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Natural Resource Management  
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Local Governance and Civil Society



**SWISS-UKRAINIAN  
FOREST DEVELOPMENT PROJECT  
IN TRANSCARPATIA, UKRAINE**

**Completion Phase: 1 January 2009 – 31 December, 2010**

**End of Phase Report**

**Including Annual Report 2010**

**Uzhhorod, March 25, 2011**

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## Abbreviations

CA	Cluster Analysis
CFRS	Carpathian Forest Research Station (Mukachevo)
C(NR)DP	Community (Natural Resources) Development Plan
CPh	Completion Phase
CRTC	Carpathian Regional Training Center (Ivano-Frankivsk)
c-t-n	Close to nature silviculture
ENPI	European Neighborhood Partnership Instrument
FMP	Forest Management Plan
FORZA	Swiss-Ukrainian Forest Development Project in Transcarpathia
FP7	The Seventh Framework Programme of the European Union for the funding of research and technological development in Europe
GIS	Geographic Information Systems
IC	Intercooperation, Swiss Foundation for Development and International Cooperation
Lisproekt	Forest Management Planning Unit in Irpin
NFTUU	National Forestry Technical University of Ukraine (L'viv)
NGO	Non-governmental Organization
NTFP	Non-timber Forest Products
PCU	Project Coordination Unit
SDC	Swiss Agency for Development and Cooperation
SCO	Swiss Cooperation Office – Ukraine
SFCU	State Forest Committee of Ukraine
TFHA	Transcarpathian Forestry and Hunting Administration
TFTC	Transcarpathia Forestry Technical College
THT	Transcarpathian Hiking Trail
UkrRIMF	Mountain Forest Research Institute (Ivano-Frankivsk)
UNDP	United Nations Development Program
USAID	United States Agency for International Development
WDP	Watershed Development Plan
WWF	World Wide Fund for Nature

## Acknowledgement

During the 7 years of project life many things have changed in the project and Ukraine as well. For all members of the PCU team involved, the project implementation was a unique experience, sometimes challenging, but always motivating for new goals and achievements.

Thanks to the close collaboration and joint efforts of all FORZA project partners towards achieving the project goals, we can look back with contentment on sometimes complex but successful project life.

The State Forest Committee officials: Deputy Head Mykola Vedmid, Project Coordinator Viktor Korniyenko, and the heads of the TFHA Valeriy Murha and Ihor Fyzyk have effectively collaborated and have taken important steps towards the institutionalizing of project achievement.

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One of the preconditions of a successful project is the interest and willingness of the partners to unite forces and take up new ideas and approaches. FORZA always has been rich in professional and dedicated people. Many local people, forestry practitioners, scientists, community leaders, students, as well as common people were captivated by the project approaches and activities. It is not possible to mention all, but the input of Mykola Rekovets, Hryhory Krynytsky, Oleh Chaskovsky, Orest Kyyko, Maryana Kolodiy, Vasyl Parpan and Volodymyr Korzhov, Mykhaylo Hoshovsky, Stepan Mamchych and Volodymyr Prystupa, Stepan Brytvak, Mariya Stanko, Petro Hrapenyuk, Tetyana Sivakova, Petro Ferenc and Olga Smetanyuk contributed to the progress of project achievements and has been of great importance for promotion of project approaches.

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Sincere appreciation to all Ukrainian and Swiss partners, specialists and community representatives, who are not personally mentioned, but have shown enthusiasm and endeavour in implementing the FORZA activities.

## 1. Summary

In December 2010 the two-year Completion Phase (CPh) of the FORZA project completed. The Completion phase concluded the 7 years of the FORZA project implementation in Carpathian region of Ukraine and particularly in Transcarpathia.

During the Completion phase the emphasis was put on transferring the overall project ownership to partners, bringing project findings to the attention of policy-makers, capitalizing project results and promoting the preparation of the legal provisions and normative documents. The PCU together with the Ukrainian partners has concentrated on completing key tasks and preparing documentation for easy replication, dissemination of findings and skills from the model communities and pilot lishosps to the rest of Transcarpathia, the Carpathian region and Ukraine. The project embedded a balanced approach in terms of ecological, economical and social factors that were carefully incorporated to the activities throughout the project life.

The information contained in this report summarizes the activities of the CPh to date and provides the reader with the information about the project status as at December 31, 2010. For most project activities there are specific trends that indicate project outcomes and demonstrate sustainability. Among those in facts and figures are:

**Close-to-nature silviculture** approaches introduced to the forest management system of Ukraine and anchored in the legislative documents and strategic development programs of the sector, made a significant input to the sustainable forest development in the Ukrainian Carpathians. The state target program “Forests of Ukraine” for 2010-2015, approved in 2009, entails the main approaches promoted by the project, e.g. sustainable forest management development and sustainable forest use, forest management planning using GIS, improvement of public awareness, etc. Instruction on forest management planning in Ukraine anchored the c-t-n and interaction with the communities in the process of forest management planning. “Concept of close to nature silviculture promotion” has been approved by the SFCU to be disseminated among the subordinated organizations in 2011. **Sustainable multifunctional forest management is anchored in the legal and institutional framework.**

The network of 126 sample plots served as the polygon for testing conversion cuts and training of the practical foresters. The sample plots monitoring is included by SFCU to the list of the scientific research topics for 2010-2014 financed by the state. New tools such as GIS software are used by 40% of Transcarpathian lishosps for forest management activity, the Field Map tool is used by Mukachevo Forestry Research Station for monitoring of close-to-nature sample plots, based on what the lishosps are given recommendations. Thus, **close-to-nature silviculture is recognized as having ecological and economic benefits. New forest management tools are introduced at central and local level leading to more efficiency and accuracy in forest management.**

**A significant sign of sustainability is the anchoring of sustainable and multi-functional forest management in educational processes through permanent changes to the forestry curricula.** Students of National Forest Technical University of Ukraine have the possibility to gain knowledge under new courses, such as “Social Forestry”, “Cluster approach and cluster analysis in forest sector”; forestry related courses amended for 30% on c-t-n approach; students of Khust Forest Technical College under GIS courses; elements of the “Gender Equality” course integrated to different humanitarian disciplines of TFTC. Other 8 forestry Universities and 7 forestry colleges of Ukraine are enabled to introduce the mentioned courses into curricula of these educational institutions.

**Carpathian Regional Training Center (CRTC)** has been established for the improvement of qualification of forestry practitioners. The modernly equipped Center is self-sufficient and continuously trains forestry practitioners to upgrade their knowledge and skills on c-t-n silviculture, involvement of communities to forest management issues, GIS-technologies, low impact harvesting techniques, forest road construction and other obligatory topics. 216 masters of forest have been trained in the Center in 2010, 200 persons will be trained in 2011. **CRTC is certified by the Ministry of Education and institutionalized within SFCU life-long learning system.**

The constant efforts on informing the general public, and the particular target groups about forest management and specific project activities through a pro-active information campaign lead to **improved public relations and transparency about forest management issues within TFHA and subordinated institutions.**

**The new methodology of participatory forest management planning** and involvement of local communities was launched and tested. Participation and consultations with communities, as an integral part of forest management planning process, was introduced in the improved instruction on forest inventory. 4 communities of Transcarpathia had elaborated Community Natural Resource Development Plan (C(NR)DP); 2 forest range have got new Forest Management Plans, which take into account C(NR)DP and is based on the close-to-nature silviculture principles; representatives of Transcarpathian Regional Forest Administration, 18 lishosps (state forest enterprises) and forest ranges, 13 rayons and 159 communities took part in the information-consultation meetings on forest management planning. Thus, **participatory two-level planning is introduced at local level.**

The first **Cluster Analysis** of forest sector of Carpathian Region of Ukraine, which covers 4 oblasts, has been elaborated. More, that 1000 stakeholders are aware about the results and recommendations of Cluster Analysis; 2 forest and wood processing clusters established (Uzhhorod and Lviv); 5 new web-pages in Carpathian region developed with the support of the project; 360 lishosps of Ukraine use the Recommendations on involvement of private sector to the forest operations; 5 wood-processing enterprises from Carpathian region received support for the participation in 7 largest industry exhibitions of Germany and Switzerland; 5 wood-processing enterprises from Carpathian region are invited to participate in the largest industry exhibition in Germany; 40 wood-processing and furniture enterprises from Carpathian region were included in the international on-line catalogues and due to this found new clients. **The cluster approach is applied by decision makers and serves as a basis for increased collaboration between different regional stakeholders.**

Introduction of the toolkit for involving the private sector in forestry activities to the Ukrainian forestry enterprises country wide, knowledge sharing activities amongst lishosp economists in the Carpathians, acquaintance with new market-related tools and forestry economy studies **improved coordination of lishosp staff among themselves and with private sector actors and generated improved efficiency and a more open mindset.**

The **system of plastic and glass waste collection** at the level of municipality had been developed and piloted in 3 model communities. The system was taken up by the rayon administration of 2 pilot areas. Thus 21 community of Rakhiv rayon are equipped with 183 containers for collection of plastic and glass, supported by Swiss Confederation, and 50 containers – at the costs of rayon council as a co-financing share, 2 communities of Khust rayon have got 20 containers within the project, other communities in the rayon received 120 containers from rayon administration. All these measures significantly improved the waste situation in the area and will serve to increase the attractiveness of the rural villages for visitors. **New capacities to engage in participative community planning and implementing projects at community level lead to improved living conditions in several villages.**

The outcomes within the rural tourism united under the **Transcarpathian Hiking Trail** development greatly varied among villages and activities: 55 man and women are knowledgeable and skillful enough to start receiving tourists; the households certified under the “Green Guesthouse” (12) and “Ukrainian Hospitable House” (8) systems have advantages in hosting tourists; the Rakhiv TourInfoCenter “Hutsul Svitlytsia” works on self running bases and provides tourists with the information; 182.5 km of marked and signed hiking trails increased the attractiveness of pilot areas for hikers; the “Berlybashskyi Banush” festival, recognized as one of three best 2010 culinary festivals of Ukraine, magnetizes tourists to the village. All tourism development activities within the pilot territories were aimed at sustainability - that is, reaching the stage of being self-sufficient, especially in financial terms. **As a result remote rural communities attract an increased number of tourists.**

The FORZA project, financed by Swiss Confederation, was and remains to be the largest on-the-ground field technical collaboration project in the forest management system of Ukraine.

## 1.1. FORZA at a glance

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<b>SDC Project Number</b>	7F-02119.05.01. Contract No. 81010589
<b>Key Ukrainian Project Partners</b>	State Forestry Committee of Ukraine Transcarpathian Forest and Hunting Administration Rakhiv State Forest Management enterprise Khust State Forest Management enterprise Forest Management Planning Unit in Irpin Transcarpathian Forestry Technical School Model communities of N.Bystry, Bohdan and Kostylivka Universities, research institutions, etc.
<b>Project duration</b>	Completion Phase: January 1, 2009 - December 31, 2010
<b>SDC Budget, CHF</b>	<b>846'703</b>
<b>Framework Agreement</b>	Agreement between the Government of Swiss Confederation and the Government of the Ukraine concerning Technical and Financial Cooperation", signed on 13 <sup>th</sup> of October 1997, and ratified by the Ukrainian Parliament on the 14 <sup>th</sup> of May 1999.

## 1.2. Project goal and objectives of CPh

The main goal of the FORZA project as defined in the Project Document remains unchanged in the Completion Phase from that pursued in Phase II:

***“To achieve sustainable, multi-functional forest management in the Carpathian region with particular emphasis on environmentally sound management and improving the livelihoods of local people“.***

Under this overall goal four specific objectives are to be achieved in the CPh, namely:

**Objective 1:** Strengthening “Sustainable Multifunctional Forest Management” and “Close to Nature Silviculture”

**Objective 2:** Exchange of Cluster Analysis recommendations and related knowledge

**Objective 3:** Increase the role of forest resources in development of local communities

**Objective 4:** Consolidation and capitalization of project achievements

Transversal issues for the CPh are: promotion of human rights based approach, good governance and gender equality in all project activities and in partner organizations.

## 2. Project Status as at the end of 2010

### 2.1. Component 1

***Strengthening “Sustainable Multi-functional Forest Management” and “Close to Nature Silviculture”***

**The specific objective of this component is anchorage of socially relevant “sustainable multifunctional forest management” including “two level planning” and “close to nature silviculture” practices in the legal and institutional frameworks as well as in the related practical and educational processes.**



**Field discussion on close to nature silviculture at one of the sample plots**



Prior to FORZA interventions, the concept of close-to-nature silviculture was hardly known in Ukraine. Furthermore, forest management was heavily focused on timber production without taking the full multi-functionality of forests into account. Another aspect of earlier forest management was the very limited involvement of local people, especially in the planning of activities which impacted their livelihoods. The project sought to change this mindset – first locally in the Transcarpathian region, and then more widely in the country. Given the relatively short period of project activities (7 years being little in the context of forestry) this was a major challenge; thus focus was placed on training, participatory planning, practical demonstration and appropriate legislative changes.

## Project outcomes

### Training

- The establishment of a new institution providing practical training to forest rangers and foremen/women, in close-to-nature silviculture and related matters. This institution, the Carpathian regional training center (CRTC), has now trained 216 foresters during year 2010, who are actively practicing what they have learned in their work. From the beginning of its operation, the CRTC was and is self-sufficient, providing paid training services to the lishops, meaning that future generations of foresters will continue to be trained and have the opportunity for refresher courses.
- CARPATHIAN REGIONAL TRAINING CENTER**

*“People are very glad that they can study not far from home. Moreover unlike in Boyarka where the teaching process is planned for foresters from all around Ukraine, here they can upgrade their qualification studying new relevant approaches of forest management and learning the specifics of mountain forestry”.*

Mykhailo Hoshovsky, CRTC director
- Seven technical colleges of western Ukraine have been introduced to the close-to-nature silviculture and participatory planning by Transcarpathian Forest Technical College in Khust where these topics are taught for four years. Prykarpatskyi Forest Technical College (Bolekhiv of Iv.-Frankivsk region), Malynskyi Forest College (Zhytomyr region), Khust Forest Technical College (Transcarpathia), Technological College of NFTUU, Kremenets Forest Technical College (Ternopil region), Storozhynets Forest College (Chernivci region), Shatsk Forest Technical College (Volyn region) considered the subjects as optional for improvement of their curricula.
  - National Forest Technical University of Ukraine in Lviv have amended the forestry curricula up to 30%, which have been approved by the Ministry of Education of Ukraine and been recommended to eight higher educational institutions in Ukraine which have forest faculties to include close-to-nature silviculture and participatory planning to their curricula.
  - National Forest Technical University of Ukraine in Lviv has elaborated new course “Community forestry” and included in its forestry undergraduate curriculum. 28 students have followed this so far.

→ **Sustainable multifunctional forest management is anchored in the related educational processes**

### Participatory planning

- A process of two level participatory planning was designed and introduced in two pilot lishops, entailing the elaboration of Community (Natural Resource) Development Plans (C(NR)DP which were integrated into the Forest Management Plans (FMP). Foresters and community members together developed the plans and identified development activities that were subsequently implemented on a joint basis.

- The experience of participatory planning was shared with more than 120 foresters and chief foresters of TFHA lishosps and 70 forest management planning specialists, giving the opportunity to build mutual understanding.
- The concept of participatory planning, and the practical experience of the two pilot lishops, was communicated to representatives of 351 village councils of Transcarpathia, raising awareness of a new and different approach to forest management planning.
- As part of the elaboration of the 10 year Forest Management Plan for the oblast (the implementation of which should start in 2011-2012), representatives of the village councils were invited to participate in the planning process through a series of rayon level meetings. The planning process became the opportunity for multi-stakeholder dialogue between the TFHA, inventory specialists, oblast and rayon administrative officials and village representatives. The resulting Forest Management Plans are the first in Ukraine to be grounded in such a consultative process.

→ **Participatory two-level planning is introduced at local level**

### **Introduction of new tools**

- During the forest management planning process the Forest Management Planning Unit in Irpin widely applied the Arc Gis and Erdas Imagine software obtained within project. It was also possible due to the fact the first time in Ukraine the forest maps of the lishosp in Transcarpathia exist in digital format.
- The consultation processes, practical trainings on use of advanced tools such as Arc Gis, Erdas Imagine, Field Map, GPS, Robur facilitated the process of application of those by scientists of NFTUU and TFTC, professionals from Irpin and lishosps.
- More than 200 forestry engineers were introduced to the basics of GIS use during the 2-week upgrading courses in CRTC using the modernly equipped computer class with the Arc Gis network. For the time being 14 specialists from 7 lishosp of Transcarpathia acquired practical skills in using Arc Gis technology due to intensive trainings and onsite consultations and apply this instrument in the forest enterprise activity.
- One of the spin-offs of using the Field Map by the Carpathian Forest Research Station is their involvement in Slovak-Ukrainian project on research plots monitoring to study the productivity of forests.
- The Robur software highly increased the efficiency and the accuracy of the design and pave of mountain forest roads by UkrRIMF and NFTUU.
- Based on the opinion of 16 teachers of 7 forestry colleges TFTC in Khust remains to be the leader among those in training students in use of Arc Gis and GPS for forestry needs.

→ **New forest management tools are introduced at central and local level leading to more efficiency and accuracy in forest management**

### **Practical demonstration**

- In total, 126 sample plots demonstrating close to nature silviculture have been established in 38 forest types in Transcarpathia. These are permanent plots that will continue to be maintained by the lishops and monitored CFRS in the future - funding for this has been assured by the SFCU.

#### **CONVERSION CUTS**

*“The benefits from conversion cuts are obvious: before this part of the forest used to stay idle, now this master plan is working, people can get timber and firewood. The difference of the conversion cuts from the sanitary cuts is that in case of conversion cuts there are economical benefits from harvesting”.*

*Mykhailo Tomynets, Vyshkovo forest ranger*

- With records being maintained by researchers, the sample plots form a scientific basis for the testing of close-to-nature silviculture in different forest types - including conversion cuts, which were considered in the past to be a controversial practice.
- The sample plot data has been presented at a number of scientific conferences, as a result of which this new approach to forest management has gained considerable credibility in the country. The evidence generated resulted in the elaboration and approval of new regulations supporting conversion cuts in forests throughout Ukraine: the final instruction allowing this in practice should be passed shortly.

→ **Close-to-nature silviculture is recognized as having ecological and economic benefits**

## 2.2. Component 2

### *Exchange of Cluster Analysis recommendations and related knowledge*

**The specific objective of this component is:** *Cluster-Analysis recommendations and related knowledge are exchanged with all relevant target audiences and partly applied by the decision-makers of the Carpathian region.*



**Visit to the member of wood processing and furniture cluster in Lviv**

When FORZA began in 2004, there was a recognized need to inject market awareness into the forest and wood based sector of the Carpathian region. The project started activities in the pilot lishops of Rahiv and Khust in the Transcarpathian oblast, and then expanded beyond. Key thrusts were working with lishosp economists to increase economic efficiency; with wood-based industries to improve market linkages; and with decision-makers to raise awareness on the need support industries in a systematic, linked manner. The latter entailed introducing a cluster-based approach – which had not previously been known in the Ukrainian forest sector.

## Project outcomes

### ***Improved lishosp efficiency***

- Based on the findings of the financial assessment of conversion cuts compared against traditional silvicultural methods, the economists and foresters of the Carpathian region became convinced of the economic feasibility of conversion cuts. The figures were derived from hard data collected from the project-supported sample plots. A further assessment targeted to a less specialist audience, which includes environmental as well as economic aspects, has added weight to the argument in favour of conversion cuts, demonstrating that actual costs for conversion cuts are equal to costs of other traditional cuts like thinning. The long term environmental and even economic benefits clearly outweigh the necessary primary investments in roads and low impact harvesting technology.
- These innovative studies have made a particular impact on lishosp decision-making as they had never been done before. They thus provided the first hard data (evidence) on which to base decisions.
- Knowledge sharing amongst lishosp economists in the Carpathian region has greatly increased as the result of project-instigated regular meetings. The meetings are recognized to be so useful that the TFHA plans to continue them after the project end.
 

#### **KNOWLEDGE SHARING MEETINGS**

*“We do not usually organize meetings among Lishops economists. Thanks to the project we realized what kind of great knowledge sharing event it is! Moreover, last time the speaker from the tax administration participated in the meeting of 18 Lishops Economists and accountants, and most of the small details of the new Tax Code and its implications for forestry were cleared during only one day!”*

Vita Syklytska, Chief Economist, Transcarpathian Forest and Hunting Administration
- The participation of lishosp staff in various cluster related meetings has also raised knowledge and awareness, and contributed to a more open mindset. Furthermore, lishosp staff is collaborating more readily with a wider variety of economic actors within the forest sector. Greater efficiency is difficult to bring about, although there are preliminary signs of changing attitude towards new ways and forms of interactions with private businesses in the relevant field of activity.
- A toolkit for involving the private sector in forestry activities was developed by the project and first introduced to the 18 Transcarpathian lishops in 2007. It has subsequently been recognized by the SCFU and, at their request, distributed to all 360 Lishosps of Ukraine. All lishosps are thus equipped with the knowledge and tools to improve their economic efficiency through outsourcing, and are ready to apply these findings in their daily work.
- A number of new market-related tools and practices were introduced to lishops but could not be taken up. Nevertheless these ideas have been discussed and might yet be reconsidered in future, should the institutional environment permit.

→ **Improved coordination of lishosp staff among themselves and with private sector actors generated improved efficiency and a more open mindset**

### ***Cluster analysis and development***

- Cluster analysis was first introduced to oblast administrations of the Carpathian region in a series of meetings, which resulted in a written commitment on the part of all four oblasts to conduct the analysis. This analysis was completed in 2008 and widely disseminated in 2008-2009.
- The findings of the analysis have been integrated into the strategic planning of two out of the four oblasts (Lviv and Chernivsy) and have served as the basis for increased collaboration between forest sector actors.

### EXAMPLES OF INCREASED COLLABORATION IN CLUSTERS

1. A group of 5 Uzhgorod companies joined together for the first in Ukraine group chain of custody certification of the plywood production chain. FORZA has provided the group with continuous support in developing market linkages, providing market information, and developing promotional materials.
2. Three Lviv-based companies have formed the cluster of Wood Processing and Furniture Production, with the aim “to increase innovation and competitiveness of sector enterprises in the Lviv oblast”. They have delegated cluster coordination to a fourth party, and are working closely with the regional administration and federation of business circles in Lviv. FORZA has supported this initiative through cluster management training, the development of promotional materials, and the establishment of a cluster website <http://www.domv.lviv.ua/?lang=en>
3. As a first step in greater cluster collaboration, the Ivano-Frankivsk Association of Furniture Producers has established a website with project support - <http://www.amp.org.ua>. This website brings together information on the different wood processing and furniture companies within the oblast.

- The Ministry of Economy has established a working group on issues of cluster formation, with a view to developing a national cluster policy. FORZA has been invited to participate in this group – giving the opportunity to anchor project findings in new legislation.
- A strong collaboration has been established between Carpathian companies and the Swiss Import Promotion Programme SIPPO. As a result, five companies have participated in 7 exhibitions in Switzerland and Germany; another 10 companies from throughout the Carpathian area are potential candidates to be invited to export fairs in 2011.

- A CD directory containing the details of 40 wood processing and furniture companies of the Carpathian region has been created in collaboration with SIPPO. This has been disseminated locally by FORZA and internationally by SIPPO and is expected to facilitate

#### PARTICIPATION IN IMM COLOGNE FAIR

*“My company “Style of Life” has participated in the IMM Cologne in January, 2011. We produced furniture from particle board for the Ukrainian market. After the fair I began considering developing new products from plywood, which I learned is very much in demand, as well as taking more advantage of the FSC certification. I already received lots of inquiries from potential customers, and I will now definitely go for exporting. This would have been hardly possible had I not had the chance to benchmark and explore the markets at the fair”.*

Andriy Myhal, Director, “Style of Life”, Lviv

linkages between the companies and potential clients. It is available on the SIPPO website: <http://exdima.sippo.ch/UkraineWF/>.

- The National Forest and Technical University of Lviv has introduced a new module in their Masters curriculum on the cluster approach and cluster analysis in the forest sector. Developed with project support, the course has received very positive feedback from the first 14 undergraduate students who studied it. The course will be continued in coming years; the lecture notes are available for students at the NFTU website <http://tvd.org.ua/predm-klaster.htm>. They have also been published in a small, attractively laid out book, which has been disseminated to national forest university libraries.
- Two leaflets complementing each other on practical steps of cluster formation and hints on forming forest clusters has been prepared, based on practical real life examples in Europe and Ukraine. They have been widely disseminated to the relevant institutions, including the Ministry of Economy and the emerging clusters.

→ **The cluster approach is applied by decision makers and serves as a basis for increased collaboration between different regional stakeholders**

## 2.3. Component 3

### *Increase the role of forest resources in development of local communities*

**The specific objective of this component is** *empowerment of communities of Transcarpathia for an active participation in the forest resource planning and in development of opportunities based on sustainable use of forest resources.*



**During the joint planning of Bohdan Community Natural Resource Development Plan**

At the beginning of the project it was not usual for communities to participate in any of the planning processes regarding natural resource management in their immediate area. Neither communities nor foresters expected this, but the lack of communication resulted in growing resentment and conflicts. The existing legislation was vague on the rights of communities and was in any case little known to the general public. There was a need to raise public awareness and to build capacities amongst villagers and foresters.

The project sought to introduce a participatory approach to both planning and implementation of activities in the two pilot areas. The aim was to increase livelihood opportunities for local people from forest resources (including tourism) and to develop mutual understanding and collaboration with foresters.

### **Project outcomes**

#### ***Strengthening capacities in pilot villages***

- As a result of a series of trainings for foresters and community leaders on mutual collaboration and the involvement of communities in forest management. About 50 participants from two pilot rayons became aware of the national and international legislative provisions for the involvement of communities in forest management and participatory approaches. They not only appreciated this, but started to apply it in their work.
- Dissemination of the experience of two-level planning and implementation in the two pilot communities among official leaders of other communities, as well as foresters of Rakhiv and Khust rayons, resulted in more than 80 representatives of communities, forest ranges, and rayon authorities becoming well aware about the approach and its benefits.

- A manual for communities and foresters on participatory two-level planning was developed in order to provide step-by-step detailed information on the planning procedures.
- To anchor the approach of participatory community development planning, two new village communities in Zakarpattia with a total 5,000 inhabitants elaborated Community Natural Resource Development Plans (Berezovo in Khust Rayon and Luhy in Rakhiv Rayon).

#### RESULTS OF HEATING EXPERIMENTS

The head of the Bohdan village council, Petro Hrapenyuk, organized a study tour to Nyzhnyi Bystryi to learn about the experience of community development planning. He was particularly impressed by the results of a heating experiment carried out in 2006-2007 which showed clear benefits from using an improved system. He therefore introduced an improved heating system in the village hospital, also arranging a cost-free supply of sawdust from local sawmills.

- During the CNR/DP development, villagers identified priority activities which they later implemented. These included a number of activities associated with environmental protection and an improvement of living conditions: (i) Riverbank enforcement and repair of bridges; (ii) Waste management; (iii) Marking of local hiking trails for tourism promotion; (iv) Establishment of village amenities like children playground, recreational areas, bus stops, tourist recreation site; (v) Promotion of village tourism (information boards and promotional materials).

#### FORZA VALUE FOR THE COMMUNITY

*"No state budget ever in Ukraine provided so much input in social development of our community as FORZA did. People were enabled to solve common problems with own forces".*

Stepan Brytvak, Nyzhnyi Bystryi village council Head

#### EXPERIENCE OF WASTE MANAGEMENT

One of the activities identified by the villagers during the community development planning was waste management. This started in 2009 with placing 36 waste containers in three model communities, extended to 20 more containers in a further two communities. The experience has been taken up and replicated by the Khust rayon authorities at the rayon scale, placing 120 containers for plastic and glass in all villages of the rayon. Rakhiv joined the initiative of waste management and co-financed production of 200 containers, which were distributed to all settlements of the rayon.

- Residents of model communities gained capacities to generate funds and manage activities and projects during the implementation of project activities. Throughout the completion phase, representatives of model communities continued to participate in capacity building events with the noticeable outcome of their increased knowledge and confidence. In addition, the pilot communities became more active their collaboration with other partners, and managed to attract considerable funding - between them, Kostylyvka, Nyzhnyi Bystryi and Bohdan have attracted more than 4 million UAH from Ukrainian and international organizations. The latter include the UNDP, World Bank (Social Investment Fund), USAID, and WWF; within Ukraine, the Regional Water Management Administration has become a notable funding partner.

#### COMMUNITY DEVELOPMENT OPPORTUNITIES

The brightest example of increased capacities can be observed in the village of Kostylyvka, where the dynamic village leadership was particularly open to capitalizing on the opportunities provided by the project. The village has started a number of new community projects, organized community events, and established an active and real NGO, which is initiating and implementing local development projects. Head of the NGO had gone through the training on community volunteering. The village had received Peace Corp volunteer for two years of work on issues of community development.

→ **New capacities to engage in participative community planning and implementing projects at community level lead to improved living conditions in several villages**

### ***Sustainable tourism development***

During the completion phase all tourism development activities within the pilot territories were aimed at sustainability - that is, reaching the stage of being self-sufficient, especially in financial terms. The embedding of local capacities in rural tourism in the area was ensured through training 12 local people as trainers. Five of them have since conducted their own trainings for a further 12 people from their own/neighborhood community. It was also agreed that the two new model communities, will organize training on the basics of rural tourism, drawing on the services of those trainers located most closely.

- All three model communities report that they are attracting a significant number of new tourists. A total of 9 guesthouses in Nyzhniy Bystryi, 6 guesthouses later joined by another 4 (from the 15 trained) in Bohdan, and 8 in Kostylivka provide accommodation and meals and also organize local excursions. Thanks to FORZA efforts Transcarpathia takes the leading positions in Ukraine on the amount of the households certified under the “Green Guesthouse” (12) and “Ukrainian Hospitable House” (8) systems.
- The creation of local touristic attractions has helped to bring tourists to the remoted rural communities. With the support of the project, the citizens of Kostylivka have invented their own unique festival “Berlybashskiy Banush” which is obviously popular, and has become known at a regional level - bringing more and more visitors to the village. “Berlybashskiy Banush” was recognized as one of three best culinary festivals of Ukraine in 2010 on the version of Ukrainian Independent Informational News Agency and Internet portal “Here and there”.
- In Nyzhniy Bystryi, community members and foresters together constructed a tourist recreation site, which serves both guests of the village and the villagers themselves. Information boards at the site provide details about about the local forest range, community and rayon. Well marked lokal hiking trails also help to bring tourists to the villages. Within the territory of Kostylivka some 25 km have been marked, in Nyzhniy Bystryi some 44 km, in Bohdan some 80 km, and in Chorna Tysa some 22 km.
- The Rakhiv Tourist Information Center “Hutsul Svitlytsia” works on self running bases, provides the tourists with information and maintains a bilingual English/Russian web-site. THT presentation hiking tours for journalist made a positive input to the promotion of rural tourism via mass-media. The press-tour to Bohdan village was acknowledged by Transcarpathian journalists as the best press-tour of 2010.
- Promotional materials for tourism supported by the project have helped to raise the touristic profile of the model communities. Notable amongst these are billboards at the entrances and in the center of the villages of Nyzhniy Bystryi, Bohdan and Kostylivka and small printed information cards for guesthouses and local service producers. The project has also provided a certain degree of support for the development and maintenance of the Trans-Carpathian Hiking Trail (THT). Continued development and maintenance has become a common matter of interest amongst different NGOs, projects, officials, and individuals, and is now linked with a Czech marking project, a USA hiking initiative, and an ENPI new tourism development project. As a result, it is now on the list of priorities of tourism development in the region. A coordination group set up for the management and maintenance of THT, which is composed of representatives of NGOs, regional tourism department, rescue service and the project, has increased its activeness. Beside the THT, this group aims at gathering and linking information, and coordinating activities on the hiking trails within the oblast.

→ **Remote rural communities attract an increased number of tourists, generating additional income to the local families**



## 2.4. Component 4

### *Consolidation and capitalization of project achievements*

**The specific objective of this component is consolidation of the project achievements and institutionalization of the project methods and practices at all levels.**



**Forestry decision makers discussing the conversion cuts in Khust lishosp**

From the start, the project has been designed to improve forest management and reduce poverty of the local people by using the forest resources in a sustainable way, while maintaining and improving the multifunctional role of forests. In pursuing this goal, the FORZA implementation strategy has been to communicate with partners the project objectives, procedures and progress, to encourage participation in the implementation, to build capacity and to advocate new methods and new ways of thinking. Policy dialogue and law enforcement among other tools were used in order to create a sustainable environment for project achievements in different domains. The legislation in the field of forest planning and forest management at the beginning of the project hardly contained any close to nature attempts and participatory processes.

### **Project outcomes**

#### ***Policy dialogue, harmonizing normative documents, capitalization of project achievements and sustainability***

- Close to nature silviculture is now established in the national forest regulations, providing a legal base for its implementation throughout Ukraine. The ctn silviculture approaches introduced to the forest management system of Ukraine and anchored in the legislative

documents and strategic development programs of the sector, made a significant input to the sustainable forest development in the Ukrainian Carpathians.

#### PROJECT ESTIMATION

*“FORZA project is one of the most successful technical assistant project of Switzerland in Ukraine, We do hope that the support of the Swiss Confederation will be continued in further qualitative changes that took place in the sector during the last years“.*

Manuel Etter, SDC-SCO Country Director

- The state target program “Forests of Ukraine” for 2010-2015, approved in 2009, entails the main approaches promoted by the project, e.g. sustainable development of forest management and sustainable forest use, forest management planning using GIS, improvement public awareness on the state of forest management, etc.
- Instruction on forest management planning in Ukraine anchored the close to nature silviculture and interaction with the communities in the process of forest management planning.
- Concept of close to nature silviculture promotion has been approved by the SFCU to be disseminated among the subordinated organizations in 2011 to be followed in practice serve as a ground for further improvement of forest legislation and forest management.
- Key publications in different project domains as the “Carpathian foresters’ handbook”, “How communities manage forests: selected examples from around the world”, “Close to nature silviculture in Ukrainian Carpathians”, “Environment-oriented bases of transport exploration of mountain forest areas”, “Perspective of game management development in Transcarpathia”, “Gender in forest management and beyond”, “2-level planning manual”, “Reforestation Program for Transcarpathia” “Basics of forest management development of Transcarpathia” “Cluster Analysis of the Forest and Wood-Based Industry of the Carpathian Region report”, “Tourist safety in Ukrainian Carpathians manual” are used and appreciated by forestry practitioners and scientists, teachers and students, community leaders, wood processors, economists, tourists and ordinary people.

#### FORZA PROJECT OUTCOMES

*“FORZA has changed the consciousness of the people. Project results made possible to anchor in the legal bases the close to nature silviculture. Local population understands better the forest management system. The project results give the possibility to organize the forest management in Carpathians in a new way“.*

Vasyl Parpan, UkrRIMF Director

→ **Sustainable multifunctional forest management is anchored in the legal and institutional framework**

### **Gender mainstreaming**

- The Project has succeeded in gender equality mainstreaming throughout the planning and implementation of the activities ensuring the female and male voices in discussions and decision-making.
- First time in Ukraine the booklet “Gender in forest management and beyond” made an attempt to look to the gender aspects in the forest sector and gave recommendations in achieving the gender equality on different levels.
- The project is recognized and viewed as a partner whose opinion and approach on gender issues is respected by the stakeholders and partners.

### ***Maximizing awareness and transparency about forest management issues***

It has been a constant aim of the project from the outset to inform the general public, and the particular target groups, about forest management and specific project activities through a pro-active information campaign.

- A survey of the effectiveness of the information campaign, carried out both in the pilot areas and beyond, showed that 57.4% of the respondents had heard about project activities. This is an excellent result taking into account the composition of the respondents, who included the general public. It also confirmed that the forestry topic is of high interest of population of Transcarpathia.
- The effectiveness of public information was further enhanced through collaborating with and supporting the partners on their info-campaigns, and participating in partners' events.
- The media skills of FORZA collaborators were increased through participation in the "Media technologies as a tool of conducting effective public dialogue" 3 stages training organized by SDC-SCO Ukraine.
- The project web-site has been modified so that it can be maintained after the end of the project as a source of current information as well as a store of project documents and experiences. It has been tailored into the FORZA NGO website, and is regularly visited by forestry specialists as well as members of the general public. A special video on the central project theme – close-to-nature silviculture and multifunctional forest management – was prepared and disseminated to all the partners and other participants at the final event held in October 2010. On the initiative of the partners, the video was broadcasted on the local cable TV channels in the pilot areas of the project, and also offered to the main regional TV channel for broadcasting.
- The Khust lishosp model info campaign, aimed at enlightening the general public about forest management through the mass media (local press and TV) has been presented to the directors and chief foresters of 18 lishosps of Zakarpattya during the collegiums of TFHA. It was proven to have resulted in a higher level of transparency and openness on the part of the lishosp towards the public. The TFHA recommended implementation of the info campaign in all lishosps.

→ **TFHA and subordinating institutions improved public relations and transparency on forest management issues**

## **4. NGO FORZA**

The NGO "FORZA, Agency for sustainable development of the Carpathian region» - the offspring of the FORZA project – was created in mid 2009, and has been working actively in the region since that time. It was created by the project coordination team with the goal of accomplishing the long term sustainability of the FORZA project achievements. Despite of the fact that the NGO is quite young, it is already participating in a range of trans-border (ENPI) and international projects (FP7) aimed at supporting, for example, forest cluster development, strengthened understanding of environmentally friendly means of transport, and forest based ecotourism development. Proposals for a number of other projects (such as preparedness of local government to the climate change challenges, capacity building of foresters in close to nature silviculture, forest pedagogy and environmental awareness promotion activities) have been submitted and are currently under evaluation.

FORZA NGO aims at promoting the sustainable development of the Carpathian region of Ukraine in the economic, environmental and social aspects of natural resource management and community development. It maintains regular contact with project partners and stakeholders, continuing an exchange of information and the planning of common activities.

FORZA NGO being a member of the Public council of Transcarpathia together with other NGOs uses this instrument for fulfillment of public control of the activity of regional government.

SDC has made a significant contribution to the sustainability of the new organization by transferring ownership of the office equipment as well as the two project vehicles to the NGO.

Intercooperation is maintaining close links with FORZA NGO, involving the NGO collaborators in potential new mandates, and networking with other actors working in similar fields of technical collaboration.

## 5. Overview of project finances

The local budget allocation (within Ukraine) for the Completion phase amounted to CHF 653 386 out of the total budget CHF 846 703.

**In total, 91,4% from the planned amount was disbursed during the reporting period in accordance with the 2009-2010 Work Plans.** The first year of the Completion Phase, 2009, was characterized by the time-consuming organizational and coordination work by the PCU needed to exercise transferring project ownership and implementation responsibility to the partner organizations. During both years, special attention was paid to activities requiring an input (including a financial one) from the partner organizations as a prerequisite for FORZA support. Examples include GIS software, establishment of the Ivano-Frankivsk training center, cluster formation and implementation of CA, and the environmental-economic assessment of conversion cuts.

The overall local disbursement figures for the Completion phase are shown in the Table below by activity and component.

The independent auditor's control of all local disbursements was conducted for each of the semesters of 2009-2010 and for the period January 1, 2009 – December 31, 2010. The auditor's report confirms that the **FORZA project accounts as presented by the PCU are correct and that disbursements have been carried out in line with project objectives and according to the Ukrainian legislation.**

Local Disbursements for the Completion Phase 2009-2010

<b>Description Program Costs by Component</b>	<b>Budget Allocation, CHF</b>	<b>Actual Disbursements, CHF</b>	<b>Total Budget Expenses, %</b>
<b>Component 1. Strengthening of sustainable multifunctional forest management</b>			
Activity 1.1 Participatory Community Development Plans (1st level plan)	76 000	70 466	92.7 %
Activity 1.2 Forest Management Plans (2nd level plan) based on the principles of close to nature silviculture	76 000	67 015	88.2 %
Activity 1.3 I.F. Training Center for the training of close-to-nature silviculture specialists	23 000	16 399	71.3 %
<b>Subtotal Component 1</b>	<b>175 000</b>	<b>153 880</b>	<b>87.9 %</b>
<b>Component 2. Cluster Analysis recommendations and related knowledge exchange</b>			
Activity 2.1 Cluster Analysis follow-up	35 000	30 819	88.1 %
Activity 2.2 General Economic Activities follow-up	16 000	13 987	87.4 %
<b>Subtotal Component 2</b>	<b>51 000</b>	<b>44 806</b>	<b>87.9 %</b>
<b>Component 3. Increase the role of forest resources in development of local communities</b>			
Activity 3.1 Strengthening Capacity in Pilot Villages	50 000	50 364	100.7 %
Activity 3.2 Sustainable Tourism Development	16 000	15 547	97.2 %
<b>Subtotal Component 3</b>	<b>66 000</b>	<b>65 911</b>	<b>99.9 %</b>
<b>Component 4. Consolidation and capitalization of project achievements</b>			
Activity 4.1 Policy dialogue, harmonizing normative documents and capitalization of project achievements	28 000	21 992	78.5 %
Activity 4.2 Maximizing awareness and transparency about forest management issues	38 000	33 764	88.9 %
Activity 4.3 Strengthening gender mainstreaming and human rights principles	9 500	3 567	37.5 %
Activity 4.4 Sustainability of project results	8 500	8 181	96.2 %
<b>Subtotal Component 4</b>	<b>84 000</b>	<b>67 507</b>	<b>80.4 %</b>
<b>Project administration and management (local PCU)</b>			
Project administration and management	277 386	264 769	95.5 %
<b>Subtotal</b>	<b>277 386</b>	<b>264 769</b>	<b>95.5 %</b>
<b>TOTAL LOCAL Disbursements</b>	<b>653 386</b>	<b>596 875</b>	<b>91.4 %</b>