

# REC Caucasus III Annual International Conference

“Sustainable Development of Mountainous Regions of the Caucasus”

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## “Integral Rehabilitation of the Mountainous Region in Liechtenstein” – An example of sustainable development of mountainous regions

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It is with great interest and equally great pleasure that I take part in this Third International Conference of the REC Caucasus. The main topic of the conference is extraordinarily timely, since it deals with how to facilitate and support the establishment of a long-term plan of action for sustainable development of the mountainous regions of the Caucasus. The topic is especially timely because these mountainous regions of the Caucasus are currently in the process of re-orienting themselves with regard to their future development. Re-orientation appropriate for the future can only mean to position oneself internally and externally through a better provision of services; re-orientation is therefore never an end in itself – quite the contrary: It aims to improve, to the extent possible, the quality of life internally and the competitive position externally.

Depending on its specific circumstances, each community – whether local, regional, national, or transnational – must itself responsibly answer the questions of which cornerstones should support such a re-orientation, which contents should form the core of the re-orientation, and finally, which human, financial, and organizational resources must be made available in order to be effective. I would now like to report to you on how Liechtenstein attempts to honor the principles of sustainable development of mountainous regions. In this context, I will talk about the “Integral Rehabilitation of the Mountainous Region in Liechtenstein” – a path of sustainable development policy for the Liechtenstein mountainous region:

### Starting point

Until the middle of the last century, Liechtenstein was settled predominantly by a rural population. The Liechtenstein mountainous region was of existential importance for this population. The mountainous region provided pasture for the livestock, wood for fuel and construction, and water in sufficient quantities and excellent quality for people and livestock and for the production of energy; finally, the mountainous region also gained modest importance as a health resort for visitors from various large cities of other European countries. Only at a late stage was the importance of the mountainous region also recognized for the preservation of the diversity of plants and animals.

While 38% of the population was still engaged in the agricultural sector in 1940, only 12% were in 1970. Today, only 1.3% are still engaged in the agricultural sector, 45.2% in trade and industry, and 53.5% in the service sector. Out of pure necessity, but also out of greed or simple ignorance, the natural resources of the mountainous region were overused until the middle of the last century. Natural dangers such as mountainside erosion, falling rocks, avalanches, and landslides as a consequence of this overuse threatened not only the mountainous region itself; its consequences also affected the security of the larger settlements at the foot of the mountains and even – especially with an increase in floods – also the more remote settlements in the valley.

As of about 35 years ago, only a small part of the population lived off agriculture; agriculture was also undergoing unstoppable mechanization and rationalization. As a consequence, the mountain locations were often abandoned as agricultural land in favor of the flat and fertile valley locations, or at least their cultivation was neglected. This also led to an increase in natural disasters resulting in great damage. As a consequence of the changed employment structure, the mountainous region also gained new importance as a leisure and recreation area. In addition to the modest summer tourism of earlier years, winter tourism rapidly increased. The construction of ski lifts was followed by the construction of new hotels and vacation homes, which, as a consequence of the lack of settlement planning, was undertaken without the necessary consideration of natural dangers and largely without respect for natural and landscape values.

### Solution approach

The unsatisfactory situation and the emerging development mistakes in the Liechtenstein mountainous region were recognized at the beginning of the 60's by the overwhelming part of the population. There were calls for the establishment of an integral development policy for the mountainous region, which was finally initiated energetically in 1969 through a Government ordinance: the Ordinance on the Integral Rehabilitation of the Mountainous Region. Essential characteristics of the solution approach are the following:

#### *Strategy and measures*

The entire mountainous region was topographically divided up into contiguous project regions. For each project region, a development plan determining the overall direction was established on the basis of a comprehensive acceptable use policy; at the same time, the possible rehabilitation measures were outlined.

The development plan for each project region has an integral character. This means that the often opposing or at least competing development interests, such as settlement development and the installation of infrastructure, supply and waste disposal, mountain agriculture, forestry, leisure and recreation, nature and landscape conservation, and hunting, must be harmonized in each project region before rehabilitation measures are taken in one or the other area.

The fundamental provisions of the development plan for each project region are implemented by means of concrete rehabilitation measures through corresponding detailed projects.

#### *Organization*

The responsibility for the implementation of the goals and strategies in the framework of the integral rehabilitation of mountainous areas lies with an expert group appointed by the Government, composed of members from various expert ministries. However, the property owners in these project regions are municipalities or cooperatives. The property owners in each of these project regions nominate representatives to cooperate with the State expert group. Participation of property owners of the individual project regions in the implementation of the respective development plan and in the execution of the corresponding rehabilitation measures is voluntary.

### *Procedure*

The adoption of the ordinance signaled the start of a prolonged and long-term rehabilitation task. Even just reaching a joint understanding concerning the specific conditions of a project region required intense discussion and site visits. Considerably more persuasion efforts were necessary to reach agreement on the integral development plan. Only a comprehensive inclusion of all directly affected partners and of organizations indirectly interested in the matter made success possible. It was first necessary to overcome sometimes tough opposition, since certain long-familiar cultivation and use methods had to be changed, and sometimes healthy distrust, since short-term advantages could not always be expected. The prerequisite for the planning and execution of concrete detailed measures was, in every case, mutual agreement of the Government, of property owners, and of the affected municipality on the integral development plan.

As was to be expected, agreement on the individual integral development projects was reached in widely-spaced stages. But successfully completed rehabilitation projects soon acted as an incentive – especially also due to the high public subsidies involved – so that after 20 years, integral development plans were available for the entire mountainous region.

### *Financing*

In the interest of securing an integral development of the mountainous region, the State assumes all procedural, planning, and project development costs.

For all rehabilitation projects, increased subsidy rates apply in comparison with areas outside the mountainous region. The residual costs are shared by the affected municipality and the property owners.

### Experiences

Since 1968, Liechtenstein has set out to achieve a lot through the integral rehabilitation of the mountainous region. It will primarily be up to later generations to assess the extent to which the integral and long-term objectives of the rehabilitation can in the end be reached. Emerging development mistakes were, in any event, stopped in time. Without a doubt, it has also been possible to keep the mountainous region attractive as a living space, but

also as an economic space, both for the resident population and for people from more remote regions looking for recreation.

In reality, the conservation of natural resources on the one hand and their use on the other hand often take place in a severe field of tension: While for some people, ecologically motivated conservation goals do not go far enough, others believe that the interests in economic use are too restricted. This field of tension, this marriage of convenience between ecology and economy that again and again is urged for precisely this reason, is the foundation of an obligation for every responsibly acting community, an obligation that cannot be delegated: Every community must namely define the key points of its ecological, economic, and socio-cultural development itself, in a democratic process, with a view to the desired integral or sustainable development. For this purpose, quantitative and qualitative action objectives must be defined. In an era of limited resources, especially financial resources, priorities must be established with a view to the possible effects that can be achieved. Efficiency and effectiveness of an act or omission must thereby determine the priority.

Only information and public relation activities based on solid findings, an open exchange of views, and a coordination of the forces at work in a region can ensure favorable development prospects for a sustainable policy for mountainous regions. Since mountainous regions do not correspond with national borders, this is also about the creation of a trustworthy basis for transnational cooperation; last but not least, it is also necessary to show that transnational action is a sensible approach, such as with pilot projects, thereby creating broad political acceptance. This calls especially for establishing agreement with political organs and administration, winning the acceptance and active participation of the population and their representatives at the local and regional level, and ensuring that resources are employed at all levels according to the principles of necessity, practicality, and cost-effectiveness.

Especially for a mountainous country like Liechtenstein, healthy and efficient mountain ecosystems are of existential importance for life. This knowledge is also the reason why it is of great importance to Liechtenstein to give effect to principles of sustainable development in the mountainous region. It cannot be overlooked that these functions and regional peculiarities of the mountainous region are generally recognized; however, it is also evident that the environment of the mountainous region is considerably threatened in

its substance by the development of the international economic order and the increased pressure of civilization. Both realizations must therefore be respected in development plans that are both long-term and extensive. It is therefore only logical that, to the extent possible, the Government of Liechtenstein supports efforts which, through mountain-specific activities, promote understanding of conservation and development measures and insight into the existential importance of sustainable policies for the mountainous regions, even beyond the International Year of the Mountains in 2002.

Non-governmental organizations have proven to be indispensable for this persuasion process in favor of a sustainable policy for mountainous regions. What I believe to be the most important: Such a non-governmental organization needs traction; it must be rooted in the region and it must speak for a social group, namely for a group that supports the organization not just for ideological reasons or “because it is proper or currently fashionable”, but rather by providing human, financial, and organizational resources. As I have learned from experience, the most successful non-governmental organizations are ultimately those which are most able to credibly reflect the real needs of people and their environment vis-à-vis discussion and negotiation partners, whether at the local, regional, or global level.

I would like to congratulate REC Caucasus for the convincing role it has taken on, and I wish it much success, in the interest of a sustainable development in the mountainous regions of the Caucasus.

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