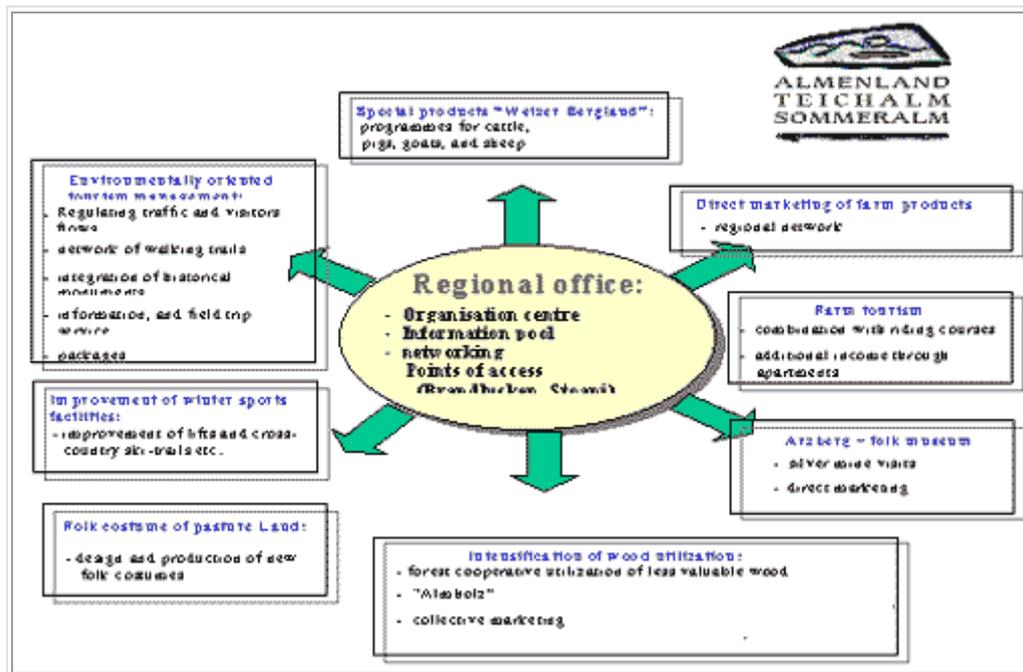
The wide spread partnership should provide participation and cooperation of the regional population. After one and a half year of conceptual and coordinative work a package of projects has been agreed upon. A consulting agency, the gfa-Gesellschaft Absatzförderung GmbH in Graz, was commissioned under the technical assistance of the LEADER II programme to deal with the administrative and organisational tasks of the programme. The involvement and commitment of this agency was central for the achievements of the LAG within the region.

Soon it turned out that such a demanding cooperative project could only be successful if efficient institutional structures are made available. Therefore the involved municipalities, economic associations and groups realised the establishment of the regional bureau "Almenlandbüro" in May 1999 which coordinates the work of project groups, institutions and involved municipalities. A full-time employed coordinator is responsible for the development and implementation of projects according to commonly defined objectives. The main priorities of the bureau are the support of the intensive cooperation between the various institutions of tourism, agriculture and forestry, the local information as well as the conception and execution of publicity for the development work. The bureau thus is a workshop for ideas for the future development of the region and the concentration and selective offer of regional products and services. In particular it is the central institution and discussion forum for the LAG. The particular achievement is that the relevant partners are working together closely in the bureau and the networking is institutionalised aiming at cooperation, exchange of experiences and common training for the sustainable development of the region.

For the realisation of the diverse projects there have been made available both EU-programmes and Austrian national and regional specific programmes. This combination of programmes was meant as starting aid for a long-term economic development of the region. The support schemes includes measures from the LEADER II programme, but also support from Objective 5b-and 5a programmes and regional support (STEFREI: Styrian support programme for regional aid, regional consulting and tourism support).

Since March 1995 a specific financing model has been agreed for the common financing of cooperative projects. This model is based on the amount of taxes paid per person in the municipalities and the number of overnight stays in the involved municipalities. The multitude of measures and actions is grouped in the following figure into main activities and the single projects are summarised afterwards with their core objectives and orientations.

Figure 2: Main projects of the LAG



Source: LAG Almenland Teichalm-Sommeralm 2001

Main projects under LEADER II-programme (1995-1999)

The list of LEADER II projects has been ordered according to the significance and key position of described projects (table 4). Moreover, an impressive additional use of the objective 5b-measures and other programmes measures has complemented financing of the activities within the case study area (table 5). Thus, synergies between the different projects could be used and have underlined the importance to provide a framework for collaboration of different activities and actors groups within (and beyond) the region:

Environmentally sound tourism management

The area Teichalm-Sommeralm is frequented by people looking for recreation particularly on weekends. Due to the peaks in recreation use uncontrolled parking of cars, "wild" camping and even disposal of waste is widespread and poses considerable problems at some areas. Various local planning concepts, a concept of steering flows of visitors, the creation and design of parking areas, specific additional installations for recreation purposes and the improvement of walking-paths was a first priority of measures.

Technical assistance for LEADER II Local Action Group

The local action group commissioned the consulting agency GfA in Graz with the preparation and execution of organisational and administrative tasks for the LEADER action group which had tasks of programming, steering organisational process, guidance for technical support and coordination, communication and preparations for strategic decisions.

Organisation centre (Almenlandbüro)

The regional bureau (Almenlandbüro) constituted the next step and a basic requirement for the cooperative and integrated regional development. Together with its participants the organisation functions both as "workshop for ideas" for the future development of the region as well as a place where products and services are offered for the whole community. Physically the organisational centre could use the former building of a local branch of the agricultural bank (RAIKA) which belongs to the municipality of Fladnitz. The central marketing of products and services of the LEADER local action group and the improvement

of information flows and the local image and identity lead to a considerable positive experience of actors and effectiveness of actions.

Special products "Weizer Bergland"

This core project was oriented at increasing the level of food processing at the regional level. The main characteristics comprise the common conceptualisation of production, slaughtering and marketing of special products, under the label "Weizer Bergland" and the control over the whole food processing and marketing chain through a quality line. This concept has been conceived and realised jointly by the participating local farmers and butchers. Later on some restaurants and farm produce outlets could be integrated into this collaborative project. The regional specified products comprise a range of particular quality meat products ("young" beef, lamb, pork and goat meat; organic meat) of local designation which is marketed through a commonly held marketing agency called "Weizer Bergland Spezialitäten Vertriebs GmbH".

Enlargement of sports and recreation park Passail

The building of a sports and recreation park of Passail, in particular, a golf course should attract additional visitors. This golf course was intended to be realised through the involvement of farmers and be accessible to wide parts of the local population.

Walking tracks on the pasture area

The improvement of walking tracks was an other important project of the regional strategy. Main projects consisted in setting-up of a walking track going around the pasture area, walking tour through a valley of mills and a tourist route as learning path along the bog at the Teichalm lake.

Folk costume of pasture land

Following old examples folk costumes of the pasture land are designed and produced under the new label "Almenland-Tracht". In the course of the project a group of women of the region has been educated in customised training courses on design development.

Local fences

Selected objects and cultural buildings which are part of guided tours have been renovated through the use of traditional local fences which show the form of regular stripes. Thereby an economic use of the available pole wood was achieved and contributed to the integration into cultural landscape features.

Installation of a visiting centre of the silver mine Arzberg

In the municipality Arzberg the visiting attractions of the silver mine and in the surroundings were improved, including the installation of a folk museum and a direct marketing selling facility.

Installation of a traditional farm house

In the village Brandlucken a regional typical farm house was re-built, in particular with the aim to signify the entrance to the whole pasture region. It also serves as central information point, farm museum, facility for local farming trade exhibition, outlet of direct marketing products and cultural events.

Cooperation for the utilisation of less valuable wood ("Almholz")

After a feasibility study a cooperative has been set up and started with targeted utilisation of less valuable wood. The meanwhile established enterprise (Almholz GmbH) at which 20 farm holdings are participating is processing the less valuable wood for specific products, like

wooden houses, farm buildings, garages, wood storage buildings, fences, bridges and towers, and garden furniture etc.

Wind energy use ("Almwind")

A cooperative of primarily farmers has cooperated in the installation for wind energy use at the location Plankogel, the highest altitude level in Europe for such an installation. This wind energy installation supplies about 350 households with electricity, which means approximately the whole municipality of St. Kathrein.

House of the music (STOANI)

In Gasen, a house of the music, called STOANI was opened in 1998 and acted since then as an attraction for 13,500 visitors within 3 - 5 month.

Cooperative Landscape development Almenland

A group of 22 farmers of the region founded in the year 2000 the cooperative Landscape Development Almenland which provide landscape maintenance services jointly by the cooperative at low costs. This enables the preservation of areas of high nature value and constitutes the prerequisite for tourist use of the region.

Marketing Almenland

The great variety of projects results in a number of products and services which have to be presented and communicated to potential customers. The marketing of the regional label ("Almenland") and the development of marketing cooperative activities will have therefore the prime priority in LEADER + programme.

Table 4: Main projects under LEADER II-programme (1995-1999)

| project | Total costs in Euro | Public funds in Euro |
|----------------------------------|---------------------|----------------------|
| Alpine pasture study | 34,883 | 31,395 |
| Infrastructure measures | 587,136 | 286,296 |
| Technical assistance | 99,126 | 89,213 |
| Organisation centre | 123,544 | 77,033 |
| Weizer Bergland special products | 875,853 | 409,559 |
| sports and recreation park | 1,412,760 | 635,742 |
| Walking track pasture area | 130,811 | 65,406 |
| Walking track water mills | 37,427 | 18,713 |
| Walking track moorland | 92,433 | 41,595 |
| Folk costume | 12,354 | 9,375 |
| Local fences | 36,336 | 16,351 |
| Silver mine Arzberg | 173,979 | 69,592 |
| traditional farm house | 502,315 | 175,810 |
| Almholz | 22,391 | 17,912 |

| | | |
|-----------------------------------|-----------|-----------|
| Wind energy use | 154,793 | 69,657 |
| House of music (Stoani) | 69,039 | 31,068 |
| Cooperative landscape development | 211,115 | 95,002 |
| Almenland Marketing | 109,736 | 45,566 |
| Leader II total | 4,686,030 | 2,185,284 |

Source: GEMEINSCHAFTSPROJEKT ALMENLAND TEICHALM-SOMMERALM 2001, own calculations

Regional support covered by other sources than LEADER

This case study area is an example where the combination of different support schemes could be used effectively, and synergies of the inter-linkages between programmes were aimed at deliberately. Support by other sources than LEADER was decisive for the first success of the initiative. As indicated and shown in table 5 both regional and national support is used. Regional support of the province Styria is provided through the programme STEFREI, a support scheme for bottom-up local initiatives, and tourism support, whereas the greatest funds are involved with objective 5b (and to a lesser extent 5a) measures.

The Objective 5b-programme covers measures like village renewal and community development, development of special farm products, support of forest cooperatives, riding facilities, sheep farmers cooperative, use of renewable energy etc.

Table 5: Regional support covered by other sources than LEADER

| project | Total costs in Euro | Public funds in Euro |
|-------------------------------|---------------------|----------------------|
| Tour of pleasure | 22,674 | 20,348 |
| Shopping centre | 20,603 | 20,603 |
| Stefrei total | 43,277 | 40,951 |
| | | |
| Signposting Almenland | 87,643 | 51,307 |
| Land Styria total | 87,643 | 51,307 |
| | | |
| Village renewal Gasen | 1,873,578 | 1,178,027 |
| special farm products | 272,073 | 104,392 |
| Forest cooperative | 827,162 | 631,600 |
| Village renewal St. Kathrein | 817,293 | 287,159 |
| Riding stable Tober | 644,099 | 224,922 |
| sheep farmers cooperative | 1,506,068 | 596,175 |
| Biomasse energy Passail | 6,467,882 | 3,233,941 |
| Biomasse energy St. Kathrein | 1,017,420 | 508,710 |
| Objective 5b-programme | 13,425,576 | 6,764,925 |
| | | |
| Objective 5a - measure 1 | 524,642 | 198,053 |

| | | |
|-----------------------------|-------------------|------------------|
| Objective 5a - measure 2 | 97,618 | 34,787 |
| Objective 5a total | 622,259 | 232,840 |
| <i>Other Measures total</i> | <i>14,178,755</i> | <i>7,090,023</i> |

Source: GEMEINSCHAFTSPROJEKT ALMENLAND TEICHALM-SOMMERALM 2001, own calculations

Evaluation of the results of the LEADER region

In the framework of Leader II inter-sectoral cooperation and cooperation across local-authority areas has started in the following sectors: above all in agriculture and forestry (e.g. the alpine timber working and processing cooperative, sheep farmers, Weiz special mountain products), in business (tourism - thematic focus, like riding tourism, cooperation of hotels and restaurants; textiles - alpine costumes) and the energy sector (various district-heating plants - cooperation between agriculture and forestry and regional energy suppliers). The new cooperation between mountain farming and an ecological and socially adapted tourism are becoming the cornerstones for the maintenance of regional employment and the creation of job opportunities. New services for residents and visitors are intended to strengthen the region's economy and contribute to the further development of tourism.

The LAG's integrated, area-related approach is primarily based on the fact that with the start of Leader II the representatives and local players of all relevant sectors, branches, organisations and institutions in the Teichalm-Sommeralm region for the first time jointly worked out a development strategy aimed at sustainable, inter-sectoral regional development. Primarily, some very active, innovative people in the region were decisive for this success. But also the professional advice in dealing with the administrative and organisational tasks and the foundation of the regional bureau was important to the result.

The overall estimation has shown that 45 new full-time and 105 part-time jobs have been created through LEADER II projects. In all, the activities have guaranteed 1,600 jobs in agriculture, forestry and business in the region. The positive development is also reflected in tourism figures which have risen again since 1998.

The interim evaluation report of the Leader II programme in Austria concluded that a high level of objective-orientation and the endeavour to achieve a comprehensive implementation of the guiding strategies in the sense of an innovative and integrated regional development can be observed in the project (ÖROK 1999, p. 121f.). A pronounced inter-sectoral approach is applied and the activities were also considered to be exemplary on a nationwide comparison and a model for programme implementation of Leader II. Synergies with the Objective 5b programme at the project level were also regarded as significant (ÖROK 1999 and Österreichisches Forschungszentrum Seibersdorf 1998). Projects requiring larger funding are supplemented by support through the Objective 5b programme which is also desirable with regard to coherence of regional strategies.

Also the ex-post evaluation report assesses the Teichalm-Sommeralm Leader II initiative as being highly successful. It is noted that this result is also connected with the initiative of a few key players. The joint strategy development, the identification of the local population with the development aims, and the innovative solutions are particularly highlighted (Austrian Research Centers 2001).

LEADER+ period (2000-2006)

Although the activities under LEADER II turned out to provide important inputs to the

regional development, it became clear that a longer period than 5 years would allow a longer-term commitment. This is essential to increase networking of actors and institutions in the region and to establish lasting local and regional economic cycles. One has to take account that such a development perspective requires a considerable change in the identity and reasoning of local people which can only be achieved alongside a comprehensive development process. The development of the core element, the human development, is the catalyst in regional development.

The development plan for the region of April 2001 can be seen as the coordinated regional strategy which has evolved out of LEADER II. It aims to develop appropriate projects which contribute to improve the position of the region as a prosperous economic region, based on its specific conditions and historic cultural foundations, and also to enlarge marketing of regional products within and beyond the region.

This programme has been conceived according to a bottom-up approach by all relevant actors, institutions, groups and associations of the region under the guidance of the already earlier established regional LEADER office. It was important that institutions from outside the region substantially supported the conceptual process and contributed to it. Institutions involved comprise partners at the regional level, the EU regional management for the greater area of Eastern Styria, the regional development concept at the district level Weiz, and at the provincial level the Styrian authorities for regional planning.

| Factors enhancing regional dynamics(Opportunities) | Impediments for regional dynamics(Threats) |
|---|---|
| <ul style="list-style-type: none"> · High recreation value of the region · golf course project and wellness packages for tourist offer all over the year · Improvement of regional tourist infrastructure started · Farm tourism (with field trips to quality meat producers and processing) · Established cooperation pilot actions in tourism, catering and agriculture (e.g. restaurants Almenlandwirte) · High level of organic farming · Utilisation of renewable energy sources · Committed young people, involved in regional development activities · Advanced level of organisation and institutional structures (regional office) · Experiences in regional cooperation and positive assessment of project cooperation between communes. · Improved regional identity and commitment of local population · Well-organised agricultural and forest structures (machinery cooperatives, forest cooperatives etc.) | <ul style="list-style-type: none"> · Low economic performance (Gross domestic product) · Negative commuting balance · Lack of modern producer linked services · Low level of cooperation in business sector · Still too unclear positioning of the region · Small-scaled structures in agriculture and business sector · Low quality of accommodation facilities · Low income level of employed persons · Few qualified jobs |

Key priorities and projects of LEADER+

With regard to LEADER II additional municipalities (Koglhof, Tyrnau and Tulwitz) and new partners have joined the LAG. Moreover the further extension of the area to the adjacent municipality Schrems/Frohnleiten is under discussion.

The enlargement of the LEADER area responds to the assessment at various evaluation stages to achieve substantial critical mass within the LAG. The 12 municipalities now have an area of 277 km² with a population of 13,082 (1999). In the course of the discussion of the development strategy for the region the priorities were set according to the LEADER guideline, to enhance "the local value of the products, in particular while facilitating by collective steps" and to use the "new know-how and new technologies to make more competitive goods and services of the territories".

The key regional projects have been conceived around six regional cycle systems. They reflect the regional priorities that have been developed jointly by the LAG. The main orientation of the cycles is:

The alpine pasture "energy" cycle: to harmonise the environment and energy production.

The alpine pasture "product and service development" cycle: to use inter-sectoral cooperation to develop new products and services that reflect the particularities of the region, its identity and distinctiveness.

The alpine pasture "culinary" cycle: to develop a special product range for the retail trade and catering as contribution in the wellness sphere and to the positioning as a health region.

The alpine pasture "regional identity" cycle: to network the extensive regional cultural activities in order to develop a coordinated cultural programme as well as to anchor regional cultural identity precisely among the younger population.

"Alpine tourism in the annual cycle": to provide an appropriate resource profile through theme-related and infrastructure projects.

The alpine pasture "positioning, marketing and cooperation" cycle: to establish the "Almenland" [alpine-pasture land] brand in the region and to make it recognised outside.

Table 6: Total costs of the key regional projects

| Regional cycle | Total costs in 1,000 Euro | Private costs in 1,000 Euro |
|-------------------------------------|---------------------------|-----------------------------|
| Energy | 1,220.9 | 555.2 |
| Product and service development | 4,280.4 | 1.896.8 |
| Culinary | 1,173.7 | 408.4 |
| Regional identity | 806.7 | 374.3 |
| Alpine tourism in the annual cycle | 6,373.4 | 2.805.2 |
| Positioning, marketing, cooperation | 2,892.4 | 1.308.1 |
| total | 16,747.5 | 7.348.0 |

Source: LAG Almenland Teichalm-Sommeralm 2001

Target set by LEADER+ initiative:

Quantitative (by 2006):

- Conservation of the alpine area with the existing (and further to be developed) qualities (e.g. protection from afforestation, local fences etc.)
- No population decline
- Increase in value-creation in the region (increase in turnover)
- The number of visitors to rise by 15%
- The creation of 80 to 100 new jobs in the region
- Increase in the number of companies working in inter-sectoral cooperation by 50%

- continuation of the regional "ideas workshop" beyond 2006
- The realisation of a regional marketing system (logo, homepage, resource packages, uniform labelling system to fixed marketing cooperation/partners)
- Additional company start-ups (foundation of five new companies)

Qualitative criteria:

- Enlargement of regional decision-making and negotiating support with a high level of regional competence.
- Motivated people with a high level of regional innovative awareness (regional identity).
- A professional project management (systematic planning, implementation and control)
- Long-term impact (sustainable impact): short-term results are important for the progress of the development work, but the highest priority for the Leader group is sustainable, endogenous development in the region (to be assessed for individual projects up to overall priorities).

Decision-making processes and institutional framework

The LAG is an association which has been established at the start of the LEADER II period. Besides its economic targets it also contributed substantially to increase regional commitment and identity which were prerequisites for the public acceptance of the development work and its starting economic success. Personal, strategic and financial decisions are taken by the board of the association jointly. Although formally this happens in meetings of the board, the comprehensive discussion with the involved actors of the region before those meeting is the most important part in reaching agreement on the decisions and steering of the future actions. Decisions taken can afterwards be applied and implemented by the LEADER management and the various partners for the single projects.

The LAG management consists of 3 persons, the LEADER coordinator (1 person month), the chairman of the association (0.3 person month) and the secretary (1 person month). The achievements realised over the relatively short period of activities is due to the experience of many groups who agreed on engaging in an effort of cooperation between their different tasks and thus contributed to advance the development of a common language and views on regional problems and perspectives. There is a particular role in this process for those persons who enhanced the discussion and kept momentum to the idea of achieving better economic performance through an increase in their cooperative efforts. The still rather young development experience of this kind in the region remains highly dependent on the role of core actors and their ability to stand back and not impose their views and experiences on other local actors.

4. Conclusions

The study area Almenland Teichalm-Sommeralm has been selected as an example of a "new" development process in Austria which mainly got its impetus through the possibilities made visible by Structural Funds support schemes. It thus relates to the programmes and pilot actions which have been started in Austria more than a decade earlier than this. By focusing on an on-going development process we also intend to seize information on the difficulties of setting-up the right regional institutional framework, its relation to other administrative levels and the experiences of inter-institutional cooperation which are particularly reach and inspiring at the conceptual and start phase of development work. However, when looking at a second programme period one has to deal with the issue of keeping momentum to regional

development initiatives and spreading ideas to a larger part of the local population. In a number of aspects the experience of the LAG of the study area is relevant for rural areas in Austria's mountain regions.

- the regional initiative starts from the notion of the inter-relationship of local sectors and builds a particular strong linkage between agriculture, forestry and tourism.
- It tries not to be defensive and not to remain just on the core linkages but reaches out to activities linking up to other sectors, like business, enterprise cooperation and energy use.
- Rural amenities are not any more understood primarily as factors providing difficulties to mountain farming but can be seen as opportunities for linking nature conservation aspects with consumer-driven answers to tourism and business development.
- The comprehensive work on a common strategy and improvement of place-specific commitment of local actors is of prime relevance in the starting phase of the development process.
- A milestone for the further development of a LAG and cooperation in a region might be a central regional office, where project groups, organisations and the participating local authorities work together.
- Networking of actors, and the moderation of the process of exchange of views by an external consultant can contribute to avoid institutional (and personal) conflicts and hindrances to the development process.
- A re-launch of development activities is often only taken when there are increasing problems and difficulties apparent or there is an external impetus which exposes "trodden paths" of regional activity to new and divergent ideas and approaches.
- In this regard it is essential to concentrate development ideas at a central notion, best captured in a term (like *Almenland*) which signifies local identity and perspectives for the development objectives.
- The high level of participating groups allows to deepen development aspects within the region and to envisage a larger geographical area as target area. In particular, the discussion on the relationship of the region to areas outside the region and an increased understanding of the inter-relation in economic and social terms will be essential for the future success of the initiative. Hence, inter-regional exchange starts to be the new focus for regional initiatives with experience in co-operations work at the intra-regional level.

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