

Austria

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1. TEMPERATE FORESTRY IN AUSTRIA

1.1 Forest cover, type and tenure

Forest cover in Austria may once have been as high as 75%, but by the beginning of the 19th century it had been reduced to around 30%, primarily due to pressure for agricultural land. Active reforestation measures since then have ensured that Austria is now one of the most densely forested countries in Europe with 46% (3,878,000 ha) of its land area classified as forest and an additional 2,000 ha being afforested each year (BMLF, 1995a).

About 77% of the country's forests consist of conifers (primarily spruce), which make up the natural vegetation in the mountainous alpine regions, but were also introduced for economic reasons in some of the lowland areas. These plains and foothills are otherwise dominated by broadleaves, the proportion of which has been increasing due to forest policy changes in the 1970s (BMLF, 1995a).

Fully one-third (1.3 million ha) of Austria's forests serve a protective function. Though this does not exclude timber production, protection against natural hazards such as soil erosion and avalanches is given management priority in these often steep and ecologically marginal areas. Some 80% of Austria's forests is in private hands. 213,000 individuals own forests of less than 200 ha, accounting for nearly half of all forests, with another third being managed by major forest enterprises (BMLF, 1995b). The 16% owned by the Republic of Austria is managed by Austrian Federal Forests, an organisation structured like a private enterprise (Siegel, n.d.).

1.2 Forest institutions

The forest has been under legal protection since medieval times when rules provided for the conservation of the forest to secure raw material supplies (charcoal) for mining, saltworks and metalworks. The Imperial Forest Law of 1852 further emphasised the need to preserve the protective function and ecological benefits of the forest. The Austrian Forest Law (adopted in 1975 and amended in 1987) underlines the shift from perceiving forests as a source of raw material to seeing them as an irreplaceable component of the environment. Thus it stipulates that forest exploitation must always be followed by reforestation, and permanent clearing is only permitted in exceptional cases. Clearfelling of areas over 0.5 ha requires special permission and is completely forbidden for areas over 2 ha. Leisure access to forests is guaranteed for all, although certain activities (such as berry-picking) are limited to prevent overexploitation (BMLF, 1995b).

The Federal Ministry of Agriculture and Forestry (*Bundesministerium für Land- und Forstwirtschaft*, BMLF) is responsible for formulating forest policy and legislation as well as coordination of forestry activities at the national level. Compliance with forest legislation is monitored by a three-tier Forest Authority (Siegel, n.d.). All owners of more than 1 ha of forest are obliged to be members of provincial agricultural chambers which provide advice and promote their members' interests (BMLF, 1995a). A number of

voluntary associations also represent the interests of smaller farm foresters. Subsidies and credits are provided to encourage improved forest management (BMLF, 1995b).

Austria has a particularly well-developed land-use planning system in which a key role is played by the Torrent and Avalanche Control Service established over 100 years ago (BMLF, 1995b). Based within the BMLF and of special importance in such a mountainous country, this service is responsible for carrying out country-wide hazard mapping and implementing the necessary protective measures ranging from reforestation at high altitudes to construction of physical barriers. Both hazard maps and data from the 5-yearly national forest inventory contribute to the Forest Development Plan. First drawn up in 1991 and due to be renewed every 10 years, this Plan provides a framework for political decisions concerning forests at national and provincial level, and is also increasingly used for general land-use and transport planning (BMLF, 1995b).

1.3 Role of forestry in the Austrian economy

Austria is an important net exporter of forest products, and export income per capita is the third highest in Europe after Finland and Sweden (Kuusela, 1994). For the majority of small forest owners, however, forestry is a supplementary and usually off-season activity. Only 33% of forest enterprises constitute a primary source of income (BMLF, 1995a). Overall the forestry sector employs around 8,500 people and accounts for 0.6% of GNP (BMLF, 1995a).

Perhaps more important than its contribution to the economy is the forest's importance as an integral element of the country's cultural landscape. With the majority of the population living in small towns and rural communities, there is a vivid interest in all matters relating to agriculture and forestry (Siegel, 1995). Thus there is widespread concern among both the public and forestry professionals about evidence of forest damage. In 1994 40% of trees were found to have suffered some level of canopy defoliation and nearly 8% were classified as moderately or severely defoliated according to internationally agreed standards. This is thought to be due to a combination of air pollution and acid soils which makes trees more susceptible to pests and diseases and less resistant to climatic stress. Large populations of game and the cattle-grazing, which still takes place in 10% of forests, have also taken their toll on natural regeneration. In addition to these factors are the problems that arise from overuse of the forests by people themselves, particularly in the form of leisure pursuits such as skiing and mountain-biking which can have a damaging impact on ecologically fragile areas (BMLF, 1995b).

2. HISTORY OF INVOLVEMENT IN TROPICAL FORESTRY

Austria's entry to the United Nations in 1955 marked the beginning of a more international orientation. This was a clear break with the tradition of both the early

continental Austro-Hungarian Empire and Austria's subsequent incarnation as a small Central European state, both of which were primarily concerned with internal and European politics (Pilz, 1996; Ederer, n.d.). Austria therefore had none of the active overseas relationships developed by the European colonial powers and also by the Scandinavian countries, nor any history of involvement in tropical forestry on which to base its new programme of development assistance (Ederer, n.d.).

3. STRUCTURE OF AID DELIVERY

3.1 The Department of Development Co-operation

The administration of Austrian aid is dispersed over many Ministries (Figure 1). The Department of Development Co-operation (DDC), which is formally charged with overall coordination of the aid policy of the government, has itself shifted location several times. Originally located in the Foreign Ministry, it was then moved to the Chancellor's office (*Bundeskanzleramt*, BKA) in 1991, only to be re-integrated into the Foreign Ministry in 1995 (BMaA, 1995). In practice, however, the DDC has control over only 10–16% of the aid budget including bilateral aid, contributions to the United Nations Development Programme and a few small United Nations agencies, and part of Austria's scholarship programme (DAC, 1996). The DDC is also responsible for promoting public information about development issues within Austria, which it achieves both through its own information service and through collaboration with a number of NGOs (Pilz, 1996).

The largest part of Austria's official development assistance (oda) (34–44%) is administered by the Finance Ministry which is responsible for contributions to international financial institutions, debt relief and concessional official export credits. The Interior Ministry administers aid for refugees within Austria, the Ministry of Science and Research deals with part of the scholarship programme, and the Ministry of Agriculture manages food aid, contributions to FAO, etc. (DAC, 1996).

In spite of recommendations by the OECD's Development Assistance Committee (DAC, 1996) that staffing levels be increased, the DDC has had to 'downsize' in recent years. All its sector specialists, including the environment adviser, have been 'contracted out' to universities, consultancies and NGOs, and a similar system is being considered for country or regional specialists. Concentration of aid on a smaller number of priority focal countries (see section 4.1.2) has been accompanied by the setting up of regional offices in each of the countries to play a greater role in the development of country, regional and sector programmes (BMaA, 1995). In some cases regional offices are staffed by DDC or embassy personnel while, in others, staff are provided by NGOs in a unique approach in which NGO staff are given the status of consultants to the Ministry (DAC, 1996).

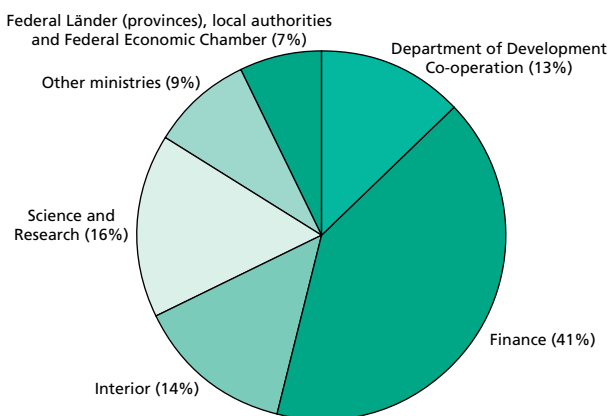
3.2 Bilateral co-operation and NGOs

Austria does not use an official agency to implement its bilateral programme, which accounted for only 12.6% of total oda in 1995 (equivalent to Sch 1 billion) (Pilz, 1996). Instead, the DDC relies on numerous voluntary agencies, private or nationalised companies, consultancies, international organisations, etc., with a total of 74 different implementing agencies being involved in 1994 (Figure 2).

NGOs are considered to be particularly good at reaching the poorest sectors of populations even in countries in which it is not possible to collaborate directly with governments. They also play a very important role in educating the Austrian public about conditions in developing countries and increasing their support for development co-operation activities (Pilz, 1996). Thus in some of Austria's priority countries (e.g. Senegal, Kenya) support is exclusively given to projects co-financed with NGOs. In others like Bhutan, on the other hand, the low level of engagement of Austrian NGOs has meant that all projects are implemented through consultancies (BMaA, 1995). In general, consultancies play a more important role in implementing projects for which specific technical know-how is required (Pilz, 1996).

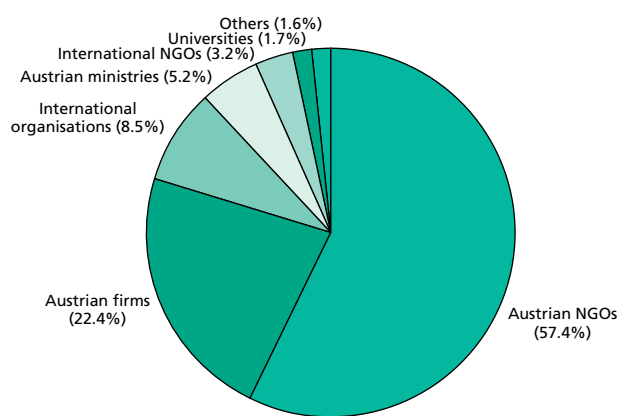
Many Austrian NGOs have very few funds of their own and rely heavily on government co-financing of

Figure 1: Share of individual ministries in Austrian oda: average 1993/94



(Source: DAC, 1996)

Figure 2: Implementation of DDC-administered project and programme aid, 1994



(Source: DAC, 1996)

their projects (DAC, 1996). To be eligible for co-financing, projects must be in line with the government's three-year programme of development co-operation (see section 4.1) and:

- address the basic needs of the poorest people;
- aim to increase the capacity for self-help of target groups;
- involve target groups in the planning and implementation of activities;
- have clearly defined objectives which can be realised within a specified time period.

The level of co-financing can be up to 75% of project costs for projects in one of Austria's priority countries (see section 4.1.2) and up to 35% for those in other countries, with a maximum Ministry contribution of Sch 1 m. per year per project. Decisions about co-financing are taken twice a year by a Programme Committee within the Foreign Ministry (BMaA, n.d. a).

Collaboration with NGOs requires a continuous process of in-depth dialogue to achieve a compromise between the NGOs' desire to take their decisions in an independent manner, and the Ministry's responsibility for implementing an overall development policy (Pilz, 1996). This tension is particularly evident in the government's wish to concentrate projects in particular countries and sectors while the reality is that NGO projects tend to be small and widely dispersed around the world (BMaA, 1995).

The government contributes about 70% to the cost of sending out volunteers through the Austrian Development Service. In 1994 140 volunteers were working in nine countries, principally Uganda, Zimbabwe, Ecuador, Nicaragua and Papua New Guinea. Key sectors for volunteers are technology, handicrafts, trade and health (BKA, 1994).

3.3 Multilateral co-operation

Austria's entry into the European Union in 1995 reversed a trend of declining multilateral co-operation (DAC, 1996). Austria's contribution to the EU development budget was Sch 850 m. in 1995 and, from 1998, additional contributions of about Sch 4.5 billion over a period of five years will be required for the European Development Fund. Rather than seeing this as an opportunity to reduce its own bilateral development aid, Austria sees EU assistance as being complementary to its own. In particular it recognises that a good quality bilateral assistance programme will ensure that it has a stronger voice in determining the EU's development policies (Pilz, 1996).

Austria makes relatively small contributions to the various United Nations organisations with the exception of the United Nations Industrial Development Organisation, which is located in Vienna (BMaA, 1996).

4. TROPICAL FORESTRY DEVELOPMENT POLICIES

4.1 General development co-operation policies

The law governing development aid dates from 1974 and, in spite of several attempts, has not yet been

updated (DAC, 1996). Development co-operation is considered to be an integral component of Austria's foreign policy and, far from being neutral, is expected to contribute to the promotion of peace and good governance, and a reduction in discrimination (Pilz, 1996). The country's aid policy orientations are outlined in the rolling 'Three Year Programme of Austrian Development Aid' which is updated every year. However, the three-year programme primarily covers the activities for which the DDC is responsible and which account, on average, for less than 15% of total oda. Any policy initiative taken by the DDC to improve the quality or orientation of aid can, therefore, be outweighed by activities in other parts of the programme. There is no development strategy covering all aid activities (DAC, 1996).

4.1.1 Volume of funding

Public support for development co-operation is very high. It is, however, characterised by a misconception that Austria spends much more on development co-operation than it actually does (Pilz, 1996). In 1994 Austria spent Sch 7.5 billion on oda, equivalent to 0.33% of its GNP, compared to only Sch 3.7 billion in 1989 (BMaA, n.d. b). As a percentage of GNP, Austria's aid has fluctuated in recent years (Figure 3). This is primarily due to the fact that most of the funds are outside of the DDC's control and can vary greatly from year to year. These include expenditure for refugees within Austria, imputed students' costs (i.e. the estimated costs of waiving Austrian tuition fees for students from developing countries) and concessional official export credits¹, which together account for almost half the aid programme (55% in 1994). The DAC has criticised the reporting of these costs as oda, as the developmental significance of the costs is not always clear and the benefits are not focused on Austria's priority countries or sectors (DAC, 1996).

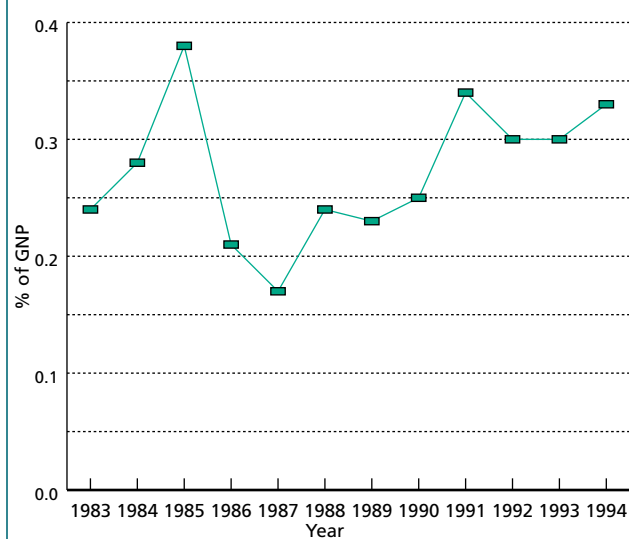
The DDC's own small resources consist, to about two-thirds, of firm budget appropriations and, to one-third, of a supplementary budget which may take a long time to negotiate and, in 1995, was only released in the last quarter, leading to uncertainties and delays in providing funding to NGOs. The fact that government budgets can only be committed for one year at a time can be a major headache for NGOs trying to plan for the financial needs of longer-term projects (DAC, 1996).

Austria's volume of development aid should be seen within the context of its generous support to the countries in transition to a market economy in Eastern and Central Europe. In 1993 this amounted to 0.22% of GNP, the highest proportion within the OECD (BMaA, 1995). It is also keen to promote debt relief at the international level and announced debt cancellations of Sch 1 billion in 1995 (BMaA, 1996).

Since 1993 all bilateral technical aid has been in the form of grants rather than loans (Pilz, 1996). However,

1. This scheme provides subsidised export credits to developing countries. The credits are initiated by Austrian exporters with requests being assessed by an interministerial committee including a representative of the DDC who may abstain from approving if it considers that the credit is not sufficiently development-oriented (DAC, 1996).

Figure 3: Austrian oda disbursements as a percentage of GNP, 1983–94



(Source: DAC, 1996)

the major part of Austrian aid is tied. Concessional export credits, imputed students' costs and aid for refugees are for obvious reasons tied. In addition, the major part of DDC-administered aid is also tied as it is implemented by Austrian NGOs, firms and consultancy bureaux (DAC, 1996).

4.1.2 Regional focus

Austrian aid used to consist of a widely dispersed series of individual projects that were chosen based on personal contacts and political considerations (Pilz, 1996). Some countries have always had a large Austrian presence, such as Nicaragua, which saw a wide range of activities implemented by solidarity groups, churches and NGOs supported by the huge wave of public sympathy engendered by the collapse of the Somosa dictatorship (Pilz, 1996). Other countries, however, had just one or two projects depending on the interests of the implementing NGOs.

Given the size of its aid programme, the administration has now recognised that a meaningful contribution can be achieved only if activities are concentrated geographically and sectorally (DAC, 1996). There is therefore an ongoing shift towards a recipient country approach with efforts being concentrated in five key regions in which a total of 8 priority or focus countries (in italics below) and 11 'co-operation' countries have been selected.

Central America	<i>Nicaragua</i> , Costa Rica, El Salvador and Guatemala;
Sahel region	<i>Burkina Faso</i> , <i>Cape Verde</i> and Senegal;
East Africa	<i>Ethiopia</i> , <i>Rwanda</i> ² , <i>Uganda</i> , Burundi, Kenya and Tanzania;
Southern Africa	<i>Mozambique</i> , Namibia and Zimbabwe;
Himalaya/Hindukush	<i>Bhutan</i> , Nepal and Pakistan.

2. Rwanda was originally considered a priority country but all aid other than relief was suspended in 1994 (BMaA, 1995).

To be selected for co-operation, countries must fulfil a number of criteria:

- suffer from poverty
- be located in one of the five key regions
- be the subject of longer-term Austrian development co-operation experience
- have safety conditions and logistic infrastructure conducive to successful collaboration
- have local structures or institutions capable of implementing projects (BMaA, 1995; DAC, 1996).

Additional criteria apply for 'priority' countries:

- development of a comprehensive co-operation programme based on a detailed sectoral analysis
- extensive Austrian co-operation experience in several sectors
- evident efforts by the national government to protect human rights, support democratisation and promote a careful use of natural resources
- regular development policy dialogue supported by appropriate local structures
- high degree of compatibility between the recipient country and Austrian development policy (BMaA, 1995; DAC, 1996).

It was hoped that by the end of 1997 a country programme would have been developed for each of the priority countries, as well as for some of the other 11 co-operation countries. These will be developed in discussion with partner governments, NGOs, technical experts from North and South and other donors and will provide the general guidelines for development co-operation between Austria and the partner country (Pilz, 1996). Increasingly, country programmes will be drawn up and coordinated by the regional offices, which are also responsible for the preparation, implementation and supervision of individual projects (DAC, 1996). Country programmes are complemented by three-year indicative co-operation programmes, country-specific sectoral programmes to guide the thematic content of particular activities, and annual programmes of activities (BMaA, 1996).

In budgetary terms the intention is to work towards achieving annual aid budgets of Sch 40–80 m. for priority countries and around Sch 20 m. for co-operation countries within the 1996–9 period (BMaA, 1996). After current projects have been concluded the only projects to be funded in non-priority countries will be those funded through co-financing mechanisms with NGOs and other organisations (BMaA, 1996).

The trend towards concentration has already had a marked impact, with the proportion of bilateral aid being spent on the key regions and countries increasing from only 24% in 1991 to 61% in 1994 (BMaA, 1995), and expected to rise to 70% by 1999 (BMaA, 1996). Given the limited proportion of aid funds at the disposal of the DDC, however, its own concentration of funds on a small number of countries will have little impact on the general spread of Austrian aid, which remains very wide (DAC, 1996).

4.1.3 Sectoral distribution

The three-year programme of Austrian development co-operation states that 'Austria's development policies aim to promote sustainable economic growth which

directly reduces poverty, satisfies the basic needs of a growing population, builds viable political economies and establishes the capacity for fruitful participation in the world economy' (Pilz, 1996). Within these global aims Austria particularly provides support in those areas in which it has a comparative advantage, long-standing experience and the right implementing agencies (DAC, 1996). These include vocational training, primary health care, water supply, promotion of democracy, transport, energy, rural development, forestry, mining, promotion of small enterprises, and tourism (Pilz, 1996). For most of these sectors, policy papers already exist or are being prepared (BMAA, 1996). Gender-balanced development is considered an important cross-cutting theme (Pilz, 1996).

For each of the key regions and priority countries, sectors of particular interest have been highlighted. In the longer term it is planned to concentrate the thematic spread of projects to four sectors in priority countries and two in co-operation countries (BMAA, 1996). Forestry is not considered a priority sector for any of the regions but is deemed important in Bhutan and Pakistan. In other countries forestry activities are included as components of projects in other sectors (e.g. rural development in Burkina Faso, agricultural production in Nicaragua) (BMAA, 1995).

4.2 Co-operation in the tropical forestry sector

Austria has no stated policy on aid in the tropical forestry sector. Until 1992 the volume of funding devoted specifically to forestry-related projects was fairly small, standing at about Sch 6.7 m. in both 1991 and 1992, equivalent to 0.1% of total oda or 0.15% of bilateral aid (BKA, n.d.). This was suddenly increased ten-fold when, at the United Nations Conference on Environment and Development (UNCED) in 1992, the Austrian Government announced a three-year (1993–5) special programme of Sch 200 m. (US\$ 18 m.) to support rain forest conservation in developing countries (Pilz, 1996).

The Rain Forest Initiative (see section 5) was in part the product of growing public concern within Austria about the state of tropical forests. In 1990 this had already resulted in the Austrian Parliament passing a resolution aimed at prohibiting the import of tropical timber from countries that did not demonstrate sustainable forest management. Austrian importers agreed voluntarily not to bring in such timber, but due to the critical reactions of some producer countries a new law was adopted in 1993 establishing a voluntary quality mark for timber from sustainably managed tropical, temperate and boreal forests (DAC, 1996). An Advisory Board chaired by the Federal Ministry for the Environment and including representatives of governmental organisations, of the timber industry, environmental NGOs and social and economic partnership organisations has been appointed to set up the labelling scheme.

4.2.1 Multilateral forestry co-operation

The Austrian Ministry of Agriculture and Forestry has provided support to FAO's Tropical Forest Action Programme. It also provides funds to the Consultative

Group on International Agricultural Research (Sch 16.5 m. in 1996), within which Austria attaches particular importance to the Centre for International Forestry Research and the International Centre for Research in Agroforestry (BMAA, 1996). The BMLF supports both the International Union of Forestry Research Organisations, of which it is one of the three founding members, and its Special Programme for Developing Countries for which it provides a secretariat located in the Viennese Federal Forest Research Institute. The BMLF further contributes to forestry aid by making its staff available for postings in development projects.

In close collaboration with FAO, Austrian forestry training centres have organised courses for foresters from developing countries with a special focus on forest technology, benefiting in particular from Austria's own experience of ecologically sound harvesting methods in steep terrain. Training has also been provided in the technical and biological stabilisation of soil erosion and the prevention of avalanches in mountainous areas, as well as in the hazard mapping as carried out by the Austrian Service for Torrent and Avalanche Control.

Austria made a relatively high contribution of Sch 400 m. to the pilot phase (1991–3) of the Global Environmental Facility (DAC, 1996). For the 1994–7 period its contribution amounted to 1% of the total US\$ 2 billion committed (BMAA, 1996).

5. THEMATIC AND REGIONAL DISTRIBUTION OF FORESTRY PROJECTS

When the Rain Forest Initiative was announced by the Chancellor in 1992, Austria had relatively little experience in the field of tropical forestry projects and it was not immediately clear how this additional sum of money would be spent. On the initiative of the DDC environment adviser, an intensive round of informal discussions was launched involving everybody in Austria interested in tropical forests. This process resulted in the definition of a number of positive and negative criteria for selecting suitable projects to be funded within the Rain Forest Initiative.

Overall, selection was influenced by a concern about global ecological and political stability and a recognition that conservation of tropical forests depends on the improvement of key socio-economic conditions in the respective countries. An underlying principle for the allocation of funds was the unconditional respect for indigenous people living in the forest area, based on the belief that preservation of indigenous living space and traditional rights can be an important factor in achieving successful forest conservation. About one-third of the budget was, therefore, dedicated to activities concerned with indigenous peoples such as land demarcation, assistance with legal rights, non-timber forest products, rehabilitation of traditional agroforestry and support to small community-based forest enterprises. The remainder of the funds was used to support sustainable land and forest use by non-indigenous local populations, with special care taken to avoid projects that might cause friction between indigenous and non-indigenous local people (BMAA, 1995).

Another selection criterion was the decision to support forestry activities carried out by local people rather than large companies – including activities ranging from subsistence-level activities to profit-oriented family or community enterprises. Support was also given to sustainable agriculture in forest buffer zones, ecotourism development in forest areas, small-scale village rehabilitation of degraded areas and small-scale sustainable timber extraction by local people (BMAA, 1995). Large-scale industrial logging projects were ruled out as the available budget seemed insufficient to tackle this question successfully. Nevertheless, in order to acknowledge the importance of this area, funding was provided for the timber certification work of the Forest Stewardship Council (FSC) (Weingärtner, DDC environment adviser, pers. comm., 1996).

With respect to implementation it was decided that the public and political desire for Austrian ‘ownership’ of projects was such that multilateral activities had to be excluded. Instead, all projects were implemented by NGOs because (i) it was partly due to NGO pressure that the special forest initiative had been announced, and (ii) because only NGOs had the necessary connections to implement activities within the short time-frame available after the announcement. The selected projects also had to be of limited duration, with preference given to those that triggered sustainable activities, bridged funding gaps, or demonstrated results that would attract longer-term funders (Weingärtner, pers. comm., 1996). A total of 36 projects were eventually funded, of which the majority have now been completed. Taking into account that most projects tackled several related areas, their distribution by principal themes is shown in Figure 4.

The geographic distribution was widespread, with the 36 projects dispersed in 15 countries. The great majority (22) were in Latin America with 11 in Brazil alone. Eight were in Africa, five in Asia and one (support to the FSC) was global in nature. As hardly any of the projects were in Austria’s priority countries, very few have been followed up since completion. Outside of the rain forest initiative there are relatively few dealing exclusively with forestry. Two projects dating from before the UNCED conference are, however, still ongoing, one in Bhutan (see Box 2) and one in

Nicaragua dealing with forest and buffer zone development on the Rio San Juan near San Carlos.

6. RESEARCH AND TRAINING

The Austrian forestry establishment is well aware of the challenging demands of sustainable forest management. The importance of good vocational and technical forestry training is, therefore, widely recognised. Thus, for example, all forest enterprises over 500 ha in size are obliged to employ a state certified forester. These foresters will have undergone either a five-year course of study at a Forestry College (in Bruck/Mur or Gainfarn) followed by two years of in-service training, or a five-year academic degree at the Agricultural University in Vienna with three years of subsequent in-service training. A one-year course of vocational training for ‘forest wardens’ is provided by the Forestry School in Waidhofen/Ybbs (BMLF, 1995b). In addition, a comprehensive range of training opportunities is provided by both federal and state training centres for small farmers and forest workers to help them improve various aspects of their forest management (BMLF, 1995a).

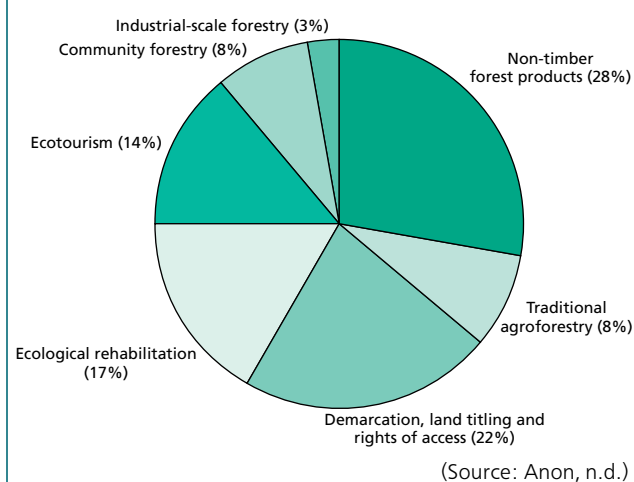
Most domestic forest research is carried out at the Federal Forest Research Institute and the Faculty of Forestry at the Viennese Agricultural University. Current research priorities concern the condition of the forests, focusing on the effects of air pollution and methods of improving the forest’s vitality and ecological stability (BMLF, 1995a). Other research projects aim to provide the scientific basis for the development of community-based systems to compensate forest operators for performing those loss-making tasks considered to be essential for ensuring the long-term maintenance of the public utility function of the forest. Tropical forest research is carried out at a number of institutes, with the national node for the European Tropical Forest Research Network being located at the Agricultural University in Vienna.

7. PROJECT CYCLE MANAGEMENT

Austria does not yet have an agreed standard for project cycle management. Many of the NGOs responsible for implementation have not been used to applying planning instruments such as project cycle management or logical frameworks. Evaluations of NGO programmes are also rare and are mostly initiated by the evaluation unit of the DDC (DAC, 1996). In the past no clear distinction has been made between the implementation of official and NGO projects. Although the majority of projects are proposed by NGOs to the DDC for co-financing, in a few cases the DDC prepares its own projects and asks suitable NGOs to implement them. There are, however, no clear guidelines as to how the DDC should select the specific implementation agency nor how it should choose between different NGO proposals (DAC, 1996). In both NGO- and DDC-initiated projects the actual implementation phases are very similar.

With regional offices now in place in all of Austria’s priority countries, much of the project cycle management is expected to be decentralised in the next few years (BMAA, 1996). Most projects are now required to have an environmental impact assessment (Pilz, 1996).

Figure 4: Thematic distribution of Rain Forest Initiative projects



Similarly, there is an attempt to assess all projects with respect to their impact on and importance for women (BMAA, 1995).

8. REVIEWS AND PROJECT PROFILES

The Division for Evaluation, Inspection and Control of projects was established in the DDC in 1989. Lack of staff and resources means that this division mainly fulfils the task of an audit bureau rather than evaluating development instruments or projects/programmes. It is also only responsible for those activities carried out by the DDC. There has, therefore, been no evaluation of concessional export credits, multilateral aid or aid to refugees in Austria. Most evaluations to date have been project-related, although efforts are under way to evaluate country programmes and institutions (DAC, 1996).

Evaluations aim to assess projects and programmes in relation to their relevance, effectiveness, efficiency, impact and sustainability. An annual programme of evaluations is planned according to the following criteria:

- to evaluate and support strategic work of the DDC, particularly concerning programme development, decentralisation and contracting out;

Box 1 Brazil: diversifying incomes for indigenous people

Typical of the indigenous focus of Austria's Rain Forest Initiative is its support to the Indian Research Centre in São Paulo. The Centre works directly with Indian communities, providing advice and experience, and carrying out publicity work to inform the Brazilian and international public about Indian issues. One example of such a project is the Centre's work with the Ashaninka community on the Rio Armônia who are looking for new ways to safeguard their livelihoods. In the past many Ashaninka worked for commercial timber companies – often an unhappy experience. Now that their rights to their territory have been legally secured they are trying to make a living from agriculture but this has proved difficult, owing to the distance from the nearest markets. Instead, they are beginning to achieve some success in marketing traditional necklaces made from local seeds.

Another new opportunity for earning an income lies in the collection of plants for the extraction of essential oils for industry. 52 plants have currently been tested, of which five are already used commercially. The project is a complex one involving the scientific training of Indian colleagues at the Universities of Campinas and São Paulo, and collection of plants (particularly those with oil-rich seeds) in the Ashaninka villages, which requires not only the development of specialist collection techniques but also methods of storage and conservation. And this is only the beginning; the difficult phase of processing and marketing is still to come and will require continued dialogue to ensure the support of all members of the community.

(Pilz, 1996)

- to promote the development of uniform quality standards;
- to gradually evaluate all essential aspects of Austrian development co-operation from sectors to regions, and type and phasing of activities;
- to give more emphasis to evaluations of programmes and cross-cutting themes (BMAA, 1996).

Although there has as yet been no formal evaluation of the projects funded under Austria's Rain Forest Initiative, several lessons have been learned from this interesting experience (Weingärtner, pers. comm., 1996). Generally speaking, the projects dealing with indigenous people seem to have been successful, with several areas of land being demarcated and indigenous people being helped to gain access to more solid legal rights. The many projects concerned with non-timber forest products, on the other hand, did not live up to the hopes of the implementing NGOs. In part this was because existing markets for such products were already fully exploited and new markets difficult to create, and also because for many people agriculture was the preferred source of livelihood. An important lesson learned from the two ecotourism projects was that successful ecotourism requires a relatively long build-up of socio-cultural activities to avoid corruption and ensure community-wide ownership.

Overall the Rain Forest Initiative has re-emphasised

Box 2 Bhutan: sustainable forestry in steep terrain

The dense fir forests of Bhutan's Himalayan region are the site of an Austrian-supported project which has for several years now been investigating the possibility of achieving sustainable timber exploitation. The project is a collaboration between the Government of Bhutan, experts from the Agricultural University in Vienna, an Austrian consulting company and an Austrian NGO. Located at an altitude of 3,500 to 4,000m, the forest belongs to the state but local communities can exercise certain traditional rights such as collecting fuel or construction materials and grazing their yaks. The forest's undergrowth of rhododendrons and bamboo also provides an important environment for a number of rare animals such as the red panda and the tiger.

The project area covers 10,000 ha and two villages. Early work has concentrated on training local staff in ecologically friendly road-building techniques, and researching methods of sustainable use of the apparent wealth of timber in the area, both subjects which benefit from Austria's domestic experience of implementing forest management in steep, mountainous environments. Research is being undertaken to combat the soil fungus with which even young trees have been found to be infected, causing damage to the roots and spoiling the timber. Further research has shown that regeneration is light-dependent and can be successfully achieved by creating small canopy clearings rather than planting. Certain areas and corridors have been identified as protection forest to secure the habitats of wild animals. The next project phase will determine whether sustainable timber exploitation is possible, examining not only the technical requirements but also the socio-economic aspects, such as the impact on traditional use rights of selling licences to private timber exploiters.

(Pilz, 1996: Stachel, pers.comm., 1996)

the point that quality and sustainability of projects can be better assured through co-operation with priority countries in which longer-term programmes can be responsive to needs and incorporate forestry activities only when it appears appropriate to do so.

9. CONCLUSION

Tropical forestry has not been a major part of Austria's normal programme of development co-operation. The period 1993–5 was an exception when a special Rain Forest Initiative funded 36 projects around the world. The range of projects funded underlines Austria's commitment to the rights of indigenous people and its interest in supporting small-scale projects. The experience of the initiative confirmed the desirability of the current trend in Austrian aid to move towards longer-term programming with a selected number of countries and in a few key sectors. In the future, therefore, forestry projects should be funded only if they respond to specific sectoral needs of a priority country.

There are perhaps two main areas in which Austrian forestry expertise has a potential comparative advantage. One is the development of ecologically sound small-scale timber utilisation and extraction methods for steep terrain, as over 40% of Austria's own production forest is on slopes of over 40% (Siegel, n.d.). The other is the field of forestry legislation and planning, learning from the sophisticated system of integrated forestry and land-use planning in place in Austria.

Austria's early experience of legislative attempts in the field of timber certification gave an important impetus to international discussions and collaborative research on defining criteria and indicators for sustainable forest management. Austria's recent entry to the EU may provide it with another forum to influence the international forestry debate.

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ACRONYMS

BMAA	<i>Bundesministerium für auswärtige Angelegenheiten</i> (Federal Ministry of Foreign Affairs)
BMK	<i>Bundeskanzleramt</i> (Chancellor's Office)
BMLF	<i>Bundesministerium für Land- und Forstwirtschaft</i> (Federal Ministry of Agriculture and Forestry)
DAC	Development Assistance Committee of the OECD
DDC	Department of Development Co-operation
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
FSC	Forest Stewardship Council
GNP	Gross National Product
NGO	Non-Governmental Organisation
oda	official development assistance
OECD	Organisation for Economic Co-operation and Development
Sch	Austrian shillings
UNCED	United Nations Conference on Environment and Development

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