

LEADER Case study Vorarlberg (Austria)

“Nature and Life in Bregenzerwald” – LEADER II

Bregenzerwald is a region in the federal province “Vorarlberg” of the Western part of Austria. It consists of 24 communities with about 30.000 inhabitants. All villages are situated in the mountain area between 600 and 1500 meter sea level. The economy of Bregenzerwald is based on agriculture, trade and tourism. The agricultural enterprises are predominantly small scaled and specialise in cattle, dairy farming and production of cheese. Alpine farming is one of the specific features of the area and a traditional way of farming is central for the preservation of the uniqueness of the natural and cultural landscape. In 1995 with Austria’s EU entry the prices for cheese fell significantly and caused serious harm to the long-standing tradition of cheese production.

Another focal issue of the local economy is tourism, with 16.000 beds and 1.7 million overnight stays. It is an important additional income source for many farmers and creates alternative job offers particularly for the most peripheral communities in the region. The most important asset for a flourishing tourism is again the landscape’s natural beauty and the culinary specialities of the region. But the local labour market situation is not balanced, about half of the employees have to commute to the central valley of the federal province (Rheintal).

Local Action Group – the development strategy

Bregenzerwald has a long tradition of cooperation of communities, including the farm population and handicraft industry. In 1970 the “Regional Planning Society Bregenzerwald” (Regionalplanungsgesellschaft Bregenzerwald – REGIO) was founded by the mayors of the region’s 24 communities as super-municipal authority. The main aim was to encourage the cooperation between the communities and to improve quality of life in the whole region. Decreasing real incomes of the farmers, a consequence of increasing international competition in the meat sector, and consumer preferences to purchase the majority of their foodstuffs from outside the region threatened many farmers’ economic survival. In the 1990ies farmers, restaurant owners, butchers, alpine dairies and younger representatives of the tourism sector started a discussion process to improve the cooperation between the branches and to tackle the problem of marketing in the region. In 1992 these actors established the initiative “Nature and Life Bregenzerwald” (Natur und Leben Bregenzerwald) coordinated by the Regional Planning Society Bregenzerwald. With Austria’s EU entry in 1995 the LAG “Nature and Life Bregenzerwald” was established as the official continuation of the former initiative and was accepted in the LEADER II programme. The LAG integrates representatives of “Regional Planning Society Bregenzerwald”, the regional tourism association, the initiative “Nature and Life Bregenzerwald” and representatives of agriculture, trade and service sector as well as representatives of the federal province. In 1997 the “Regional Development Bregenzerwald plc.” was founded as 100 per cent subsidiary of the Regional Planning Society Bregenzerwald. The “Regional Development Bregenzerwald plc.” is responsible for management and coordination of EU development programmes, e.g. to initiate and administrate projects and to act as contact point and link between the region, the federal province and the federal government.

The main target of the LAG “Nature and Life Bregenzerwald” was to create an “integrated eco-social living and experience space”¹. The maintainance of the beautiful living space and surroundings of the region was threatened by an unfavourable economic and agricultural development. Therefore it seemed essential to find new and positive perspectives for income and employment for the villages and the farm families covering the attractions of the region.

The strategy of the LAG was threefold:

- to develop the regional economy in a more ecological way,
- to intensify the cooperation between agriculture and tourism, and
- to coordinate marketing activities of the whole region².

The strategic lead project was the “Cheese Route Bregenzerwald”, a project to combine the different sectors within an integrated market concept and to increase the profile as an outstanding region for cheese production.

“Cheese Route Bregenzerwald”: Good practice in territorial rural development

The pilot project “Cheese 1” (1997-1998) conducted within the LEADER II programme, was the starting point of a holistic and integrated marketing concept, the “Cheese Route Bregenzerwald”. Total costs of the project were about € 150,000. A symbiosis with agriculture, tourism, trade and commerce was targeted in order to establish a brand name for the whole region. The ultimate aim was to emphasise the uniqueness of the region’s products and to increase the region’s value added by about one third (from 4.3 million Euro to 5.8 million Euro)³ and thereby to assure the livelihood of the rural population, reduce the quantity of commuters and help to create new jobs in tourism and trade. 191 members from the fields of agriculture tourism, alpine dairies, alps, accommodation sector and trade and commerce formed the largest sales consortium in a rural region in Europe⁴. The society established an office where all the ideas to be implemented in the project were brought together and that worked as a service point for its members. Operatively responsible was the “Regional Development Bregenzerwald plc”.

The main target of the project “Cheese 1” was to transfer the vision of the “Cheese Route” into a sound package of practical tasks. Therefore it was necessary to define specific measures, to evaluate their feasibility and to prepare and plan the implementation.

After longsome negotiations, meetings and seminars had taken place the contributing occupational groups in the region agreed on three first intermediate results:

- To work together on the implementation and divide costs among the stakeholders
- To agree on guidelines for all branches (how) to describe and visualize the region’s characteristics
- To arrange contracts with all participating enterprises and to establish the association “Cheese Route Bregenzerwald” with collective budget.

¹ www.municipia.at/fallstudien/sp6/o_Name/f0000015.html

² www.leader-austria.at/hpold/lags/bregenzerw.htm

³ Gindl, M. et al. (2001): Good Practice Partnership for Sustainable (Urban) Tourism. “Cheese Route Bregenzerwald”, Vorarlberg, Austria.

⁴ www.kaesestrassen.at/kaese/igesch.htm

Diverse work packages were worked out concerning different occupational groups and fields of action with the aim to clarify, define and evaluate relevant measures from different points of view. Some of them were: clarification of the offer of cheese producers; initiation of cheese hosteleries; implementation of the programme in grocery stores, bakeries and butcher shops; signposting of the cheese routes; clarify demands of tourism and touristic units; preparation of the association “Cheese Route Bregenzerwald”; qualification programme for occupational groups.

These working groups produced a whole set of results, a limited selection see below:

- Creation of a database of peasant specialities
- Expansion of the range of types of cheese (from primarily 5 types to about 30 types)
- Development of guidelines for alpine dairies, cheese hosteleries, etc.
- Sensibilisation of the population (including more than 20 lectures in the region)
- International excursions into the region with guests from more than 30 regions
- Draft for a statute of the society and organisational structure
- Preparation of proposals for the required follow-up projects (cheese hostelry, signposts, etc.)

Good policy performance

The “Cheese Route Bregenzerwald” is an example of good practice in the LEADER programme. Right from the beginning (or even before the project was started) the importance of co-operation has been emphasised by representatives of different sectors (agriculture and tourism) and therefore the preconditions for the project can be assessed as extraordinary good. Within the LEADER process strategies were developed and implemented to improve the regional economic situation particularly with regard to family farmers (increase of regional GDP and reduction of outmigration). Specific requirements and needs of the region have been discussed in numerous meetings of (key) actors and also in lectures with inhabitants of the region and were considered in the concept appropriately.

While the regional planning society in 1970 was established by political representatives, the initiative “Nature and Life Bregenzerwald” and the corresponding LAG was already a joined project with private groups from the tourism and agriculture industries, that were committed to improve their own livelihood. The strong personal interweavement between the diverse organisations contributed to the high degree of stability and willingness to co-operate. Thus, although the public sector held the overall responsibility and was the source for the initiative of the projects, the private sector came up with essential ideas and, as they work for their own livelihood, also bore a significant share of the implementation costs.

There was also a strong commitment between the members of the co-operation towards further developments of the “Cheese Routes”. The pilot project induced the realisation of a remarkable number of related projects, which positively influenced and supported each other, like the collective investments in facilities for the preparation and presentation of cheese and in innovative products (e.g. the projects “Käsezwickel”, “Käseträger”, “Käse&Design”). The project shows how an integrated and well designed initiative can mobilise a whole region and furthermore generate a noticeable number of related co-operations.

Main factors contributing to “good performance” of the measure:

Sustainable tourism

- Holistic concept and multiple beneficiaries

Participatory governance

- Long tradition of citizen's action
- Definition of specific targets by actors themselves
- Sufficient time for personal dialogues and motivation
- Improvement of personal (economic) existence
- Professional organisation capabilities of leading institution

Innovative multi-stakeholder partnerships

- Contractual arrangements with all participating enterprises
- Division of implementation costs among partners
- Personal inter-linkage between involved organisations
- Common guidelines for all partners and monitoring and assessment of implementation
- Declared intention to continue working together

Integrated marketing concept

- Establishment of a new high quality brand "Bregenzwald" with regional *and* supraregional sale of products
- High input into information activities, including information towards regional inhabitants via regular journal "Wälder Spektrum"
- Successful public relations in Austria and abroad

(Gindl (2001) and own interpretation)

Regional impacts

Today the region has the best-maintained structure of alpine dairies in Austria. In 20 alpine dairies hard cheese is made of milk 100 per cent free of silo processing. Out of the regional 1400 farm holdings 1100 produce 4.500 tons of cheese with an average stock of 9 cows⁵.

Social development

The long tradition of co-operation could be maintained and even strengthened through the large number of participants and different professional backgrounds in the project. Contacts between different branches could be intensified and comprehensive multi-sector networks were built. The former less structured initiative could be bundled and was oriented towards a more stable organisation, which is still in charge of the cooperation activities. The building of an association "Cheese Route Bregenzwald" also enabled the participants to take part in the decision making process of the project and that again led to more co-operation and an empowerment of the region.

The awareness of the regional population that they are living in a unique and beautiful region was enhanced by a considerable number of newspaper articles (about 300). In addition more than ten hours of documentaries reported the region's natural and cultural uniqueness while the regular regional journal "Wälderpost" informed the population about intentions, status quo and success of the LEADER projects. The participation of the region Bregenzwald in the Expo 2000 in Hannover promoted the „Cheese Route Bregenzwald“ and made it known to a wider and international audience. All in all, the overall presentation and acceptance of the Cheese Route Bregenzwald was highly positive and it can be assumed that regional identity of participants and the whole regional population was considerably strengthened.

⁵ www.kaesestrasse.at/kaese/igesch.htm

Economic development

The economic consequences of the project are highly favourable. The regional economic performance could be improved as well as the livelihood of the participants. The leader of the Regional Development Bregenzerwald plc. Franz Rüb assumes that the value added increased even more than expected by 9,2 million Euro per year which means that about 160 -200 additional jobs were created. Following aspects contribute significantly to this process:

- Stabilization / Increase of prices of cheese
- Increase in sales of cheese by 5 %
- Increasing demand for regional products (“Bregenzerwälder Mountain Cheese”)
- Enhancement of direct marketing (Direktvermarktung) by 20 %
- Increased number of daily tourist (at least 20 %)
- Stabilization or even increase of overnight stays (4 % in 2002)

Environmental development

The landscape of Bregenzerwald is formed by centuries of dairy farming (already the Celts and Romans used the alpine pastures for stock farming and started with the production of cheese). The region is still characterized by dairy farming and alpine dairies which concentrate their production on hard cheese without silo processing. (In the EU only about 3 % of the whole milk production is 100 per cent free of silo.) The traditional agricultural exploitation of the landscape is not only without risks but a precondition for the cultural landscape quality. Without the regional adapted dairy farming, which includes the use of alpine pastures, the conservation of the cultural landscape would not be possible. This specific landscape is at the same time an attraction for tourists and quality tourism, and the basis of regional identity of the inhabitants. Bregenzerwald is currently applying for the admission as UNESCO world heritage region (within the activities of the LEADER+ programme).

“Natural and Cultural Heritage Vorarlberg” – LEADER+

With regard to the LEADER II region “Nature and Life Bregenzerwald” the LEADER+ region comprises a much larger part of the federal province Vorarlberg. Four valleys (Montafon, Klostertal, Großes Walsertal, Bregenzerwald) represented through the regional planning associations and four municipalities adjoining the valleys are part of the Local Action Group (LAG) “Natural and Cultural Heritage Vorarlberg”. The LEADER area contains almost completely the objective 2 area, which again consists of the older objective-5b area in Vorarlberg as a whole. As a result it is aimed to put high efforts to create synergies between LEADER and objective 2.

Map 1: Province of Vorarlberg and the LAG “Natural and Cultural Heritage Vorarlberg”

**Federal province of Vorarlberg
and the LAG
„Natural and Cultural Heritage
Vorarlberg“**



The almost completely mountainous area has a high portion of alps and particularly the south of the LEADER+ area is characterized through high alpine regions. Since 1974 the agricultural utilized area was reduced by 14 %, with alpine pastures and alpine meadows of high nature value, particularly often threatened by abandonment. However, the importance of the 560 alpine pastures is still high, more than one third of the cows, sheep and goats spend summer period up there. Through geological variety and climate differences in neighbouring areas there is a given natural diversity of landscapes especially in the mountain areas where the traditional agricultural exploitation predominate. However, pressure on land use increases particularly through damming, agricultural intensification, abandonment of less productive dry meadows and the increase of tourists. All these factors lead to slow landscape changes and frequently a decline of species.

The LAG consists of 51 communities with about 70.000 inhabitants (1998) and is one of the largest LAGs in Austria. It almost overlaps with the NUTS III region Bludenz-Bregenzerwald. The population of the LEADER area remained about the same (growth rate of 0,82 % from 1996-2000) with a density of 41 inhabitants per km² (rest of Vorarlberg: 330 inhabitants per km²), though commuting and also outmigration are important difficulties for regional development. Particularly commuting causes a lot of traffic, which is quite a negative aspect considering the sustainable tourism activities of the region. The lack of business areas and infrastructure in the region is a further obstacle to the economic development of industrial settlements the creation of local jobs. Another weakness of the region is the low rate of female employees caused by the lack of (tailor-made) professional qualification for women in the area of handicraft, social services, tourist services and services in the field of transfer of knowledge. Against these unfavourable developments the main potential of the region are the intact and authentic natural and cultural landscapes which are the background for flourishing touristic activities. The main strengths, weaknesses and potentials can be summarized as follows:

Main Strengths of the region	Main Weaknesses	Chances / potentials
High regional identity	High commuting rate and out-migration of highly qualified persons	Economic use of cultural landscapes
Intact cultural and natural landscapes, world heritage regions	Low employment opportunities for women	Internal and external trade cooperation
Water resources	Lack of business areas and infrastructure	Development of regional quality brands
Wood and knowledge in woodworking		Intensification of cooperation in tourism

Source: Regional Development Plan, 2001

Development of strategies

The overall strategy of the area has been developed in a bottom up process. After the successful LEADER II period in Bregenzerwald it seemed promising for the regional authority to extend the cooperation to other mountain valleys with similar situation (Montafon, Klostertal, Großwalsertal). Key actors of the regional planning associations and two councillors started a discussion forum in October 2000. Local and regional actors and organisations in the areas of agriculture and forestry, trade, tourism, culture and education, energy use and water management discussed in about 30 workshops and events strengths, weaknesses, opportunities, and potentials of their region. As a result the overall strategy has been summarized in the “Regional Development Plan” and the development association of the LEADER+ area Vorarlberg “Natural and Cultural Heritage Vorarlberg” was founded. The “Regional Development Plan” (RDP) is coherent with the concept of regional development of the regional authority of Vorarlberg and the objective 2 programme for rural areas.

Main aims of the regional development:

- to build up respect and awareness for the immediate surroundings

- to enhance value added by extending the sustainable use of the natural and cultural resources for better (qualitative and quantitative) employment
- to strengthen the regional image as an area with small scaled high quality enterprises
- to promote cooperation

The strategy of the LAG Vorarlberg is based on the priority theme of the LEADER guidelines IV: “Valorisation of the natural and cultural potentials”, which is designed to develop a more competitive position for the whole region.

Though the LAG Vorarlberg and its four valleys share the main aims and strategies in the joint regional development plan the territorial framework of the valleys differ in a topographic, cultural and organisational sense. To cover these different approaches and interests the LAG implemented a two level strategy: the **valley based level** and the **integrated core project or core theme level**.

The valley based strategy focuses on valley specific prerequisites and aims following a respective valley strategy, while the the integrated core projects concentrate the efforts on seven topics. These main topics refer to the whole LAG area, only the participation of the valleys differ considerably. The Bregenzerwald for example participates strongly in the integrated core project “encounter with timber” but invites also the other valleys to participate in various projects, whereas in Montafon the project concentrates on the core theme water. Raising awareness of the importance of the quality and purity of water as well as water as a renewable energy are relevant issues of the valley’s strategy.

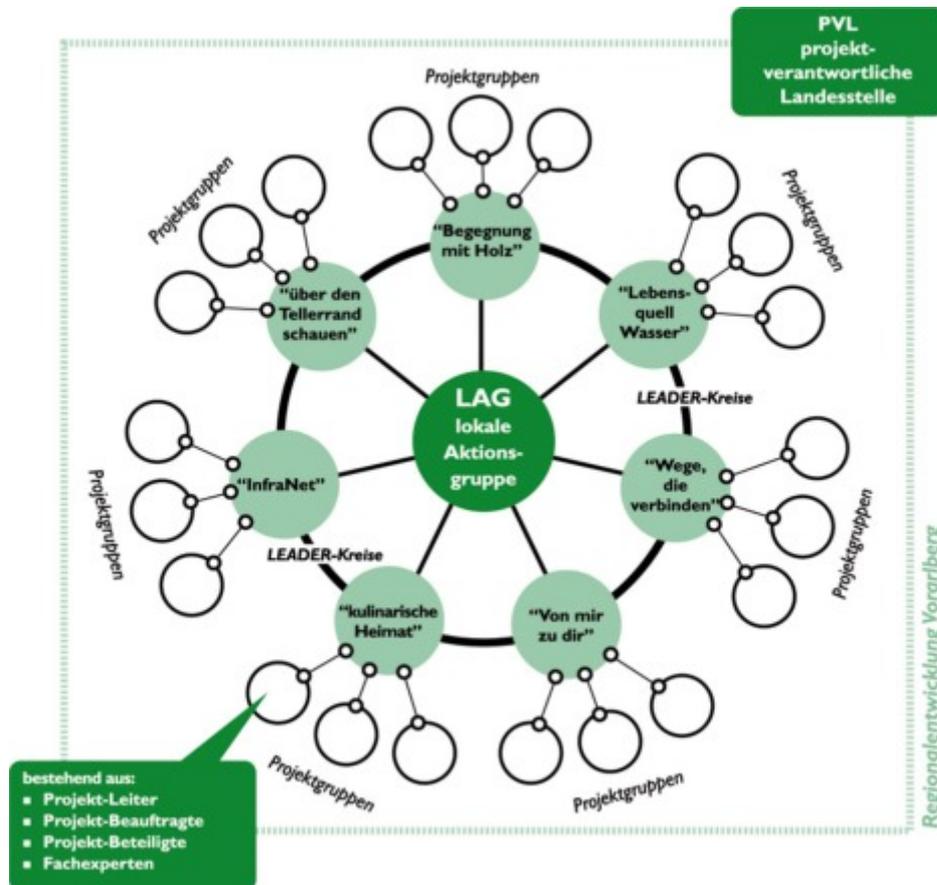
Main topics of the LAG Vorarlberg:

Valley based strategies	Integrated core projects or core themes
Montafon: - to acquire an additional profile on the market with the topic: “water as a source for economy and quality of life” - to upgrade summer tourism	“Begegnung mit Holz / Encounter with Wood” (trade, cultural landscape), mainly Bregenzerwald “Lebensquelle Wasser / Water - Source of Living” (regional standing), mainly Montafon
Klostertal: - to strengthen attractiveness by revitalizing cultural assets (roads, construction of railroad) - tourism and quality of housing	“Wege, die verbinden / Connecting Roads“ (regional uniqueness), mainly Klostertal
Großwalsertal: - to intensify the activities of the biosphere park - to strengthen regional identity and profile in the market, tourism	“Von mir zu dir / From Me to You” (communication projects) „Kulinarische Heimat / Culinary Home“ (regional products)
Bregenzerwald: - to prepare the application for the world cultural heritage region (UNESCO) - to enhance the economic strength of woodworking	“Infranet” (networks of infrastructure) “Über den Tellerrand schauen / to look beyond...” (inter-regional cooperation)

Source: BMLFUW 2003

Prerequisite of the success of this two level approach is a well functioning regional cooperation and the joint management of the LAG. Main challenge of the LAG is to bring together the different frameworks of the valley as well as the so far modest contribution of regional funds. The following diagramm shows the ideal interrelation of projects and regional management .

Diagram 1: Processing of the core projects



source: www.leader-vlbg.at, Feb.2004

Until November 2003 68 project ideas were formulated, of which 43 were applied and/or granted, 8 already completed and 17 projects were “put on the back burner”. They can all be assigned to one of the core projects or core themes. This structure should at the same time avoid fragmentation and guarantee that the projects fit in the broader aims of the LAG.

Table 1: Total costs of the core projects in 1,000 €(Nov. 2003):

Core projects	Public funds	Private costs	Total costs	RDP (Planned costs)
Encounter with Wood	385	351	736	1,283
Water-Source of living	508	449	957	1,086

Connecting Roads	295	225	519	691
From Me to You	223	132	356	395
Culinary Home	293	299	592	247
Infranet	193	152	345	197
To look over...	98	26	124	148
LAG-management	467	253	720	740
sum	2,461	1,888	4,349	4,935

Source: Regional Development Plan, 2001; own calculation

Impact of LEADER+

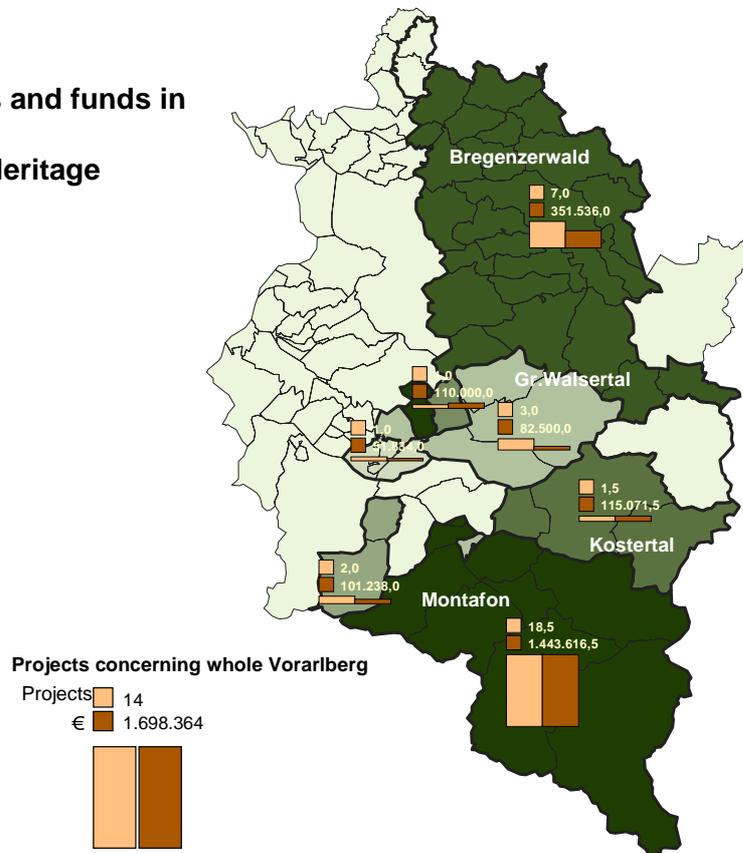
Primary aim of the LAG Vorarlberg is to develop a more competitive position for the region. This aim is pursued in a multi-dimensional manner and although competitiveness is in the centre the ways to gain better economic performance are variable and can be comprised within the four main aims of the regional development plan (see above): through strengthening regional identity, the regional image, and cooperation in the widest sense (between local and regional actors, between different sectors, etc.) along with sustainable use of natural and cultural assets. The awareness of still having a mostly intact cultural and natural surrounding and the wish to keep that for the next generations offer a good chance for a more favourable social, economic and environmental development of the region.

One project with direct regional value added positively mentioned in the “Mid Term Evaluation LEADER+ Austria” is dealing with the building up of a timber brand for regional woodworking businesses. The newly founded organisation should act as joint procurement and marketing organisation for 15 woodworking businesses in the valley Großwalsertal. The use of regional woods and ecological processing is the distinguishing feature of the products and act as a counterbalance to the increasing import of monoculture-wood. Another example of a core project located in the valley of Montafon is concerned with the development of methods and actions how to raise awareness of the importance of water. Target groups are especially children and young people which should be sensitized for the respectful use of water.

Map 2 shows the regional distribution of the projects in the sub-regions of the LAG which is still based on the temporary list of projects. Out of 51 projects for which applications were put in until November 2003, 14 projects spread over the whole area of the federal province of Vorarlberg with a main activity in strengthening the regional competence in wood processing and fostering a better marketing of regional products lines. Another large part of projects is carried out in Montafon (19 projects including one project cooperating with Klosters) with so far 34 percent of the money spent. Their main activities concentrate on the issue of “water resources”, an issue that already created some attention in the region (Vorum, 2003). Through the valley based strategy of the LAG the regional planning associations of the valleys play a crucial role in carrying out the projects. Most of the valley based projects are organised by associations within the specific territory making sure that the local interests and challenges are highly considered and thus, a balanced regional distribution of projects could be achieved.

Map 2: Distribution of projects and funds in the LAG “Natural and Cultural Heritage Vorarlberg”

Distribution of projects and funds in the LAG „Natural and Cultural Heritage Vorarlberg“



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