



**AUSTRIA – BHUTAN**

YEARS OF PARTNERSHIP

1989–2014



# IMPRINT

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# FOREWORD

**T**his year marks the 25<sup>th</sup> anniversary of the establishment of diplomatic relations between Bhutan and Austria. It is an occasion to celebrate the success achieved during our engagements over the past two-and-a-half decades and chart the course for the future. I believe that both countries have ample reason to be satisfied with the development of our bilateral relations, which are defined by understanding, cooperation and above all, goodwill.

Austria has over the decades generously shared its knowledge, skills and resources with Bhutan and contributed immensely to our socio-economic development. The impact of Austrian assistance in priority sectors such as good governance, energy, tourism and culture is highly visible and has greatly benefitted the Bhutanese people. The people and the Royal Government of Bhutan are deeply grateful to the people and Government of Austria for their generous assistance and look forward to their continued support and cooperation.

While much has been achieved over the past two decades, more can be done to further this excellent relation. As we celebrate the Silver Jubilee of diplomatic relations, we must look beyond development cooperation and expand our engagement in other mutually beneficial areas and move towards a new chapter of friendship that is even more meaningful and enduring.

This publication highlights the successful journey that Bhutan and Austria have made during the last 25 years. May Bhutan-Austrian relations flourish and grow from strength to strength.

TashiDelek!



**Rinzin Dorje**  
**Minister for Foreign Affairs**

**B**hutan and Austria have enjoyed excellent bilateral relations for many years. The close bond of friendship between our peoples and countries is based on mutual trust, commitment and fruitful cooperation. This year, we celebrate 25 years of diplomatic relations. Together we can take pride in an impressive number of joint projects which made a difference for the better in people's lives and contribute to Bhutan's further development. Hydropower, tourism, forestry, culture and good governance are the areas of our successful cooperation and constitute our steadfast and time-proven partnership.

In addition to its remarkable process of democratisation, Bhutan stands out as a country which embarked on a path of steady development based on the concept of Gross National Happiness. This concept combines economic and social development with ethical, cultural and environmental aspects and values, which are too often neglected in the economic planning processes of other nations. Austria follows this holistic development approach with great interest as we can certainly learn a lot from Bhutan's experience.

Development cooperation has been – and will remain – at the core of our bilateral relations. A fruitful and stimulating dialogue has led to many innovative and concrete initiatives and I

am confident that Austrian expertise will contribute to Bhutan's development also in the future. To this end, it will be important to strengthen our ties even further, to deepen and broaden our cooperation, and to strive for a mature and multidimensional bilateral relationship. Together, Bhutan and Austria can achieve outstanding results at the political level, we can significantly increase our economic cooperation to the benefit of both nations, and we can further promote cultural exchange and people-to-people contacts.

From the Alps to the Himalayas, the opportunities are plentiful and the potential is huge. Let us join hands at this happy occasion and continue to work together to make the next 25 years even more successful and thriving.

Long live the Austrian-Bhutanese friendship!



**Sebastian Kurz**  
**Minister for Europe, Integration and Foreign Affairs**

# INTRODUCTION

**T**his 25<sup>th</sup> year of diplomatic relations between two countries is indeed an occasion to look back and to celebrate, particularly as the fruits of our close development cooperation that predated and paved the way for our full diplomatic relations are quite impressive. But relations between states do not exist per se; they are borne and shaped through relations between people.

Therefore this small brochure – although also talking about commendable achievements of cooperation since the second half of the 1980s – will first and foremost tell stories from and about the people behind this history. It reflects their memories, their aspirations, their unstinting engagement and also their perseverance in pursuing ideas and desired goals. Be it in mountain forestry, the energy and tourism sectors, in the purview of culture and governance, which constitute the main areas of Austrian – Bhutanese collaboration, without the commitment of these individuals the relations could not have grown and flourished.

As the fifth Austrian Coordinator of the Austrian Development Cooperation in Bhutan I have the honor to build on their heritage. I learned to appreciate highly the pioneering spirit of Austrians and Bhutanese alike who had to work under far more demanding conditions in the early days of our collaboration. The way and content of our cooperation today reveal at the same time the enormous changes and steps in development that Bhutan has experienced since those early days.

The jubilee year 2014 provides a unique opportunity to convey our heartfelt thanks to all who have joined the journey in the last 25 years. Welcome to all who will join us for the coming 25 years!

**Christine A. Jantscher**  
Austrian Resident Coordinator since 2012

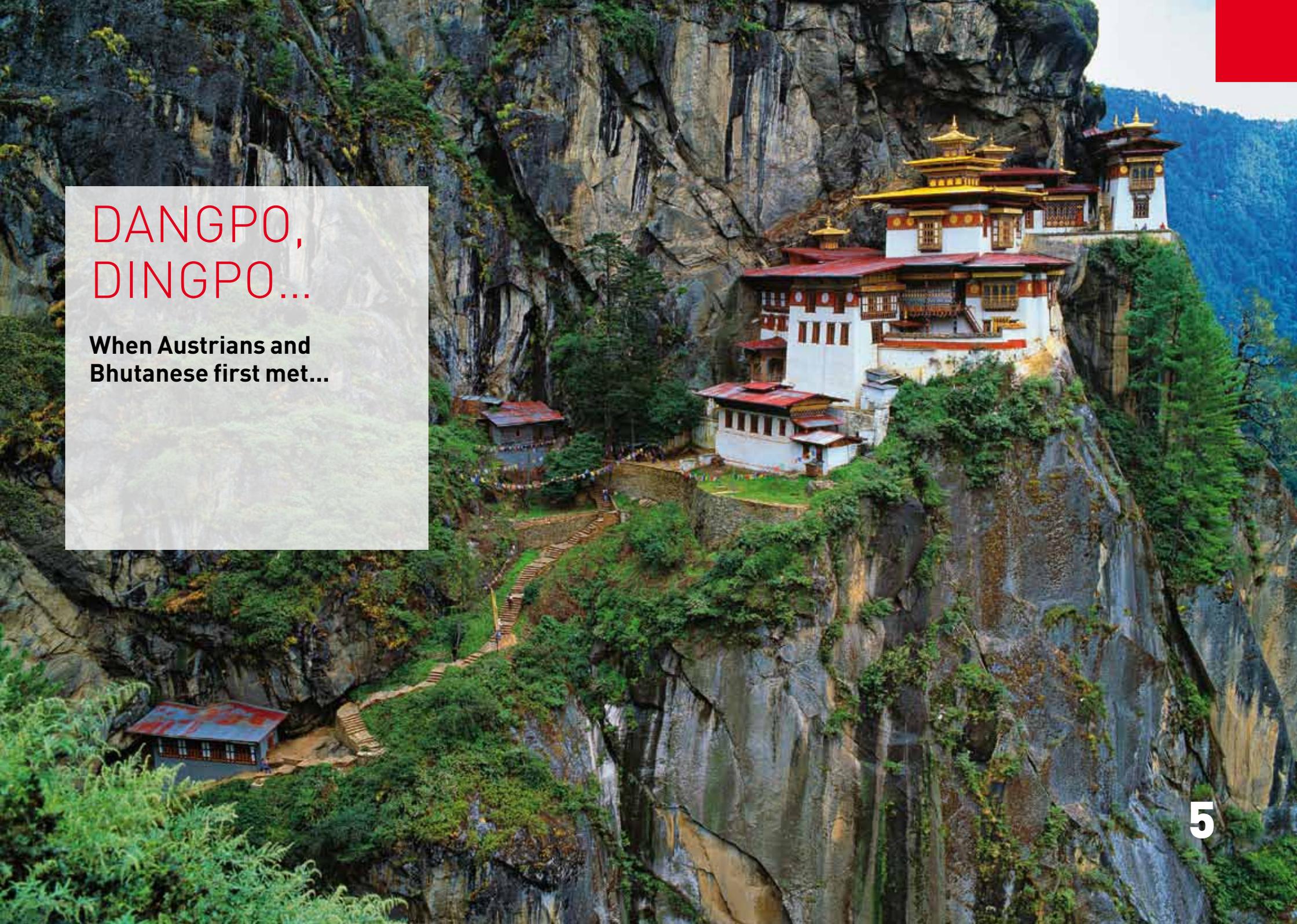
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We particularly thank Françoise Pommaret for conducting interviews with eminent stakeholders who were engaged in Austrian Development Cooperation programmes and for compiling the core text of this jubilee brochure.

# DANGPO, DINGPO...

**When Austrians and  
Bhutanese first met...**





Two of the last Haflinger horses in Bumthang.

**A**s the Bhutanese say Dangpo, Dingpo, “a loong time ago”, Bhutan was a virtually unknown country to most Europeans. That was 60 years ago, and Bhutan itself was not really opened to the outside world. The country was then ruled by the 3<sup>rd</sup> King, Jigme Dorji Wangchuck (1929–1972), known now as the “Father of Modern Bhutan”. At that time, there were no planes, no telephones, hardly any towns and the country was 95 percent rural. People tilled the land and raised cattle as they had done for centuries. Trade was mostly based on barter. As the 3<sup>rd</sup> King’s health was not good, he used to go to Switzerland for treatment and during one of these trips he met in Zürich Franz Hubert Rhomberg, an Austrian-born doctor whose kindness is legendary in Bhutan to this day.

Ernst Haas (1921–1986), the great Austrian-born Magnum photographer, was one of the earliest Austrian visitors to Bhutan. In 1974, sponsored by the Smithsonian Institution in Washington DC, he came to Bhutan for the Coronation of the 4<sup>th</sup> King. His last private visit to the country was around 1984, not long before he died in the USA in 1986. Another figure, originally from Graz in Austria, who migrated to Switzerland, was Blanche C. Olschak (1913–1989). She wrote books on Bhutan, some in association with the famous Swiss geologist Augusto Gansser, and really contributed to knowledge about Bhutan in the 1970s. These Austrian born figures could never have imagined that the link between their native country and Bhutan would grow beyond personal associations to where it has reached in 2014.

### Horse power for Bhutan

Austria really arrived in Bhutan through some amazing Haflinger vehicles which were imported by the government on a suggestion of His Royal Highness the Paro Penlop Namgyel Wangchuck around 1964, as they were robust and light. Later they were sold

to rich people in India for whom they were a status symbol. In October 1968 at the time of the flashflood, the famous Haflinger horses, who had in fact given their name to the cars, arrived through the Swiss Bumthang project. The 3<sup>rd</sup> Druk Gyalpo was advised to get the Haflinger horses for breeding as they were good for draught and harness work. This breed, developed in the 19<sup>th</sup> century in Austria and Northern Italy, was known for its sturdiness. The horses were brought by ship via the long sea route of the Cape of Good Hope because the Suez Canal was beset with problems. After this odyssey, they found themselves stranded in Calcutta by the terrible 1968 floods! Finally they travelled by trucks from Calcutta to Bumthang, all the while accompanied by a minder from Austria whose stories must have been epic.

However, the Haflinger needed good care, adequate fodder and often the Bumthang farmers were not able to look after them properly. Moreover, later it was found that they were not sure-footed and too heavy for mountainous paths, as in Austria they were mainly used for pulling carts and logging purposes. Thus, following a government order, the breeding and supply of Haflinger horses was stopped and the remaining horses were auctioned to farmers.

From the mid-1970s, Bhutanese delegations (ministers, high officials) visited a number of small countries in Europe and one of them was Austria. Dasho C. Dorji (now Lyonpo) was sent in 1974–1975 on tour to Europe as a forester. The instructions were to find compatible partners for forestry management. Technical cooperation started with Austria in the early 1980s with selective assistance through logging, a cable crane in Changedaphu (Thimphu), the Trumshingla Ura Integrated Project and forestry training in Bhutan, as well as tourism human resource development at Salzburg. This assistance continued until formal relations were established in April 1989.





# 1989 THE WATERSHED YEAR

**How relations  
were formalised...**



Lyonpo Jigmi Yoezer Thinley with Ambassador Georg Lennkh in 2002.



Vladimir Stehlik (middle), Austria's first official Coordinator in Bhutan, with Karma Dem (left) and Prof. Gunter Riedmüller.

**1989** was the year that changed the face of Europe and the world. Walls broke down which had divided the people of Europe for a long time. But also on a much smaller stage two countries separated by many thousands of kilometres decided to let their relationship grow and prosper even more. Formal diplomatic relations were established on 26 April 1989 in a joint communique, followed by the signing of an "Agreement between the Austrian Federal Government and the Royal Government of Bhutan on Technical Co-operation" signed on 10 May 1989 by Ambassador Christoph Cornaro and Dasho C. Dorji. From that year, the cooperation took a more structured and ambitious turn. The Agreement marked a watershed in the relationship, making the project planning and management easier while allowing personal and institutional relations to grow.

At that time Lyonpo Dawa Tshering, the Bhutanese Foreign Minister, the Secretary of the Planning Commission Dasho C. Dorji, the Ambassador to the UN in Geneva Dasho Nado Rinchen, and Bhim Subba, Director of Power, were part of the high level delegation to Austria which in June 1990 went on a "sensitisation tour" and took part in an exchange of ideas.

Foreign Minister Alois Mock was interested and appreciative and the delegation also called on Kurt Waldheim, the Austrian Federal President. The Delegation was received by the Austrian Development Cooperation officials Hans Danninger and Günther Stachel and Austria contributed one million USD for the Bhutan Environment Trust Fund, which was a great support in developing the management of the national parks.

### A growing partnership despite difficult times

In the 1990s, Ambassador Georg Lennkh, Director-General of the Austrian Development Cooperation (at that time still a department in the Austrian Federal Chancellery) in Vienna was determined to increase the assistance of Austria to Bhutan. Georg Lennkh had a strong affinity with Bhutan. His highly appreciated Bhutanese counterpart was the Ambassador of Bhutan in Geneva Dasho Jigmi Yoezer Thinley. It was the time of the "Southern problem" of the 1990s and the perception in Austria was very critical. Ambassador Jigmi Y. Thinley helped a lot in enabling a fact finding mission by a researcher of the Austrian Boltzmann Institute for Human Rights, and six months later Austria had a much more balanced picture of the situation in Bhutan. The issue of the "Bhutanese refugees" in camps in Nepal became then a permanent topic in the bilateral consultations. Ambassador Lennkh is described by a Bhutanese high official as "a fine diplomat and a real statesman in international cooperation, as well as a good walker". Other key persons of the Austrian Development Cooperation of this time were Günther Stachel and Hans Danninger who were found very instrumental and supportive in developing the cooperation further.

Eventually, in 1994, a Coordination Office of the Austrian Development Cooperation was inaugurated in Bhutan. The first Coordinator in residence was Vladimir Stehlik, an enthusiastic and kind-hearted person, who is still remembered as very cooperative and loyal to his Bhutanese colleagues. Annual bilateral meetings started in 1998 and were held alternately in Thimphu and Vienna.

### First lessons learned...

In those years, the Austrian Coordination Office in Thimphu was aligned with the living conditions in Thimphu at that time: spartan! In the words of the 2<sup>nd</sup> coordinator, Brigitte Dekrout: "In 1999 I found a small office heated by a convector producing 9° in the morning, rising to 12° at lunch break, already staffed with three Bhutanese colleagues, a friendly climate for Austria at the highest levels of government and two very major projects, both in serious troubles. After a year we moved to the present office, shipped a cast iron stove from Austria, employed a driver and a good secretary and off we went." Brigitte Dekrout's enthusiasm never diminished during her tenure in Bhutan. She had a distinct approach which she describes vividly: "The lesson we learned during my time was that just transferring Austrian know-how does not work. It was only by way of dialogue, mutual learning and respect for values, traditions, constraints of both sides that we moved forward. This method needs time and trust, and continuity also helps."

The difficult major projects were the Basochhu Hydropower Station and the renovation of the Trongsa Dzong. The "magic tools" that made progress possible were regular and frequent Steering Committee Meetings composed of the highest responsible actors in both the Governments with powers to make decisions, guided by proficient and respected Austrian Monitoring Consultants and administrative staff, among them the Austrian Coordinator. What was the coordinator's job? "To keep the ball rolling and nothing else."

Brigitte Dekrout's counterpart at that time was the equally straightforward Director of Power who later became Joint Secretary of Power under the Ministry of Trade and Industries, Dasho Karma Dorjee. He remembers fondly Ms. Dekrout as cooperative, humble, supportive, and a very keen hiker!

Lyonpo Yeshey Zimba and Lyonpo Khandu Wangchuk were closely involved in the Austrian projects in Bhutan in their different ministerial postings; they were praised by the Austrian Cooperation for being straightforward and competent. Dasho Jigmi Y. Thinley was very important first as Ambassador in Geneva and then later as Minister of Foreign Affairs and subsequently as Lyonchhen (Prime Minister). The Austrians called the Bhutanese officials a "professional group" while the Bhutanese found the Austrians tough but well intentioned!

### ...and the way forward

Austria and Bhutan agreed to concentrate cooperation on sectors which had already been more informally operational: forestry, tourism and energy including hydro-power development, rural electrification and smaller projects such as the development of improved wood-stoves. In 1994 the programme for the restoration of the Trongsa Dzong was agreed. Beyond that there were always some important and highly visible sideline projects, such as the acclaimed Bhutan exhibition in Vienna in 1997. As cooperation grew in the 2000s, the Austrian researchers carried out studies on the potential Glacial Lake Outburst Floods from Thorthomi Lake in Lunana. While the cultural sector was considerably downsized, the governance sector grew after the first democratic election in Bhutan in 2008 in close collaboration with the Judiciary of Bhutan.



Ambassador Jutta Stefan-Bastl (left) and Brigitte Dekrout on the roof of Trongsa Dzong watching the ceremony that allowed the Portal Building to be dismantled.



Dasho Karma Dorjee (right) was Director of Power when he first met Brigitte Dekrout (left); in the middle: Gup Gado from Darkala Gewog



# MOUNTAIN FORESTRY

**An enduring partnership**

Bhutanese mountain forestry students with Georg Gratzler (middle) and Austrian foresters and forest owners in Göstling/Austria.

**A** country as forested and mountainous as itself, Bhutan found in Austria a perfect partner in the forestry sector. Indeed it was in this field that cooperation started informally in the late 1980s when Heinrich Schmutzenhofer, an entomologist from the Austrian Research Centre for Forests was sent to control the bark beetle pest in Bhutan. He combatted huge outbreaks of this small, but highly effective insect herbivore in the forests of Paro, Ha and Changedaphu. Later on followed the construction of the forest road for logging in Changedaphu, Thimphu and the Trumshingla-Ura Integrated Forest Management Project which went on until 1999. Already on his first visit to Bhutan Heinrich Schmutzenhofer was accompanied by a group of forest researchers who carried out pilot studies and detailed descriptions and mappings of wildlife sights. Later on research was conducted on the ecology of regeneration of forests in Ura.

An important output of this first project was the feeder road to the village of Shingkar in Ura. As an example of environmentally friendly road construction, it was the first road of its kind to be built with an excavator and with the appropriate skills and methods for protecting the environment and minimizing damage. Till today the road is in good shape.

### **The first pioneers**

Evaluations supported continuing with ecological research work. Consequently, from 1993/94 until now, the Conifer Research and Training Partnership (CORET), the subsequent Forest for Research and Development Partnership (FORED) and

since 2013 a new project on the Climate Change Adaptation potentials of forests in Bhutan, including building human capacities and a knowledge base (BC-CAP), have established a long-lasting partnership between Austria and Bhutan in mountain forestry. The main movers behind the diverse projects in the forestry sector were, on the Bhutanese side, Lyonpo C. Dorji, Dasho Sangay Thinley and Dasho Sherub Gyeltshen, Secretaries, Lyonpo Pema Gyamtsho (earlier also director of Planning at the Ministry), while on the Austrian side Georg Gratzner and Andras Darabant from the Austrian University of Natural Resources and Life Sciences (BOKU) were and are the backbones of this cooperation.

CORET was designed to continue the research on Conifer Forests, which was started in Ura, Bumthang from 1993/94 with the establishment of a forest ecology unit. At that time, some very important research data on site surveys, classification and mappings, climate, and other ecological findings were recorded and the Department of Forest became the keeper and manager of this data. Life at 3,000 m in Ura was rustic as Georg Gratzner describes it: "Work then had the flavour of pioneer work – there was not much support infrastructure: in the project area, the Ura Gewog, there was just a rented room in an old house without glass windows and without water and electricity for the Austrian scientists and the Bhutanese foresters alike. One room was so small that, when opening the door, a sleeping mattress had to be lifted! The water in front of the house was usually frozen in the morning. But to compensate for these hardships there was a strong sense of collaboration with the foresters and the farmers of the surrounding villages."



**"Studying Mountain Forestry in BOKU-University of Natural Resources and Life Sciences, Vienna has been a major turning point in my life. Today, I have become more competent and adept in carrying out research in Bhutan through linking the best science with on-ground conservation actions. The holistic and pragmatic approach in courses that are offered to students and an environment that is conducive to learning are hallmarks of BOKU University."**

Singye Wangmo

Forestry Officer at the Royal Manas National Park

### **The story goes...**

**"... Things went slowly between Ura and Shingkar and local people challenged the Austrian operator of the excavator to complete the road in time for the annual village festival. They bet a case of beer. When the driver realised that he would perhaps not make it he worked into the night for weeks and practically without sleep for the last 48 hours. The road was finished just in time, the villagers were overjoyed and the driver won the bet."**

Remembered by Ambassador Georg Lennkh



**“I studied MSc in Mountain Forestry from BOKU Vienna 2004–2005. I have learnt many forestry related subjects which prove to be very useful in the management of natural forests of Bhutan. I recommend young promising graduates to study their higher degrees at BOKU to acquire skills and in-depth knowledge in forestry.”**

Phento Tshering

Divisional Forestry Officer in Thimphu Forest Division



**“MSc in Mountain Forestry is an interdisciplinary course that permeates all essential areas of learning for mountain biodiversity conservation and management. The wide array of courses enabled me to tailor my knowledge needs and equip myself with a set of skills that I can use throughout my forestry career.”**

Ngawang Gyeltshen

Deputy Chief Forestry Officer, Department of Forests and Park Services, Bhutan

### Participatory research

The “Forest Research for Development Partnership” (FORED) started in 1999. It aimed to improve the living conditions of the people and to fight poverty in Bhutan by ensuring the sustainability of forest management through education of forest researchers. Compared to CORET, FORED focused on prioritizing non wood forest produce and a social forestry component. The research topics were defined by the partners in Bhutan and land users came together annually and presented their problems and questions. Over the years interesting but also unexpected research results were found. It turned out that, contrary to the assumption that the grazing of cows and yaks jeopardized the rejuvenation of the forest, grazing at moderate levels is rather a measure to promote tree regeneration. It could also be shown that without nutrient transfer from the forest to agriculture, including through forest grazing, the current harvests in Bhutanese agriculture would not be possible.

In a similar way research was conducted on the impact of forest fires in pine forests. These forests have an undercover of lemongrass which is an important source of income for poor farmers in Eastern Bhutan. It was found that periodic and carefully planned fires lead to the highest success in tree regeneration and the highest content of citral in the lemongrass. These actions paved the way to the incorporation of prescribed burning for land management in the Forest Fire Rules of Bhutan 2012 and will lead to a responsible use of fire as a management tool, thus preventing catastrophic fires.

### Pillars of collaboration

The partnership between the research section of the Ministry of Agriculture and Forestry in Bhutan and the Institute of Forest Ecology at the University of Natural Resources and Life Sciences in Vienna firmly rests on joint research, learning on the job, filling knowledge gaps of scientists and foresters through courses by university professors in Bhutan and finally on the English-language master’s program “Mountain Forestry”, which has been offered at BOKU since 2002 and is internationally unique. Since then, about 20 foresters and forest scientists from Bhutan have graduated from this study. They now manage national parks and forest enterprises, draft bills and conduct research in and around the forest.

In 2013, a new project on climate change in Bhutan was launched. Funded by the Austrian Climate Action Funds of the Austrian Federal Ministry of Agriculture, Forestry, Environment and Water Management, it aims at studying the adaptation potential of Bhutanese forests to climate change. Under this project another eight Bhutanese students will study Mountain Forestry and three will complete their PhD at BOKU.



# Em- POWER- ment

**How the partnership  
matured**

Dagachhu Hydropower Plant



© Bernard & Partner

Inauguration Basochhu Lower Stage 2005: First Row: Lyonpo Khandu Wangchuk, Minister Ursula Plassnik, Lyonpo Yeshey Zimba, Minister Elisabeth Gehrler, Lyonpo Wangdi Norbu

## Lightning eastern Bhutan

Dasho Karma Dorjee joined in 1993 as Director of Power and later as Secretary of the Ministry of Trade and Industry until he retired in 2007. He was therefore the key counterpart of the Austrians in this sector and remembers vividly: "The Rangjung Hydel construction in Trashigang had just started. I saw it through construction and commission in 1996. It really stabilised the electricity in Trashigang which could at last have a reliable power supply." Although it was originally intended to be operated in parallel with the existing Small Hydro Power Plants at Chenari and Khaling, the Rangjung project needed to be doubled in size during construction, from 1.1 to 2.2 MW, since the other plants went out of operation. Thus the electricity supply of the consumers in Trashigang Dzongkhag was shouldered by Rangjung alone. The low specific cost of 3,400 USD/kW, ranks Rangjung as one of the most economic projects financed by development cooperation ever realised in developing countries.

From 1993 to 1997 a group of Bhutanese specialists were trained in Austria in the full range of hydropower plant operation and maintenance, mastering the Austrian standards for skilled electrical industrial/mechanical professionals. One of them is Singye Dorji who holds the position of the Rangjung station manager. He still commands an amazing Austrian-German vocabulary and will greet you in Rangjung with a hearty "Grüß Gott". The two other Austrian trained engineers, Needup Tshering and Karma Chopel, are still key staff at Basochhu Hydropower Plant to date.

Starting in 2001 Austrian Hydropower Experts from TIWAG and Verbund trained the operating and maintenance staff of

### The story goes...

"...One day, I was told that someone wanted to talk to me. In came a man with a large bag. According to traditional custom, he gave me the bag; It was filled with rice. This was a great gift for a poor farmer, and it was clear that the concern had to be a bigger one. He said – and my Bhutanese staff translated – that an electric light has been installed for some time at his house, but they often still had no light. He added that the houses on the opposite side of the valley had light more often than those on his side of the valley. May I step in and eliminate this injustice? I could not help him and referred him to the competent authorities in Trashigang. When we parted, I told him kindly that he should take back his bag of rice, which he did without hesitation. In fact the man had not recognized the principle of load shedding and felt wronged when his side of the valley was in the dark, while the other had light. The petitioner in any case made me aware of how important the minimum power supply had already become for the rural population."

Remembered by Mr. Reinhard Giner,  
Austrian resident engineer in Rangjung from 1993 to 1996.

**T**he role of hydropower in Bhutan's economy is strongly linked to economic but also social development since the revenue from exporting a large share of the generated power allows the government to finance social sectors and grant subsidized rates for domestic tariffs. Thus, a balance between economic development, social welfare and preservation of the environment is created.

Cooperation in the energy sector dates back to 1986 when Austria agreed to a request by the Royal Government of Bhutan for assistance in the electrification of eastern Bhutan. More than 25 years later, this fruitful cooperation has resulted in the successful installation and full operation of three hydropower stations (Rangjung inaugurated 1996, Basochhu Upper Stage, commissioned in 2001; and Basochhu Lower Stage inaugurated in 2005) generating annually about 307 GWh. The fourth plant, Dagachhu, is about to be commissioned in 2014, adding another 126 MW or 500 GWh into the Bhutanese grid. All of these plants are not constructed as dam storage but as run-of-river power plants, thus eliminating many of the typical environmental problems found in hydropower construction. Since there are no villages in the narrow and deep valleys, no resettlement is required, only land replacements. The National Environmental Commission and a modern environmental law guarantee compliance with international environmental standards.



Basochhu Hydropower Plant. The assistance targeted the improved use of modern technology and also the efficient use of resources and the improvement of occupational safety. The programme also supported activities from master degree courses in Bangkok, specialised expert training in Bandung, Indonesia, and on the job training for ministerial staff towards promotion and implementation of Clean Development Mechanism (CDM) Projects.

### **One step further: Basochhu**

After signing the financial agreement for Basochhu in Western Bhutan in April 1995, the foundation stone was laid in November 1997 by Benita Ferrero-Waldner, then Austrian State Secretary for Foreign Affairs, during her visit to Bhutan. It was the start of the biggest single project of Austrian Development Cooperation so far anywhere in the world. Lyonpo C. Dorji who was then Secretary of the Planning Commission thinks Basochhu was a cooperation landmark. Lyonpo himself went to Austria to check on hydro power projects and was amazed by the technology. An infra-red equipped micro-light aircraft was brought to carry out the survey and to identify the exact contour of the project. The plane was then packed up and sent back to Austria.

As a side and beneficial effect of Basochhu, a mechanical workshop was established with Austrian help at Hesothangkha, Wangdue Phodrang to facilitate heavy machine maintenance. The workshop still exists and benefits everybody, including the Punatshangchu project and is run by the Ministry of Works and Human Settlement. A 10 km road to Gaselo leading to the intake site was also built; this was an environmentally friendly road construction and a really good example for Bhutan to follow.

### **Shifting the partnership to the next level**

The realisation of the Dagachhu Hydropower Plant marked a step in a new era of hydropower development and also in Austrian-Bhutanese partnership. It goes hand in hand with the general development of Bhutan and can be best seen by looking at the financial conditions of cooperation. While Rangjung Hydro Power Plant was totally grant financed, the Basochhu Upper stage was based on about 37 percent grant, 49 percent concessional ERP\* loans and 14 percent RGoB\*\* financing. The following power project of Basochhu Lower Stage saw a change towards 3 percent grant, 91 percent official export promotion loan and 6 percent RGoB financing. Financing the actual Dagachhu Hydropower Project changed towards about one third each being loans from the Asian Development Bank, from the Austrian Export Credit Facility (OeKB) and from the RGoB and private investors. The Austrian development grants assisted only with capacity building.

For Dasho Sonam Tshering, Secretary of the Ministry of Economic Affairs and a long time player in the energy sector, the relationship has been very, very beneficial in terms of financial and technical support. "Right from day one the projects are entirely managed by the Bhutanese, by our own engineers. Knowledge transfer from the Austrian consultants to our local engineers has been immense." And he adds "the most important aspect of our cooperation in this sector with Austria is technology. We have a state-of-the-art technology from the Austrian power plants. In fact, if we so desired, Basochhu and Dagachhu power plants – we can keep them locked up and start them from Thimphu. Technology transfer has been a major contribution from Austria."

\* European Recovery Programme

\*\* Royal Government of Bhutan



**"After having completed my master's study in energy from the Asian Institute of Technology in 2006, I worked as the Sr. Plant Engineer of the 64 MW Basochu Hydropower Plant. In 2008, I joined Druk Holding and Investments (DHI) in Thimphu as a Sr. Analyst. Since 2011 I have been working at the International Finance Corporation, the private sector arm of the World Bank Group as the Country Coordinator for Bhutan. I convey my deep gratitude to the people and the government of Austria for sponsoring my master's study at the Asian Institute of Technology."**

Om Bhandari



**"Upon the completion of my MBA degree from AIT Thailand I started to work as a Company Secretary at Basochhu Hydropower Corporation. Later I joined the State Trading Company and the Druk PNB bank where I held the position of a Managing Director and a Deputy CEO respectively. Since 2012 I am the CEO of the Bhutan Electricity Authority."**

Samdrup K. Thinley



Inauguration Basochhu Upper Stage 2002: Ambassador Georg Lennkh (left) and Lyonpo Khandu Wangchuk.



A prototype rural clay stove in Phobjikha.

### The story goes...

"...As often in Bhutan, the religious side of the project had to be considered and it was decided to build a chorten\*. How the idea came up, I cannot exactly say now; I only remember that my technician colleague was very religious, and the Karthiri river was well known for its debris flows. In addition to technical measures in place to avert damage, spiritual protection measures were also needed. A chorten had to be built on the riverside corner of the sand trap. This endeavour was financed by private donations and from funds for the construction project, as it was a protective measure for the entire power plant.

Monks and lay people, experts in their field, were hired and the chorten building took several weeks. The final consecration was a wonderful celebration with villagers attending and good food. The sand trap with a chorten is certainly unique in the world; moreover, it holds an Austrian 20 Schilling coin at its heart. The power plant in Rangjung was years later affected by a massive mudflow in the Karthiri river. The plant was heavily damaged but not completely destroyed, and all other parts of the plant were spared from damage. Whether the chorten has played its part, who knows?"

Remembered by Mr. Reinhard Giner, Austrian resident engineer in Rangjung from 1993 to 1996.

\* Buddhist monument

### Energy for all

Besides hydropower development rural electrification is another key priority as it has immense potential for raising rural income and employment opportunities. Six rural electrification programs enabled access to electricity for 2,638 households, and a new program covering 163 households in the high altitude areas of Soe and Lingzhi area is being implemented now. Additionally under an ERP soft loan, 219 households will be connected to electricity in Laya under Gasa Dzongkhag. This program is certainly the one with the most direct and visible benefits to poor rural households. It was complemented by another area of cooperation to encourage the efficient use of firewood in rural households, for many of which it constitutes their most important source of energy. Several prototype rural clay stoves were installed in Phobjikha and some metal stoves were installed in Thimphu.



"The Austrian Ministry for Foreign Affairs sent me to the Thimphu office as the second coordinator from July 1999 to April 2004. This was beyond doubt the most interesting work that I ever had. I could put into action everything I had learned in 25 years with different responsibilities in development cooperation in the head office in Vienna.

We always tried to link material inputs in the major construction sites with the development of knowledge and skills. Sometimes we succeeded as in Basochhu which was run right from the beginning by the Bhutaneese. This is ownership! I monitored closely the building of Basochhu. One night, due to great fortune, a sudden outburst of water in the tunnel cost no lives or serious damage and could be handled right on the spot thanks to the Austrian who lived on the site. Another day we were close to a fatal accident. An Austrian worker blasted his belly open when handling explosives. He was immediately transported to Thimphu hospital, which meant about three hours travel by car, and the only surgeon was summoned immediately. Without a word the Minister, the Director of Power, other officials and myself waited for hours outside the operating theater until we heard that the man was saved. Can you imagine any other place in the world where this would happen?

The most satisfying project for me was the rural electrification project. It was our goal not only to help in producing electricity but also to assist in bringing it to the remote rural areas. We started to contribute to the ambitious Bhutanese program of rural electrification. This really had a visible impact on poverty reduction. What a change in life to have light, a water boiler, a rice cooker, a radio, later a TV and even a mobile phone. I have learned recently that the number of Austrian-assisted households has already risen to more than 1,600; this for me is real joy."

Brigitte Dekrout

Austrian Resident Coordinator from 1999 to 2004



Rural electrification in Zhemgang.

## Facts and figures

Basochhu hydropower plant, Upper Stage, was designed by the CCB consortium headed by Bernard Engineers, Hall in Tyrol/Austria and realised by Alstom Power Vienna/Austria, VA Tech Hydro, Linz/Austria and Yarkay Construction Company, Phuentsholing/Bhutan. Based on an installed capacity of 24 MW the plant injects since October 2001 annually some 108 GWh into the Bhutanese grid.

Basochhu HPP, Lower Stage, combines the outflow from the upper stage and the Rurichhu. A capacity of 40 MW allows for the generation of 186 GWh annually. The realisation under a turn-key contract was performed by VA Tech Hydro, Alstom Power, Alpine Mayreder and Verbundplan. Technical assistance by Bernard Engineers carried out site supervision in close partnership with the Bhutanese project owner. Operation of this power plant started ahead of the planned schedule on 8 September 2004.

Dagachhu HPP was assisted with training by Bernard Engineers in project preparation and site supervision and by Pöyry with promotion and implementation of Clean Development Mechanism. Realisation was performed by Alstom Hydro Austria, Andritz Hydro and Hindustan Construction Co Ltd. With a capacity of 126 MW Dagachhu will generate some 500 GWh per year.

# PRESERVING CULTURAL HERITAGE

**How the partnership was  
taken to new heights**

Trongsa Dzong



**A** country like Austria with a rich culture and a flair for grand buildings might be predestined to be drawn towards Bhutanese cultural heritage. In order to create more awareness about Austria's remote partner country in the Himalayas a widely acclaimed exhibition on Bhutan was presented in Vienna in 1997. Two guest curators – Christian Schicklgruber "Völkerkunde Museum" (today "Weltmuseum") in Vienna and Françoise Pommaret from the National Centre of Scientific Research Paris – were given carte blanche within the limits of a strict Austrian budget.

#### **Taking Bhutan to Europe: The first Bhutan exhibition**

It was the first major Bhutan exhibition to be held in Europe. It was four years in the making and its catalogue "Bhutan. Mountain Fortress of the Gods" has become a best-selling classic. The preparation of the exhibition included its share of hurdles and great moments. Numerous permissions had to be sought for the religious objects and cultural sensitivities had to be accommodated on both sides. Private lenders had to be cajoled and the packing was done under the slightly worried eyes of the cultural officials who watched the Austrians packers go about their business with brisk and efficient manners. The coordinator Vladimir Stehlik was taking it all in his stride and warmed the atmosphere with numerous cups of coffee. Later on the reconstruction of the huge Trongsa Dzong model in the imposing museum of the Hofburg complex in Vienna also created outbursts of fraught nerves.

Opened in Vienna in November 1997 with 400 artifacts, which had never been shown outside Bhutan before, the exhibition presented Bhutanese religion, arts and peoples to Europe as

it travelled for two years in Switzerland, Spain and the Netherlands thanks to various European partners, including Sr.Ian Triay, of Madrid, who eventually purchased the Trongsa Dzong model. More than 400,000 people discovered that Bhutan existed. For both Austria and Bhutan, it was a major cultural and public relation coup.

The Trongsa Dzong model drew huge interest from a public amazed by Bhutanese architecture. Established first in the 16<sup>th</sup> century, Trongsa Dzong is one of the most important cultural, historical and religious monuments in Bhutan. This marvel of Bhutanese architecture is situated on top of a ridge at an altitude of 2,200 m and is an imposing presence in the landscape with a length of 230 m North to South. It includes over 20 temples besides providing accommodation, prayer halls and working space for 500 monks, the administration of the district and until recently the district court.

#### **Challenging a myth. The restoration of Trongsa Dzong**

The first discussions between Austria and Bhutan on the restoration of this monumental building had already started in the early 1990s. The first observations and studies carried out by the Austrian architect Friedrich Falch identified the Portal Building and the Monk Body's School as the most jeopardized parts of the Dzong and initial small emergency measures were implemented to avert the danger of collapse. The actual restoration of Trongsa Dzong in the years 2000 to 2004 took the cooperation between Austria and Bhutan to new heights.

Although the formal Austrian commitment in principal for the restoration of the Portal Building and other urgent measures was given by Benita Ferrero-Waldner, the State Secretary for



Consecration of Trongsa Dzong. Left to right: Irma and Friedrich Falch, Marie-Christine Weinberger, Lyonpo Jigmi Y. Thinley, Dorji Lopen Kuenley, Lyonpo Yeshey Zimba, Ambassador Jutta Stefan-Bastl



**“I spent five years in Bhutan. Five years full of ideas for projects, their development and implementation. Fascinating – as there was no end to what Bhutan needed and wanted (and probably still needs). Luckily, during my tenure, there were still receptive ears and ample financial possibilities to realise projects, apart and besides what was in the big plan. At this point I would like to remark, that deve-**

**lopment is complex, very difficult and often very frustrating work. But – luckily – there are again and again gratifying and encouraging experiences, examples of significant and valuable exchanges, mutual learning and respect for each other’s successes. There is no doubt that Bhutan heads the list as an atypical and special example from the point of view of ‘development’. I would not have missed one minute of those five years, although it was often exasperating and more than tough.”**

Marie-Christine Weinberger

Austrian Resident Coordinator from 2004 to 2008

Foreign Affairs, in 1997, the final agreement on the implementation of the restoration involved a lengthy and complex process. The project itself, however, was a perfect example of National Execution. The implementation responsibility remained with the Bhutanese Government with the Project Director Dasho Lhab Dorji, the governor of Trongsa, and the Bhutanese Project Manager.

The renovation project aimed to preserve the unique architecture and precious mural paintings as well as the traditional construction techniques. No modern building materials and no machines were used with the exception of modern techniques necessary for documentation, planning, the securing of the foundations and the rock anchoring. Austrian assistance through the consultancy of Friedrich Falch concentrated on areas where Bhutan did not have the expertise. There were hardware components such as securing the foundations after thorough static and geological analysis, rock anchoring, the installation of modern fire and lightning protection and a drainage system; but there were also software issues such as understanding and implementing international rules and regulations for restoration, the compilation of a comprehensive historic documentation of the building as well as digital as-completed drawings and geological maps of the Dzong area. There was also a special programme for conservation of the most valuable and old mural paintings in the Dzong. All these activities provided manifold opportunities for on-the-job training for Bhutanese craftsmen and officials alike.

For the Portal Building, the Chorten Lhakhang and the Monk Body School joint financing was agreed. The Bhutanese government contributed 25% of the total cost. For additional works,

which did not require Austrian expertise, it shouldered 100% of the costs. The simultaneous implementation of all the different measures was very efficient as far as the administration, financial management and technical execution of the works were concerned.

### **A new era for Trongsa**

Coordinator Brigitte Dekrout has great memories of the project: “During the last two years works had to be speeded up and the renovation of the Monk Body School was carried out in parallel to the Portal Building. The fact that parts of the Trongsa Dzong were endangered because of the deteriorating rock foundation that had become weak over the years because of water seepage was only the technical side. Above it was the spiritual importance that for a very long time the rocks were not allowed to be touched. So every step had to be executed in close cooperation with the Monk Body and the Cultural Commission of the Royal Government. At least twice a year the steering committee met in Trongsa. When the session was over, the electricity supply was often cut. We rushed up to the doctor’s office who had a generator, but the doctor was often out. So we had to write the minutes by hand by candle light, pass them around to the representatives, of course only one copy so that everyone could see the corrections and then keep writing during the night to have the document ready for signature in the morning.” Dasho Lhab Dorji reflects that he was happy because not many international agencies had come forward to take up restoration of cultural heritage. The Austrians were the first to do so. For Trongsa district, it was really uplifting for the people as the Dzong was then in bad shape and the Ta Dzong was abandoned. So the Austrian projects really boosted the morale of the people

and gave them pride in their heritage. Moreover, the projects provided work for traditional workers from all over Bhutan. At one point 650 workers were engaged in the Dzong restoration and the town started to thrive because of the project. Local suppliers were working with the project and it benefitted the local people. The paintings restoration by Austria also helped to train conservationists from the Culture department in Bhutan.

Dasho Lhab Dorji also remembers the stress he went through during these years. They worked until nearly midnight with lights on as they were pressed by time. Indeed, in 2002, two weeks after Dasho Lhab came into office, the 4<sup>th</sup> King visited the site and wanted the Trongsa Dzong finished by June 2003. But in early 2003 it was found the Dzong was slipping as the bed rock was soft, especially in the upper part and the lower part of the Dzong. This was not forecast at the beginning of the project and of course was a huge problem. For the first time in Bhutan iron poles cast in concrete had then to be used to reinforce foundations which were rotten. Then the 4<sup>th</sup> King's secretary called and set the deadline for June 2004. So the project was compacted from seven years to four years. The 4<sup>th</sup> King came to Trongsa regularly and visited the Dzong from top to bottom. And indeed, the activities were completed in September 2004 in time for Dasho Jigme Khesar Namgyel Wangchuck to be installed in a splendid ceremony as the Trongsa/Choetse Penlop, a traditional title meaning he had become the Crown Prince of Bhutan.

### The importance of good karma

Above the main Trongsa Dzong, the Ta Dzong was a watchtower to safeguard the main Dzong. It is an amazing compass-like structure with three towers linked by aisles. This has a deep

religious symbolism of subjugation of enemies. It was also the place where Lama Changchub Tsondru passed away in 1856. He was the lama of the father of the 1<sup>st</sup> King and had predicted the birth of the king.

Having completed the renovation of the main Trongsa Dzong in 2004, the Royal Government of Bhutan and the Government of Austria agreed on the renovation of the Tower of Trongsa Ta Dzong, on the understanding that the tower would become a new Art Museum on Buddhism in the region and tell the history of Trongsa. The renovation and the concept of the museum were carried out by an Austrian team led by the architect Prof. Götz Hagmüller with Thomas Schrom, Christian Schicklgruber, and a Bhutanese team.

The Ta Dzong museum was truly the endeavour of Marie Christine Weinberger, who was then the Austrian Coordinator: "After my arrival in Bhutan in May 2004 during my first ever visit to Trongsa, I saw from down below the watchtower overlooking the big Dzong. Even from afar it looked quite desolate and even more so at close range. My wish to visit the structure caused comment by the monks as it was unsafe and dangerous because of floors caving in, no staircases, only ladders etc. This of course did not turn me off; on the contrary it heightened my interest. The visit went without major mishaps, apart from having to go through a ritual as the resident caretaker monk thought that my karma was not good and that it therefore was important to do something about that."

The first inspection of the building's condition revealed poorly fitted rough stone laid in thick mud mortar, its massive walls had cracks and deep fissures indicating poor stone quality



Inauguration of Ta Dzong 2006

### The story goes...

"...I was very impressed by the structure, but apart from that, I was taken by the very special atmosphere of the place and walking out of the Tower, I said to our programme officer 'Are we not looking for a consecutive project in the area of culture after the finalisation of the big Dzong project?' His only comment was 'Madame you are crazy, this would be just far too big and complicated'. To a certain extent he was proven right in the course of the project."

Remembered by Marie-Christine Weinberger



Exhibition in the Ta Dzong



Inauguration Cantilever Bridge 2007

(mainly mica schist) and failing foundations. The renovation work started in 2005 and turned out to be much more difficult than anticipated. In July 2006 a portion of the three metres thick walls of the main tower collapsed, leading to a complete reconstruction while trying to retain the historical character and unique appearance of the building.

### Establishing a state of the art museum

The main tower (Utse) and the northern wing have eleven galleries and are used as a museum exclusively with historical artifacts showcased in a state-of-the art setting as well as free standing clay Buddhist statues and historical figures. The positioning of the objects was debated at length with the monks in order to achieve a didactic Western concept while respecting the sanctity of the Buddhist beliefs. The two temples dedicated to the cultural hero, King Gesar of Ling, and the future Buddha Maitreya form an integral part of the Museum. The Southern wing was converted into offices and residences for the monks, hermits and caretakers. A media room presents a short video on religious practices and the history of Trongsa Dzong. It is complemented by The Tower of Trongsa, a richly illustrated book by Christian Schicklgruber.

The Trongsa Ta Dzong Museum was inaugurated by His Majesty the King Jigme Khesar Namgyel Wangchuck on 10 December 2008 in the presence of His Majesty the 4<sup>th</sup> King, members of the Royal Family, the Prime Minister and Government Ministers. His Majesty greatly appreciated the high quality of the renovation works of the monument and said that the overall concept of the Museum was outstanding.

Ta Dzong Museum developed into a complex and sensitive project as it involved people from very different backgrounds and with strong convictions to work together for a cultural purpose. Dasho Lhab remembers that relations were not always smooth as the Austrians were often frustrated by the Bhutanese administrative procedures. Christian Schicklgruber, who had worked in Bhutan before, was looking after the concept and contents of the museum. He recalls with humour the initial hurdles: "When we arrived the first time in Trongsa, the monks of the dzong seemed to be 'pre-warned'. Somebody might have told them that Austrians are coming with money to turn the Ta Dzong into a museum. Of course nobody had any idea what a museum might be. They showed us all the objects selected for this strange institution called a museum. We were shocked!! All the damaged items of Trongsa Dzong were brought together: broken statues, torn thangkhas, moth-eaten textiles etc. It seems their explanation was that a museum shows 'old' things and the foreigners were interested in objects which did not serve their function any more."

For Dasho Lhab the project was an eye-opener and a great source of education in terms of international partnership and cultural knowledge. Another rather small but important additional project has been the restoration of the traditional bridge (bazam) on the Mangde river and the improvement of the foot trail between the Trongsa view point and the Trongsa Dzong. They were inaugurated in June 2007.



# EXCELLING AT TOURISM

**From the Alps  
to the Himalayas**

The Royal Institute for Tourism & Hospitality, Banquet Hall





**“I would highly recommend ITH to all enthusiastic people who want to be successful in the tourism and hospitality industry. This institute has educated many successful businessmen, businesswomen and executives around the world. Being an alumnus I have benefited from a great deal of value added knowledge and experience.”**

Kencho Wangmo Dorji

Owner & Managing Director Snow White treks & tours;  
Graduate 2004/2005



**“Joining ITH was a corner stone in my career development. The classroom learning at ITH coupled with my practical knowledge gained working at the hotel gave me confidence and skill to take up higher responsibility as the Executive Manager at Zhiwa Ling Hotel. The best thing about ITH, apart from studying in a country where tourism is highly developed, is that it provides you with a platform to learn from peers and fellow professional through cultural exchanges and inter-personal relationships.”**

Sonam Pelden, Executive Manager; Zhiwa Ling Hotel;  
Graduate 2010/11

**B**hutan has set its sights on a tourism policy combining high quality with minimum ecological footprint. Austria with its long lasting and renowned experience in rural and mountain tourism development was seen as a competent partner country to support quality enhancement of services and sustainable strategic development.

The development of a National Tourism Master Plan laid the foundation for the strategic planning of tourism activities. International tourism is the only major sector in the country's economy earning hard currencies for the national budget. A policy permitting only organised tourist groups and packages aims to avoid negative impacts of mass tourism on culture and the sensitive ecosystems in the small Himalayan country.

Relations between Austria and Bhutan in this sector date back to the 1970s. Since then over 70 Bhutanese graduates from the Institute of Tourism and Hospitality (ITH) Management in Salzburg, Austria, have contributed to the growing Bhutanese tourism and hospitality industry. Today, many of the ITH graduates hold senior positions in hotels and tour operations or have set up their own businesses. The cooperation took shape in the early 1990s and was later on streamlined into complementary domains: capacity development, development of a Tourism Master Plan, and finally, the setting-up of a Royal Institute of Tourism and Hospitality (RITH).

Tshering Yonten, the Director of Tourism from 1994 to 1997 explains “after I joined the Tourism Authority of Bhutan (TAB) in 1994, I found out that there was already Austrian support for tourism particularly in human resource development.

My Austrian counterpart at that time was Mr. Falch. In 1995, TAB needed institutional strengthening and I remember it started with five computers. Mountain and trekking guiding courses were organised with a team from Austria who brought trekking equipment and 40 guides were trained. Mapping of the trekking routes was also done at that time. This first project was evaluated by the first Austrian coordinator Mr. Vladimir Stehlik who was very supportive and it was a pleasure to work with him.”

### **High value – low impact**

From 2003, Martin Uitz († 2007) assisted by Martin Zeppezauer, nicknamed by the Bhutanese “the two Martins”, worked as Austrian tourism consultants in Bhutan. At the end of 2005, together with their local counterpart, the Department of Tourism, they published the Bhutan Sustainable Tourism Development Strategy, a comprehensive master plan intended as a useful tool in designing Bhutan's tourism future. It provided a guideline for structuring of the industry and developing new products and related marketing strategies. It reaffirmed that the policy of “high value low impact” was inspired by the philosophy of Gross National Happiness, and emphasised the harmony between tradition and modernity, between man and nature, and the importance of preserving our living local systems in an era of globalisation.

The Master Plan also mentioned the important role of the Hotel Tourism Management & Training Institute (HTMTI) which was later to be called the Royal Institute for Tourism and Hospitality (RITH). Bhutan should have the means to train in-country professionals to international standards. At the same time, the Institute would provide a comprehensive training programme

for persons already employed, namely the unskilled labour currently working in hotels and restaurants.

### **RITH – an ambitious endeavor**

The first ideas of having a tourism institute were already discussed in 1996–1997 by Tshering Yonten and Mr. Falch. In 1998, when Dasho Karma Dorjee was the Secretary of Trade & Industry, tourism belonged to his portfolio. During one visit to Austria, Dasho Karma Dorjee was so impressed with the hospitality facilities in Innsbruck and Vienna that he expressed the desire to have a hospitality training centre in Bhutan. The best place he could imagine was the historic and magnificent Motithang Hotel built in 1974 for the guests at the coronation of the 4<sup>th</sup> King. He managed to take over the hotel, which at that time had become the Youth Development Centre. He worked on this project idea with the successive coordinators Stehlik, Dekrout and Weinberger until he retired in 2007. Today Dasho Karma Dorjee talks proudly about this project, which he believes “to be a great and valuable contribution from Austria and – once completed – the training will come with a degree from Tourism Schools Salzburg which makes the graduates valuable on the job market.”

The objective of establishing a high quality training institute for the tourism sector had been taken up in the 9<sup>th</sup> Five Year Plan of the Bhutanese Government in 2002. After feasibility studies in 2002–2003, two agreements were signed according to the two objectives of the project: the construction and renovation component’s main target was to develop state of the art facilities for training and at the same time to introduce innovative building and building service technologies that match the country’s

high interest and efforts in environmental compatibility and sustainability. The second objective aimed at capacity development of specialist teachers for tourism and hospitality hand in hand with the development of a tourism and hospitality curriculum on a par with international standards.

### **The challenges of realisation**

The first phase of the construction works consisted in the functional adaptation and thermal retrofit of the 4,000 m<sup>2</sup> Old Motithang Hotel. This building was well suited to accommodate the new functions of a students’ hostel, a training bar, a canteen and classrooms on the ground floor, which could also be equipped with a central heating system. The old kitchen was fitted with state-of-the-art professional kitchen equipment and facilities. The second phase resulted in the construction of a banquet hall that perfectly blended into the historic ensemble. This new building also offered greater possibilities for the introduction of modern building technologies such as thermal insulation, double glazing, floor heating and a heat recovery ventilation system.

The last and most challenging part of the construction project is the construction of a new hotel building which will serve as a training hotel for the students of the RITH. The strict building rules in order to conserve “traditional looks” with a large number of rabsey (light weight timber frame constructions with window openings) were very demanding for the energy optimised building standards. Ms. Irene Ott-Reinisch, the Austrian architect, had to reconcile Bhutanese tradition and innovation. “Building on our experience gained in the renovation of the Training Institute, I had to develop a new interpretation of the traditional Bhutanese farm-



The 4-star training hotel is close to completion.

### **The story goes...**

“...During the selection process of the first batch of students it seemed difficult to ensure gender balance: The predominant opinion was that there will be significantly more qualified male than female applicants, and therefore an equal number of boys and girls could never be achieved. The only way to go ahead was to convince our partners to establish two separate groups of candidates, one with male, and one with female applicants, and to select the best 25 of each group. With this little change in procedure, it became possible until today to guarantee the gender balance of students at RITH.”

Remembered by Christian Mazal  
Austrian Resident Coordinator, from 2008 to 2012



**“The teacher training programme at ITH gave me the opportunity to get involved in Hospitality and Tourism training in Bhutan and allowed me to make the much needed difference in young peoples’ lives, equipping them with skills, giving them the chance to become fruitfully employed. Thank you ITH.”**

Robin Wangdi, CEO and Founder Bhutan Hospitality Consultants; graduate 1982



RITH Students in the training kitchen.

house. But it was clear that if low-energy standards were to be achieved, the concept of the traditional architectural features would have to be completely rethought.”

As a result, a 20-room 4-star hotel with a rabshey-like façade and a lifted roof like Bhutanese farmhouses but with sophisticated construction techniques and energy-efficient features using solar-technology for hot water and room heating, radiant wall as well as floor heating and lighting installations will also serve as a prototype for low-energy structures, the first of its kind in design and construction in Bhutan. “Preserve the local aesthetic without placing any obstacles in the path of progress” is the statement of architect Pem Gyaltshen, Ms. Ott-Reinisch’s local counterpart.

### The stage victory

Given its size and complexity, the project was ambitious and not without challenges. It “outlived” the terms of four Austrian Coordinators and Directors of the Tourism Council Secretariat. Dasho Lhatu Wangchuk, Director General of Tourism from 2002 to 2008, who worked with the coordinators Brigitte Dekrout and Marie-Christine Weinberger, tells in diplomatic terms that “The way of doing things was different and this brought some differences, but the Austrians guided us through and this must have been a huge headache for them. On the other hand, some Bhutanese thought the Austrians were trying to be difficult when they just meant to do things properly. Bhutan gained as the Bhutanese need close supervision to implement projects and a donor who keeps the projects on track.” Coordinator Weinberger’s reflections on the project are more candid. “Both

sides though (sometimes I think also to this day), did not and still do not realise the implications of this project. It turned out to be monstrous and almost too big to chew.”

Beginning 2008, the ARGE Tourism Salzburg, a consortium consisting of Tourism Schools Salzburg, Salzburg University of Applied Sciences and Akademie Urstein, was awarded the contract for the second part of the project comprising curriculum development and teacher training. The idea to start a more complex training programme for students is based on similar industry structures in Europe where tourism is dominated by small and medium enterprises. Christian Mazal, the coordinator from 2008 to 2012, had to use lots of persuasive powers in order to get the first diploma programme started in 2010. “Another delay in the interior construction again put the eagerly awaited start of the course at risk. But postponing the course would have resulted in losing another year of the diploma course. Eventually we found a reasonable compromise: The students could embark on their diploma course in an old office room in the Ministry of Economic Affairs, while we spent every second day at the site to push the contractors to get the training institute ready. The first batch of students patiently accepted their pioneer role, and after a few challenging months the new premises were proudly taken over by the students.” In October 2010, the Institute building was inaugurated by Her Majesty the Queen Mother Ashi Dorji Wangmo Wangchuck. Since then, the intake for the 2-year diploma programme has been 50 students per year. August 2014 saw the 5<sup>th</sup> batch of students starting at RITH.



# THE ROAD TO DEMOCRACY

**A new partnership  
for good governance**



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May 2014: Inauguration of the new Trongsa court by Her Majesty the Queen, followed by Christine A. Jantscher, Matthias Meier (Country Director of SDC), Chief Justice Lyonpo Sonam Tobgye

**F**or a number of years, Bhutan has been undergoing a wide-ranging transition from an absolute monarchy to a democratic constitutional monarchy, culminating in the first national democratic elections in late 2007 and early 2008. In order to support the transformation to democracy, governance was chosen as the new sector of development cooperation from 2008 onwards to strengthen key constitutional and local government institutions. Extensive consultations with the Royal Government of Bhutan, international organisations and donor representatives were conducted in order to align the future contribution by Austria in the most effective way. Austria joined the efforts of other development partners in supporting local governance with a special focus on capacity building of local administration, planning of local development, and leadership.

In addition, in the new political setup of the Constitution, further strengthening of an independent judiciary was decided as the most appropriate objective of cooperation. In 2009, a joint programme for support to the judiciary of Bhutan was established between the Royal Court of Justice on one side and the Austrian Development Cooperation and the Swiss Agency for Development & Cooperation (SDC) on the development partners' side.

### **New court buildings – symbols of independence**

The construction of two new district courts in Trongsa and Bumthang supported the judiciary's continued efforts to establish itself visibly as an independent power by separating the courts from the dzongkhag administration in the dzong, where traditionally the district courts were housed. In the dzongs, the courts lacked the basic design and necessary amenities such as different detention cells for men, women and

children. The courtrooms were compact and small, making it impossible to comply with the requirements of an open trial. The space in the court was not adequate at all for the general public to witness the proceedings. The newly constructed court buildings are modern with regard to accessibility and in compliance with requirements for an effective and efficient justice administration. At the same time, they reflect the social and cultural values of the community with traditional and psychologically significant rituals and symbols which have their distinct place in the Bhutanese justice system.

The new Trongsa court, a superb building with a traditional outlook situated at the same altitude opposite the magnificent Trongsa Dzong, thus indeed constitutes a visible symbol of the balance of powers, was inaugurated in May 2014 by Her Majesty the Queen Ashi Jetsun Pema Wangchuck. The second courthouse in Bumthang will be ready to operate later in 2014. Given the importance of access to justice for the rural population, the Austrian Development Cooperation agreed to finance the construction of another three courts in the remote districts of Dagana, Tsirang, and Zhemgang.

### **Capacity development and legal awareness**

Apart from "hardware", the major objective of the still ongoing collaboration focuses on capacity development for professionals in the judiciary as well as newly established legal institutions. In a country-wide effort the Bhutan National Legal Institute (BNLI) trained male and female local leaders in alternative dispute resolution, and people in the most remote villages of the country could be reached through the BNLI legal awareness programme.

### **The story goes...**

“... In November 2010, Bhutanese judges and myself visited Vienna upon invitation by the Austrian Development Agency. The delegation also called on the Federal President of Austria, Heinz Fischer, whom I knew well from his earlier visit to Bhutan in 2001. I was the chairman of the Constitution Drafting Committee between 2001 and 2006 and remember that Heinz Fischer, who was then the President of the Austrian Parliament and a recognised expert in constitutional law, gave me insights on the formidable Austrian jurist Hans Kelsen (1881–1973) who had been the inventor of the modern European model of constitutional court and had contributed substantially to the drafting of the Constitution of Austria. In fact I had read some of Kelsen’s theories as early as 1982 and much later, as the chairman of the Constitution Drafting Committee, I was exposed to the Austrian Constitution. I found that several of Kelsen’s views were very similar to His Majesty the Fourth King’s constitutional principles. The Kelsenian court model advocates a separate constitutional court with sole responsibility for constitutional disputes within the judicial system. **This finally didn’t find its way into the Bhutanese constitution.**”

Remembered by Lyonpo Sonam Tobgye,  
Supreme Court Chief Justice



**“The year of my arrival, 2008, gave me the unique opportunity to witness fundamental changes in the Bhutanese society. I arrived in the country right after the first election of Parliament. In summer, the new constitution was signed in an impressive ceremony, separating political powers and creating independent constitutional institutions. The coronation of the 5<sup>th</sup> King was celebrated throughout the country. After all the celebrations, the need to support the still fragile establishment of democracy was obvious in the following years. Therefore we focused on strengthening an independent judiciary as one crucial pillar of a democratic society. Our congenial counterpart was the Chief Justice of the Supreme Court, Lyonpo Sonam Tobgye, who was also the driving power in compiling the Constitution of Bhutan. We embarked on a fruitful cooperation and were additionally rewarded with inspiring discussions about European philosophy, the rule of law and how to establish a vibrant democracy.”**

Christian Mazal

Austrian Resident Coordinator from 2008 to 2012

### **Facts and figures**

The collaboration started with a joint Swiss Austrian support programme in 2009. Together with a second still ongoing project financed only by the Austrian Development Cooperation, altogether 10 judges, 2 of them female, completed their master’s studies in law (LL.M.). In addition, 284 (91 female) bench clerks were able to attend in-country courses on judgment drafting and grammar and 163 (20 female) bench clerks attended courses in Thailand on comparative legal systems and judicial procedures. 205 Deputy Heads of the Gewogs (Mangmis) were trained in Alternative Dispute Resolution. Given the fact that only 11 women participated, more emphasis had to be put on training female mediators. Thus, in 2013, 130 female local leaders successfully completed their training.

# PREVENTING DISASTERS

**Joint research on Glacial  
Lake Outburst Floods**

Lake Thortomi





**F**or Bhutan, the outburst of glacial lakes is one of the most dangerous potential natural disasters. The importance of efforts to reducing risks and vulnerabilities from Glacial Lake Outburst Floods (GLOF) in the Punakha-Wangdue valley is obvious for anybody who knows Bhutan and remembers the devastating effects of flash floods in Punakha-Wangdue in 1994. 20 million cubic metres of water, mud and boulders swept down past the famous Punkakha Dzong and destroyed a temple adjacent to the main Dzong. Many people lost their belongings and 21 casualties were reported.

### Rushing against a time bomb

There are 983 glaciers and 2,674 glacial lakes, including 25 glacial lakes that pose potential high risk for GLOFs in Bhutan. The melting of glaciers leads to alarming volumes of water gushing into downstream glacial lakes. Additionally, Bhutan is situated on an active seismic zone, increasing the pressure on the fragile moraine dams. From 1998 to 2004, Hermann Häusler and Dietmar Leber from the Institute of Geology of the University of Vienna together with the Geological Survey of Bhutan led a joint team of scientists to investigate the highly dangerous region of the Lunana glacial lakes. At that time, Hermann Häusler described “a ticking time bomb which poses a huge threat to lives, agriculture, livelihoods and development in Bhutan.”

Häusler’s research study resulted in three main recommendations for mitigation measures: Lowering the most critical Thorthomi Lake by 5 metres, setting up an early warning system (EWS) and undertaking a hazard zonation and land use planning

in the Punakha-Wangdue valley. For the implementation of the recommendations of the joint research study, the Ministry of Economic Affairs and UNDP started a project (2008–2012) in order to reduce climate change-induced risks and vulnerabilities from Glacial Lake Outburst Floods in the Punakha-Wangdue Valley. The Austrian Development Cooperation (ADC) provided a co-financing grant of Euro 600,000 (USD 800,000) to the project.

### Four summers – five metres

The most challenging and dangerous undertaking was the lowering of Lake Thorthomi by 5 metres. Situated at an altitude of 5,200 metres, the lake can only be reached from June until September by a 10-day hike from the nearest motorable road. It took four summers for up to 300 workers, many of them soldiers of the Royal Bhutanese Army, walking up to their hips in freezing cold water, to manually remove debris and huge boulders from the outflows of the lake. Thanks to their brave operation, the people further down the valley comprising 875 households can now enjoy a much safer life.

In addition, an early warning system with six water level monitoring stations has been installed and GLOF red zone areas and safe evacuation sites have been demarcated in all vulnerable communities. At the end of October 2013, the first disaster drill was successfully carried out by them. Bhutan now possesses a demonstrated approach and a set of best practices to reduce the risks of GLOFs and to increase the awareness of local communities at risk.

### Facts and figures

As one of the co-financers, Austria became one of the partners in this hugely complex, difficult but very important project with many components. The 4-year GLOF-Project started in June 2008 and was extended to terminate at the end of December 2013. As a UNDP-supported, GEF-Least Developed Country Fund (LDCF)-financed project, it was co-financed by the Royal Government of Bhutan (RoGB), the Austrian Development Cooperation (ADC), the Punatsangchhu Hydropower Project Authority (PHPA I & II) and the World Wildlife Fund (WWF). The co-financing commitments at the outset of the project totalled an amount of USD 4,036,224 with 66% in-kind contribution from the RGoB. The Ministry of Economic Affairs (MoEA) was the implementing agency in Bhutan and the project was executed by three agencies: the Department of Geology and Mines and the Department of Hydro-Met Services under MoEA, as well as the Department of Disaster Management under the Ministry of Home and Cultural Affairs.



Thorthomi Lake/Lunana



PEOPLE  
TO  
PEOPLE

Villagers in Chaling/Eastern Bhutan

## Austria Bhutan Society for Cooperation, Friendship and Culture

The main goal of the Austrian-Bhutan Society of Cooperation, Friendship and Culture, established in Vienna in March 1998, is to promote and foster the people-to-people contacts, as opposed to the governmental development cooperation. Mutual understanding and unbiased friendship between two countries will last only if the civil societies of both countries have knowledge of each other and respect their different cultural, religious and political traditions and if they are interested in an exciting exchange of know-how and cooperation. Interest on the side of only one party is not desirable.

Visible and long-term projects of the Austrian-Bhutan Society, some of which are listed below, are to show the contacts between the peoples of Austria and Bhutan:

- A park dedicated to Bhutan called "Druk Yul Park" was created by the Municipal Department for Parks and Gardens of Vienna at the crossroads of two major streets in Vienna.
- Students of the Secondary Technical and Vocational College Mödling built an original Bhutanese stupa (chorten) and a mani wall adorned with the 8 auspicious symbols of Buddhism in the course of a transcontinental specialised work.
- Police officers from Bhutan had the chance to participate in the basic training with the Austrian SWAT unit WEGA for several months.
- Bhutanese students are awarded coveted scholarships for different master studies in Austria in order to intensify the scientific exchange.

- The cooperation in the field of sports was fostered by sending an Austrian football coach to Bhutan.
- The construction of a rural primary school in Pangtokha, a remote Eastern region of Bhutan, was funded along the lines of the motto "Educational Cooperation is an Investment into the Future".
- The "Bhutan Austria Society BAS", which was established in Thimphu, is a reliable and non-bureaucratic partner for Austrians travelling to Bhutan.
- On the occasion of the 25<sup>th</sup> Anniversary of Diplomatic Relations between the two countries, the Austrian-Bhutan Society funds the reconstruction of a Buddhist temple in Chaling, which is an important cultural heritage. It is also planned to build a tourist centre and a museum as a follow-up project.
- The highly valuable network of the currently 15 European Bhutan Societies provides a platform to exchange information in the course of conferences which take place every second year.
- A cultural centre for Bhutan in Vienna intends to increase the interest of the Austrian population in Bhutan.
- Study visits and travels organised by the Austrian-Bhutan Society to Bhutan present an attractive alternative to the regular offers of travel agents and are to recruit new members.

The Austrian-Bhutan Society will continue to honestly support Bhutan's cause in Austria.

Homepage: [www.a-lp.at/bhutan](http://www.a-lp.at/bhutan)



The Austria Bhutan society supports a rural primary school in Pangtokha.



An original stupa built by students of the Secondary Technical and Vocational College Mödling.



Volley for Health: First countrywide Mini Camp.



Organic Farming: Tashi Wangmo Johanna Gerhalter and Tshering Lhaden (left to right)

## Bhutan Network

Bhutan Network was first established by Ulli Čokl and Kristel Josel in 2011 and registered as an Austrian-based association in 2013. Bhutan Network aims to connect people with varied skills at several levels in order to strengthen and enhance intangible and tangible cultural heritage in Europe and Bhutan. We contribute to the UN Millennium Development Goals by following a grassroots approach. Our target groups are people who constitute the backbone of a thriving society, but who often do not have the means to network with colleagues abroad. Austria, like Bhutan, is embedded in relatively small-scale structures, and by connecting Bhutanese with Austrian people at the grassroots level, we aim to strengthen the ties between the two countries further.

Ulli is presently based in Bhutan conducting ethnographic research for her PhD project. She has been researching and living in Bhutan on and off since 1999, predominantly staying in remote villages, which has deepened her insights into rural livelihoods and community related issues. As part of her on-going research, she spends most of her time in Central and Eastern Bhutan. Here, she has initiated new ways of approaching community-based tourism development by involving traditional modes of travelling, hospitality and exchange. Over the years, Ulli has worked with local communities and government institutions alike, and is very familiar with operating principles and procedures in the country. Kristel Josel is based in Austria as an international project manager in the leisure industry and has travelled to Bhutan many times. In recent years she mainly lends assistance in capacity building for the management of family-owned businesses in Central and Eastern Bhutan.

Ulli and Kristel share well-established contacts extending from the community level to the decision and policy-making levels in Bhutan and Austria. The strong link at the grassroots level in Bhutan is the foundation for the alternative approach of Bhutan Network. It enables us to identify meaningful projects jointly with our Bhutanese colleagues. Keeping socio-cultural sustainability in mind, we prefer initial small-scale projects which eventually will be developed into long-term programmes. This approach has been received very positively in Bhutan, and that motivates us to continue our path.

Potential project areas are: sustainable organic farming, vocational education and professions, alternative tourism and traditional hospitality, arts and crafts, as well as sports and health. Currently, we are focusing on three projects:

- **OFEP** (Organic Farmers Exchange Programme) aims to connect Bhutanese farmers with their Austrian colleagues to study organic farming in the Alps where it is well recognised.
- **Volley for Health** promotes Volleyball as a meaningful and healthy recreational sport countrywide.
- **The Travelling and Storytelling Musicians** raises awareness on the importance of music and hosting events for Bhutanese sociality and identity.

We look forward to developing our initiatives into long-term programmes. We are proud to contribute to successful Austro-Bhutanese relations, in addition to the official Austrian government development cooperation.

Web: [www.bhutan-network.com](http://www.bhutan-network.com)



# ANNEXES



Heinz Fischer, then 2<sup>nd</sup> President of the National Council of the Austrian Parliament in 2004, with Dasho Sonam Tshering.

### Foreign Ministers of Austria and Bhutan

Alois Mock, from 1987 to 1995  
 Wolfgang Schüssel, from 1995 to 2000  
 Benita M. Ferrero-Waldner, from 2000 to 2004  
 Ursula Plassnik, from 2004 to 2008  
 Michael Spindelegger, from 2008 to 2013  
 Sebastian Kurz, since 2013

Late Lyonpo Dawa Tshering, until 1998  
 Lyonpo Jigmi Y. Thinley, from 1998 to 2003  
 Lyonpo Khandu Wangchuk, from 2003 to 2007  
 Lyonpo Ugyen Tshering, from 2008 to 2013  
 Lyonpo Rinzin Dorje, since 2013

### Austrian Ambassadors to Bhutan and Bhutanese Ambassadors to Austria

Christoph Cornaro, from 1988 to 1993  
 Karl Peterlik, from 1993 to 1998  
 Herbert Traxl, from 1998 to 2002  
 Jutta Stefan-Bastl, from 2002 to 2007  
 Ferdinand Maultaschl, from 2007 to 2012  
 Raimund Magis, Chargé d'Affaires, from 2012 to 2013  
 Bernhard Wrabetz, since 2012

Dasho Nado Rinchen, from 1989 to 1991  
 Dasho Paljor J. Dorji, from 1991 to 1994  
 Dasho Jigmi Y. Thinley, from 1994 to 1999  
 Dasho Bap Kesang, from 1999 to 2004  
 Sonam Tobden Rabgye, from 2004 to 2010  
 Yeshey Dorji, from 2010 to 2013  
 Daw Penjo, since 2013

### Honorary Consuls of Bhutan in Austria

Marie-Christine Weinberger  
 Josef Riedmann

### Official visits

**1990** FM Dawa Tshering to Austria  
 FM Alois Mock to Bhutan  
**1994** FM Dawa Tsering to Austria  
**1995** FM Dawa Tsering to Austria  
 Secretary General of the FM Wolfgang Schallenberg to Bhutan  
**1996** FM Dawa Tsering to Austria  
**1997** MHCA Lyonpo Dago, Tshering to Austria  
 State Secretary of the FM Benita Ferrero-Waldner to Bhutan  
**1998** FM Lyonpo Yeshey Zimba to Austria  
**2000** FM Lyonpo Jigmi Thinley to Austria  
**2001** Minister of Trade and Industry Lyonpo Khandu Wangchuk to Austria

**2003** FM Lyonpo Yeshey Zimba and State Secretary of the FM Dasho Ugyen Tshering to Austria  
 Heinz Fischer, 2<sup>nd</sup> President of the National Council of Parliament with delegation to Bhutan  
**2004** Heinz Fischer, 2<sup>nd</sup> President of the National Council of Parliament, to Bhutan  
**2005** FM Ursula Plassnik and Minister of Education Elisabeth Gehrler to Bhutan  
**2009** Mission of 5 Austrian Parliamentarians to Bhutan  
**2010** Chief Justice Lyonpo Sonam Tobgye with delegation to Austria  
**2012** Fritz Neugebauer, 2<sup>nd</sup> President of the National Council of Parliament to Bhutan  
**2013** VM Bernadette Gierlinger with Austrian Business Delegation to Bhutan

## Counterparts in Development Cooperation

<b>Austrian Federal Chancellery and Ministry for Foreign Affairs</b>	<b>Since 2004 also Austrian Development Agency</b>	<b>Ministry of Economic Affairs (Energy and Tourism Sector)</b>	<b>Ministry of Home and Cultural Affairs (Preservation of Cultural Heritage)</b>	<b>Ministry of Agriculture and Forests (Mountain Forestry)</b>	<b>Ministry of Finance</b>	<b>Gross National Happiness Commission (Aid Coordination since 2008)</b>	<b>Judiciary of Bhutan (Governance since 2008)</b>	<b>Tourism Council of Bhutan (Tourism Sector)</b>
Ambassador Erich Hochleitner until 1993	Ambassador Michael Linhart from 2004 to 2007	Lyonpo Om Pradhan from 1990 to 1998	Lyonpo Dago Tshering from 1991 to 1998	Lyonpo Leki Dorji from 1991 to 1994	Lyonpo Dorji Tshering from 1988 to 1998	Dasho Karma Tshiteem from 2008 to 2014	Chief Justice Lyonpo Sonam Tobgye since 2010	Kesang Wangdi from 2008 to 2012
Ambassador Georg Lennkh from 1993 to 2004	Ambassador Brigitte Öppinger-Walchshofer from 2007 to 2013	Lyonpo Khandu Wangchuk from 1998 to 2003	Lyonpo Thinley Gyamtsho from 1998 to 2003	Lyonpo C. Dorji from 1994 to 1995	Lyonpo Yeshey Zimba from 1998 to 2003	Sonam Wangchuk since 2014		Thuji Dorji Nadik from 2012 to 2013
Ambassador Irene Giner-Reichl from 2005 to 2011	Martin Ledolter since 2013	Lyonpo Yeshey Zimba from 2003 to 2008	Lyonpo Jigmi Y. Thinley from 2003 to 2008	Lyonpo Khandu Wangchuk from 1996 to 1998	Lyonpo Wangdi Norbu from 2003 to 2013			Chhimmy Pem since 2014
Ambassador Michael Linhart from 2012 to 2013		Lyonpo Khandu Wangchuk from 2008 to 2013	Lyonpo Minjur Dorji from 2008 to 2013	Lyonpo Kinzang Dorji from 1998 to 2003	Lyonpo Namgay Dorji since 2013			
Ambassador Peter Launsky-Tieffenthal since 2014		Lyonpo Norbu Wangchuk since 2013	Lyonpo Damcho Dorji since 2013	Lyonpo Sangay Ngedup Dorji from 2003 to 2008				
				Lyonpo Dr. Pema Gyamtsho from 2008 to 2013				
				Lyonpo Yeshey Dorji since 2013				



**Austrian Coordination Office  
for Development Cooperation in Bhutan**

**Resident Coordinators**

Vladimir Stehlik , Head of Office from 1994 to 1999  
 Brigitte Dekrout, Head of Office from 1999 to 2004  
 Marie-Christine Weinberger, Head of Office from 2004 to 2008  
 Christian Mazal, Head of Office from 2008 to 2012  
 Christine Anna Jantscher, Head of Office since 2012

**Staff Members**

Sonam Yonten Programme Officer until 1995	Leki Wangdi Office Assistant from 1994 to 2009
Karma Dem Programme Officer from 1995 to 1998	Namgay Tenzin Office Driver from 2000 to 2007
Daw Gyem Secretary until 1999	Manoj Pradhan Office Driver from 2007 to 2009
Tshering Wangchuk Finance Officer from 1994 to 2005	

**Austrian Coordination Office 2014**

Yeshey Wangchuk Finance & Programme Administration Officer	Karma Loday Office Assistant	Ramesh Chhetri Programme Officer	Christine A. Jantscher Head of Office	Sonam Tobgay Head of Administration	Budha Thapa Office driver
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## Bilateral Austrian Cooperation with Bhutan from 1984 to 2014\*

EURO

<b>Bilateral Official Grants 1984–2014**</b>	<b>TOTAL</b>	<b>65,144,282</b>
<b>Mountain Forestry</b>		<b>6,562,742</b>
Integrated Forest Management and Forest Research Project (CORET & FORED)	1993–2012	6,562,742
<b>Energy</b>		<b>35,131,674</b>
Rangjung Hydropower Project (including maintenance and rehabilitation measures)	1992–2009	5,708,156
Basochhu Hydropower Project (Upper and Lower Stage)	1990–2006	18,013,714
TA Mechanical Workshop Heysothangkha	1996–2002	1,370,408
Dagachhu Hydropower Plant ( Feasibility, Technical Assistance)	2005–2014	4,101,700
Rural Electrification Programme I–VII	since 2001	5,093,572
Capacity Development and Knowledge Transfer Projects in the Energy Sector	1993–2005	636,558
Research and Knowledge Transfer concerning Energy Efficiency (Rural Stoves, Solar Water Heating, Buildings)	2005–2013	207,566
<b>Preservation of Culture</b>		<b>4,471,654</b>
Trongsa Dzong Renovation Project	1994–2007	2,213,223
Ta Dzong Renovation and Museum	2004–2008	1,784,610
Various Restoration Projects (Taksang, Trongsa foot trail and bridge)	1998–2007	160,091
Bhutan Exhibition in Austria	1996–1997	313,730
<b>Tourism</b>		<b>7,048,176</b>
Capacity Development and Tourism Master Plan	1992–2010	2,104,727
HTMTI/Royal Institute for Tourism and Hospitality	since 2002	4,943,449
<b>Governance</b>		<b>3,810,000</b>
Judiciary	since 2009	2,580,000
Local Governance	2008–2012	500,000
Royal Audit Authority and CSO Fund Facility	since 2012	430,000
Contribution to the ONE UN Programme (Governance, Gender)	since 2014	300,000
<b>Disaster and GLOF Mitigation</b>		<b>1,988,278</b>
Disaster Mitigation after Flood	2009–2012	495,267
GLOF I–V	1999–2013	1,493,011
<b>Support to Educational Institutions and Monastic Schools</b>	1998–2011	<b>1,083,989</b>
<b>Miscellaneous Capacity Development and other small Projects</b>		<b>1,291,366</b>
Capacity Development Projects for various Bhutanese Ministries	1998–2011	955,337
Spider Excavator	2006–2008	168,831
Small Projects	since 1992	167,198
<b>Support of Bhutanese Students in Austria, Scholarships and study place costs</b>	since 1992*	<b>2,332,015</b>
<b>Aggregated official development assistance to Bhutan</b>		<b>1,424,388</b>
1984–1988*		174,415
1989–1991*		1,249,973
<b>Provided Loan Capital</b>		<b>89,627,493</b>
ODA loan capital		17,150,788
Other loan capital (15,675,000 Euro ODA grant to soften loan terms)		31,244,705
Guaranteed export credit		41,232,000
<b>Private Resources from Austrian NGOs</b>		<b>535,777</b>

\* For this brochure only aggregated data could be made available for the years from 1984 until 1991.

\*\* actual disbursements until September 2014





