

**VIA DINARICA – SECOND PHASE**  
**Project Document**



*May 2018*

**Country: Bosnia and Herzegovina**

**Project Title:** Via Dinarica – Second phase  
**Project Number:** Output 1: 00107611/Output 2: 00111453  
**Implementing Partner:** United Nations Development Programme (UNDP)  
**Start Date:** 2018  
**End Date:** 2021  
**LPAC Meeting date:** 31 January 2018  
**Implementation modality:** Direct Implementation Modality (DIM)

**Brief Description**

The Via Dinarica Project - second phase will seek to further economic development opportunities in Bosnia and Herzegovina by supporting sustainable nature-based tourism development. To this end, the Project intends to advance the Via Dinarica concept as a mechanism connecting cultural, historical, and natural resources, working in partnership with relevant institutions and other stakeholders, and contributing to improved livelihoods and economic growth, particularly for rural communities along the trails in Bosnia and Herzegovina. This will be achieved through the following outputs:

1. Via Dinarica affirmed as a safe and internationally recognized tourism platform for sustainable tourism development and local economic growth,
2. Local communities empowered to pursue rural enterprise development.

While working with a wide range of institutional stakeholders, main Project partners will be the Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina, Ministry of Environment and Tourism of the Federation of Bosnia and Herzegovina, Ministry of Trade and Tourism of Republika Srpska, as well as 20 partner local governments to be selected based on the open call.

**Linkage with SDGs:** SDG Goals 8 and 12

**Linkage with EU accession agenda:** Regional Development and Competitiveness

**Linkage with UNDP Strategic Plan 2018-2021:** Accelerating structural transformations for sustainable development, especially through innovative solutions that have multiplier effects across the SDGs.

**Atlas Award ID:** 00107283

**Total budget:** 2,625,631 USD

Allocated resources:

- AICS: 1,190,000 USD
- USAID: 999,671 USD
- UNDP: 100,150 USD
- Nat./loc. partners/beneficiaries: 335,810 USD

- In kind contributions:
- Unfunded budget:

For UNDP:

Name and function:

SUKHROB KHOSHBAUKHAMEDOV, DRP

Signature:



Date:

23.07.19

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## LIST OF ABBREVIATIONS

AICS	<i>L'Agenzia Italiana per la Cooperazione allo Sviluppo</i> – Italian Agency for Development Cooperation
BIH	Bosnia and Herzegovina
CISP	<i>Comitato Internazionale per lo Sviluppo dei Popoli</i> – Italian non-governmental organisation
CPD	Country Programme Document
DIM	Direct implementation modality
ERA	European Ramblers' Association
EU	European Union
EUR	Euro
FBIH	Federation of Bosnia and Herzegovina
GDP	Gross Domestic Product
GPS	Global Positioning System
ICT	Information and Communication Technology
IR	Intermediate Results
LPAC	Local Project Appraisal Committee
LQT	Leading Quality Trail
km	Kilometre
MOFTER	Ministry of Foreign Trade and Economic Relations
Mt	Mount/mountain
MZ	<i>Mjesna zajednica</i> (Local community)
NGO	Non-governmental organization
NP	National Park
QA	Quality assurance
RS	Republika Srpska
TBD	To be determined
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
USA	United States of America
USAID	United States Agency for International Development
USD	United States Dollar
VD	Via Dinarica

### 1. CONTEXT

#### 1.1 Wider country context

More than twenty years after the end of the war, Bosnia and Herzegovina is still facing **intricate development challenges**, including economic decline, growing poverty and socio-economic inequalities.

The **complex governance structure** stemming from the Dayton Peace Agreement is highly cumbersome. The country of 3.5 million people<sup>1</sup> has 13 constitutions (state, two entities, one autonomous district and 10 cantons) and more than 150 ministries. Ineffective governance and an over-sized public sector reduce the effectiveness of public policy and slow down reforms. The political climate is tense and dominated by nationalistic tendencies, concerted political obstruction of reforms and frequent political gridlocks which, in turn, have impeded the country development. According to the [Fragile States Index 2017](#), Bosnia and Herzegovina features as a **fragile state**, ranked 93<sup>rd</sup> among 178 countries.

In February 2016, Bosnia and Herzegovina submitted its formal application for **launching negotiations with the European Union (EU)** and later that year the EU accepted the application, initiating a process to decide on the country's candidacy. However, after this positive momentum, the process of accession to the EU has been again stalled.

The implementation of the [Reform Agenda 2015-2018](#) - agreed by all political forces in 2015 and representing the backbone of the new EU approach, is painfully slow. No progress has been made in the fight against the corruption that plagues the country. The rule of law and the judicial system remain problematic, while the public administration is still in dire need for reforms.

Despite reserved optimism, the **country's economic growth** performs at a faster pace than expected, projected to grow from 3% in 2017 to 3.2% in 2018<sup>2</sup>. The economy is still weighed down by a huge public sector that consumes nearly 50% of the GDP to sustain itself and has elbowed out productive public development investments. The overall **business environment** is weak: the [World Bank Doing Business 2018 Report](#), Bosnia and Herzegovina was ranked 86<sup>th</sup>, five places down from the previous year. Unemployment rate has dropped down slightly at 20.5% (compared to 25.4% in 2016).

The [2016 Human Development Index](#) value for Bosnia and Herzegovina is 0.750, placing the country 81<sup>st</sup> among 188 countries, which is still below the average for Europe and Central Asia. Nearly **17% of the population or more than 500,000 people live below the poverty line.**<sup>3</sup>

#### 1.2 Sector-specific analysis

Tourism is one of the few economic sectors that do well and is undoubtedly one of the bright sides at the economic radar of Bosnia and Herzegovina. The country is sufficiently enigmatic for many international tourists, yet safe and reachable with short flights from major European destinations, at prices that make the country one of Europe's best-value destinations. Bosnia and Herzegovina is most intriguing for its *East-meets-West* atmosphere deriving from blended Ottoman and Austro-Hungarian histories, for its breath-taking beauty of the nature and well preserved tradition and culture.

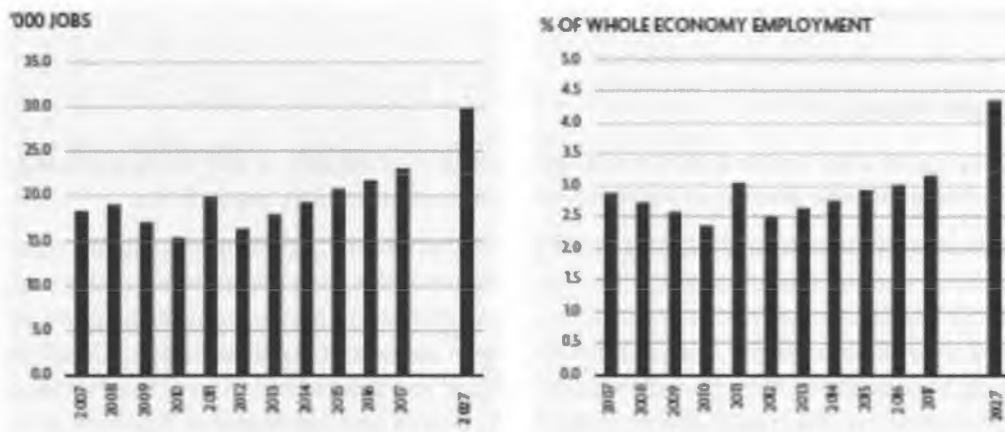
Tourism contributes significantly to both employment and GDP. **Tourism generated 22,000 jobs directly** in 2016 (3.0% of total employment) and it is expected that by 2027 it will account for 30,000 jobs directly, and 103,000 indirectly. The graphs below show the contribution of tourism to employment in Bosnia and Herzegovina in 2017.

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<sup>1</sup> 2013 Census results: <http://www.popis2013.ba/popis2013/doc/Popis2013prvolzdanje.pdf>.

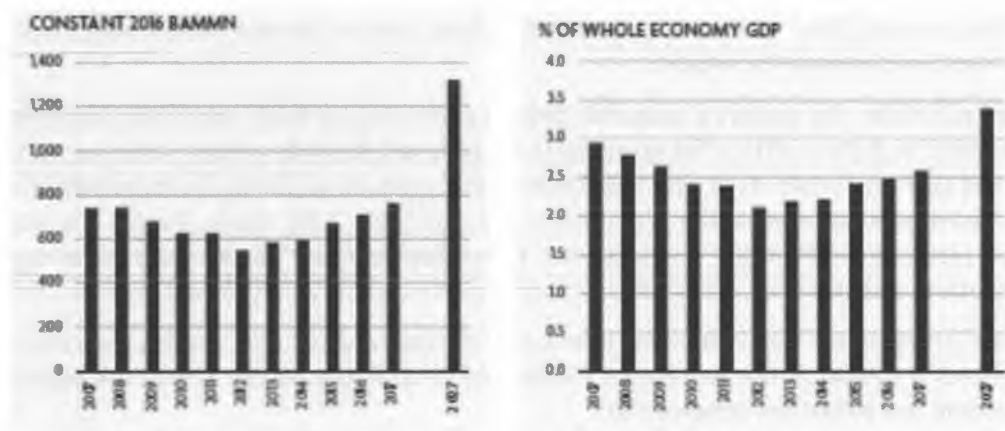
<sup>2</sup> World Bank, 2017, <http://www.worldbank.org/en/country/bosniaandherzegovina>.

<sup>3</sup> Household budget survey, 2015, Agency of Statistics of Bosnia and Herzegovina.



Source: *Travel & Tourism: Economic Impact 2017, Bosnia and Herzegovina*

The direct **contribution of tourism to GDP** in 2016 was BAM 711.1 million (2.5% of GDP), expected to grow by 5.6% to BAM 1,322.7 million (3.4% of GDP) by 2027. The graphs below show the contribution of tourism to GDP in Bosnia and Herzegovina in 2017.



Source: *Travel & Tourism: Economic Impact 2017, Bosnia and Herzegovina*

In 2017, there were **1,224,477 visits**, which is an increase of 13.7% compared to 2016. The number of **overnights** has also increased by 12.4% and the **number of foreign tourists** has grown by 16.1% and comprises 72% of the total number of tourists.<sup>4</sup>

The accelerated tourism development in Bosnia and Herzegovina is offering **development opportunities for rural areas**, which often lag behind developed urbanized centres of the country. Tourism development enables development of the periphery, offering economic opportunities, contributing to improved infrastructure, services and boosting the positive image of a region or the country as a whole. With wealth of natural, cultural and historical heritage, favourable geographic location, internationally known events, unique gastronomic offers, and its status as a still unknown tourism destination for major markets, Bosnia and Herzegovina has all prerequisites for tourism development.

<sup>4</sup> Agency for Statistics, Bosnia and Herzegovina, tourism sector statistics, [http://www.bhas.ba/saopstenja/2018/TUR\\_02\\_2017\\_11\\_0\\_HR.pdf](http://www.bhas.ba/saopstenja/2018/TUR_02_2017_11_0_HR.pdf).

### 1.3 The Via Dinarica concept

The Via Dinarica is a mega trail with three main trails (White, Green, and Blue) that stretches across the Western Balkans from Slovenia to Albania. The Via Dinarica is a platform that serves to promote regional natural attractions, tourism services, gastronomic, cultural and other experiences globally. It contributes to development of local communities and small businesses. Its purpose is to connect the countries and communities of the Dinaric Alps by creating a unique and diversified tourist offer, thus contributing to development of local communities and small businesses. The Via Dinarica concept promotes tourism for the sustainable economic development of the countries along its corridors, while preserving the environment and respecting the sociocultural diversity and authenticity of communities.



The goal of Via Dinarica is to make connections between cities and rural communities in the region, raise awareness on good business practices and environmental protection, create a tourist offer based on the unique natural beauties, traditional products, and cultural heritage, as well as link stakeholders in the region for the purpose of jump starting sustainable economic development.

**The White Trail is the main trail along the entire length of the Via Dinarica** that follows the natural flow of the highest peaks of the Dinaric Alps. The White Trail includes all the highest peaks in each respective country. Although there is a plethora of activities along this head trail, such as mountain biking and rafting, its main function is as a hiking trail.

**The Blue Trail** veers towards the coastline and the crystal-clear waters of the Adriatic Sea. The mountains may be smaller in this part but no less attractive and challenging. It includes some of the best coastal and hinterland hiking in Europe and is always accompanied by the fresh smell of medicinal herbs and the breeze of the Mediterranean. Sea kayaking and other water sports are an integral part of the Blue Trail.

**The Green Trail** is exactly that: a green carpet of conifer forests that meander through some of the lower mountains of the Dinaric Alps. The Green Trail is made for two-wheeled trail blazers with hundreds of kilometres of well-maintained bike trails that encompass Serbia, Bosnia and Herzegovina and Croatia with the largest portion of the trail located in Bosnia and Herzegovina. Hiking and walking, coupled with the rich wildlife of this eastern front, make it a great option for soft adventure and provide the potential to open this lesser known corner of Bosnia and Herzegovina to a wider tourism market.

The Via Dinarica holds the potential **to be further developed and affirmed as a world-class hiking and outdoor adventure trail**, providing opportunities for integrated tourism development and livelihoods. The rich diversity of cultural, historical, and natural assets along the White and Green Trails is a pre-requisite for the development of integrated tourism, which can translate into sustainable livelihoods for the surrounding communities. The highlights of the cultural, natural and historical features of the White and Green Trail of the Via Dinarica in Bosnia and Herzegovina, which serve as “gravitating points” for tourism development, are captured below.

#### Highlights of Via Dinarica White Trail in Bosnia and Herzegovina:

- Trnovačko Lake – Sutjeska National Park;

- Mountain Maglić Peak – 2,386 m – Bosnia and Herzegovina’s highest peak;
- Perućica Primeval Forest – one of Europe’s last remaining old growth forests;
- Battle of Sutjeska monument – Tjentište World War II Battle Monument;
- Zelengora Lakes – Sutjeska National Park Lake system;
- Mala Ćaba – Treskavica – 2,086 m – highest peak of Treskavica;
- Umoljani Mosque – oldest highland mosque in Bosnia and Herzegovina;
- Watermills – functional watermills in Umoljani village;
- Studeni Potok – serpentine stream through Studeni Fields;
- Rakitnica Canyon – most unexplored canyon in Southeast Europe;
- Lukomir – traditional medieval village;
- Neretva River Canyon – White water rafting canyon and fly-fishing haven;
- Zelena Glava – mountain Prenj’s highest peak;
- Tisovica Valley – Prenj – picturesque hiking valley in the high alpine meadows of Prenj;
- Cetina and Izgorjela gruda – Prenj – vistas and rock faces for climbing on Prenj;
- Diva Grabovica – Čvrsnica Mountain – protected valley on Čvrsnica Mountain;
- Veliki Kuk – Tise scenic viewpoint – Largest rockface on Balkan peninsula;
- Hajdučka vrata – natural limestone formation of stone window;
- Vilinac Ridge – attractive hiking ridge on Čvrsnica’s highlands;
- Blidinje Nature Park – isolated Nature Park with skiing, lakes, biking trails, and medieval necropolis;
- Masna Luka Monastery – Franciscan Monastery in covered forest, open to public;
- Krug wild horses – Livno – country’s largest population of wild horses;
- Livno old city and fortress – cultural heritage site along trail;
- Troglav Mountain – mountain border between Croatia and Bosnia and Herzegovina, as well as highest peak of Dinara Mountain;
- Livanjsko Field – RAMSAR site – large migratory bird populations;
- Buško Lake;
- Duvanjsko Field;
- Boračko Lake;
- Visočica Mountain and Puzim Peak;
- Stećci (medieval tombstones) along the entire White Trail.

#### **Green Trail Highlights in Bosnia and Herzegovina:**

- Bridge on the Drina – Višegrad;
- Borike Horse Farm – Rogatica;
- Romanija Mountain – Novak’s Cave;
- Skakavac Waterfall – Sarajevo;
- Bijambare Caves – Ilijaš;
- Zvijezda and Perun Mountains – Vareš (landslide affected area);
- Bobovac Medieval Fortress – Vareš (landslide affected area);



- Franciscan Monastery – Kraljeva Sutjeska;
- Tajan Nature Park – Kakanj/Zavidovići (flood affected area);
- Željezno Polje (flood affected area);
- Vlašić Mountain Slopes;
- Jajce medieval city and waterfall;
- Vrbas Canyon - Banja Luka Rafting;
- Šipovo – fly fishing and medieval fortress of Sokol;
- Zelenkovac eco centre;
- Ključ – fly fishing and medieval fortress;
- Grmeč Mountain;
- Una National Park;
- Štrbački Buk waterfalls;
- Kozara National Park (artery);
- Klekovača Mountain;
- Lušci-Palanka Field;
- Konjuh Mountain;
- Krivaja River;
- Old Town Vranduk;
- Bliha Waterfall;
- Waterfalls in Martinbrod;
- Vilenjska Vrela Falls.

#### **Blue Trail Highlights in Bosnia and Herzegovina:**

- Mogorjelo Archaeological site;
- Kravice waterfall and Trebižat river;
- Hutovo Blato Nature park;
- Koćusa Waterfall;
- Ljubuški Old Town, historical site;
- Vjetrenica Cave – Popovo field;
- Zavalala Monastery - Popovo field;
- Radimlja - necropolis with stećci (medieval tombstones);
- Tvrdoš Monastery, Trebinje;
- Ever-green Oak in village Bančići, Ljubinje;
- Orjen Mountain;
- Old Hutovo town, archaeological site;
- Trebinje Museum of Herzegovina;
- Museum on Humac, Ljubuški.

#### 1.4 Key achievements from previous Project phases and remaining needs

First efforts towards achieving the Via Dinarica concept vision were made in 2013, with the pilot-initiative **Walking the Via Dinarica** (August 2013 – April 2014), supported by USAID and UNDP in Bosnia and Herzegovina. By undertaking the *one million steps walk* along the 1,260 km of mountain trails, the initiative enabled assessing, mapping and promoting the central Via Dinarica Trail, stretching across the Western Balkans, from Albania to Slovenia. The Walk charted the three main Via Dinarica trails and mobilized domestic and international attention, resources and commitment for transforming the trail into a world-known tourism destination.

Recognizing extraordinary Via Dinarica potentials, USAID and UNDP joined forces to implement the first phase of the **Via Dinarica Project: A Platform for Sustainable Tourism Development and Local Economic Growth Project** (October 2014 – December 2017). Although focused on Bosnia and Herzegovina, the first Project phase enjoyed a broad base support from each country along the Via Dinarica,<sup>5</sup> including relevant institutional partners and communities. The Project has contributed to placing Bosnia and Herzegovina on the world tourism map as a nature-based tourism hotspot, changing the war-related negative image of the country. Over 2,800 km of trails have been assessed and GPS-marked, with more than 700 accommodation facilities, services and points of interest identified and recorded along all three Via Dinarica trails, captured within the world class on-line research tool powered by [Out-dooractive platform](#). By creating 95 new jobs (6 full-time and 89 part-time) and increasing capacities of more than 100 service providers, the Project has also fostered economic development opportunities along the Via Dinarica White and Green trails. Significant improvements were made in tourism infrastructure and services, by offering over 1,000 beds in upgraded mountain huts and bed and breakfast accommodation, diversifying outdoor tourism offer via 20 new tourism services (e.g. hiking, mountain biking, rafting, etc.).

Importantly, **Via Dinarica has gained global attraction** through featuring in publications such as *National Geographic*, *The Guardian*, *Lonely Planet*, *Outside Magazine*, *The Vogue*, *The Independent* and others glorifying its beauty and uniqueness. The number of both domestic and international visitors to Via Dinarica destinations rose from 4,500 in 2015 to 90,000<sup>6</sup> visitors in 2017.

While a lot has been achieved, there are **still remaining needs** to ensure the Via Dinarica is affirmed as a regional mega-trail providing economic opportunities for a broad range of stakeholders. To that end, it is of great importance to build on the positive momentum and excellent commitment by all stakeholders, including through spearheading further efforts in cooperation with other countries along the Via Dinarica.

While there are significant potentials for tourism development in the country, **local communities are yet to fully capitalise on the economic opportunities offered by the Via Dinarica** tourism product. The trails mostly stretch through rural and remote areas, characterised by high unemployment and poorer quality of life. With the Via Dinarica bringing tourists to the front yard of rural communities, income generation possibilities are created for the rural population at their own doorsteps. However, rural tourism development opportunities are insufficiently utilised, while indigenous products and services are not adequately integrated into a wholesale tourism offer. The availability of high-quality traditional products and diverse cultural experiences is rare. Communities dealing with small-scale agriculture, cattle-breeding and crafts need to be given the opportunity to tap into Via Dinarica as a resource that offers economic and livelihood benefits. Thus, further support is needed for local communities to translate the existing potentials into income opportunities and jobs, particularly for unemployed women and youth.

Much remains to be done to improve **tourism infrastructure and services** along the Via Dinarica trails. Accommodation facilities (mountain huts, bed and breakfasts / guesthouses) still need to be developed to ensure adequate coverage, quality, and accessibility. This is a prerequisite for maximizing tourism-related private sector activity, expanding the tourism offer, extending stays and creating more income opportunities. Tourism infrastructure, specifically for outdoor tourism, is underdeveloped and represents one of the largest barriers for unlocking the full potential of the trails. As the Via Dinarica develops, the need to ensure real-time information on all points of interest, accommodation and services grows. Thus, an organised network of information hubs along the trails is essential to ensuring quality tourism experiences.

Despite certain tourism services on offer, the **portfolio of outdoor tourism services remains limited**. While there are numerous local outdoor clubs and hiking organizations along the Via Dinarica, they are unevenly “distributed” along the trails and their capacities remain limited. Positive experiences and new advanced

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<sup>5</sup> Albania, Bosnia and Herzegovina, Croatia, Kosovo, Montenegro, Serbia and Slovenia.

<sup>6</sup> Via Dinarica Project Phase I Beneficiary Surveys.

services introduced through the previous Project phase (canyoning, canoeing, caving, etc.) can be further expanded and **integrated into the tourism offer throughout the Via Dinarica**, thus increasing length and reducing seasonality of tourists' visits.

In addition to adequate infrastructure and appealing tourism offer, **overall marking and accessibility of the Via Dinarica trails** is also central to the people-friendly affirmation of the tourist destination. Findings of the trails assessments conducted so far confirm that the main route of the White Trail is some 166 km longer than initially anticipated (266 km), while the Green Trail, with its arteries and connection paths, is almost three times longer (2,405 km). This entails additional efforts in terms of ensuring proper marking, signage and road accessibility of the main routes, since over 1,000 km of the trails and their assets have not been marked. Furthermore, assessment came to show that there is a considerable number of arteries that could potentially link main trails with sub-routes endowed with cultural, natural and historic heritage, making them an integral part of the unique Via Dinarica offer. The tourist signage placed so far covers predominantly the trails and does not lead the tourist flows from urban centres like Sarajevo, Mostar, Banja Luka, Dubrovnik, Split and Budva to nearby Via Dinarica destinations. **Further development and use of related ICT applications and GPS systems** will also be critical.

Another important aspect of developing the regional outdoor tourist destination relates to its **human safety**. All Via Dinarica trails in Bosnia and Herzegovina are safe and mine-free; however, to release the potential of 10 km of the most attractive mountain walk, some 10 locations need to be cleared from war remnants presenting hazard to tourists' safety. Thus, the Via Dinarica White Trail may qualify as the leading hiking European trail. Moreover, all trails need to be covered with capacitated and equipped rescue services.

Tourism stimulates measures to **protect or conserve nature**, while at the same time presents a significant environmental risk because of its demands and effects on natural resources. Thanks to the diversity of its flora and fauna, Bosnia and Herzegovina tops the Dinaric region's biodiversity index. However, numerous illegal waste dumps in nature not only damage the environment, but also minimise quality of tourism experience. Therefore, it is necessary to raise awareness on environmental protection and sustainable tourism development, to ensure symbiotic integration of environmental conservation and tourism development objectives.

In parallel, despite emerging popularity of the tourism destination globally, continued efforts are necessary to expand **visibility and promote** the Via Dinarica trail. To that end, the Via Dinarica brand needs to be further developed, including through affirmation of common visual identity and enforcement of basic quality standards not only in Bosnia and Herzegovina, but also regionally. Via Dinarica needs to be promoted within the domestic market, to neighbouring countries, as well as in countries in Europe, the United States of America, Canada, etc. ICTs and interactive web-based tools should be used to leverage global popularity and attractiveness of the Via Dinarica trails, including through user-friendly booking and payment systems. Pro-active promotion approach embraced by the previous Project phase resulted in growing interest and increased number of tourists along the Via Dinarica trails since 2017, which will pose a test for Via Dinarica's capacity to live up to its reputation of world class adventure destination.

In this context, it is important to further **reinforce and expand Via Dinarica networks and partnerships**, engaging all relevant stakeholders ranging from policy makers and institutions, local communities, businesses, civil society and voluntary organisations, as well as media. Via Dinarica has so far proven to be a concept that can bring people together and mobilize joint action.

Furthermore, there is a need to assist competent institutions and local governments along the Via Dinarica trails to develop and implement adequate **strategic and financial measures** that would ultimately contribute to its further development.

## 1.5 Stakeholders' analysis

Developing the Via Dinarica as a world-class tourist destination requires concerted efforts by a myriad of institutional and socio-economic stakeholders, which can drive or restrain positive change. The overview below maps out both influential actors that may drive the process forward, as well as those who can thwart progress.

So far, the Project has been implemented with the strong support by relevant institutions in Bosnia and Herzegovina, including the **Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina, the Ministry of Environment and Tourism of the Federation of Bosnia and Herzegovina and the Ministry of Tourism and Trade of Republika Srpska**. State and entity ministries are highly committed to the future success

of the Via Dinarica trail and will have a key role not only in designing adequate policy measures, but also in allocating public finances to ensure investments and support to the further development of the Via Dinarica trails in the country, as well as facilitate cross-country cooperation.

Within the **tourism-related strategic and policy frameworks in Bosnia and Herzegovina**, the three competent ministries responsible for tourism – respectively at state and entity government levels – have placed Via Dinarica high at the current development agenda. This has been manifested through their active engagement in the Via Dinarica Project (as members of the Project Steering Board) from its early conceptualisation stage, with growing commitment and engagement throughout the implementation process, and firm support to the future continuation of the initiative. Moreover, these ministries have used every opportunity (in-country, but also internationally) to praise the Project and its results, as well as present potentials for further investments. On numerous occasions government officials have underlined that the Via Dinarica is completely in line with development priorities, in particular those related to outdoor and rural tourism development. The country has utilised various domestic and international occasions to promote or advocate for the Via Dinarica initiative, such as, for example, the recent meeting of the Joint Monitoring Committee of the EU-financed Cross-Border-Cooperation Programme Bosnia and Herzegovina – Montenegro – Croatia – Serbia, as well as the formal presentation of priorities of Bosnia and Herzegovina to the Government of China, etc. In addition, the Government of the Federation of Bosnia and Herzegovina has included the Via Dinarica initiative as a priority within the [2016](#), [2017](#) and draft 2018 annual work plans and budgets. During the 2017 Project conference, the Ministers of all the three ministries have expressed their strong support and commitment to the further development of the Via Dinarica Project (also captured within their letters of support provided particularly to this Project, attached as *Annex IX*).

From tourism governance viewpoint, other important stakeholders are **local governments**, which are also generally committed and interested to support tourism development within their territories, having in mind the socio-economic benefits it brings to communities. Local governments have a decision-making power, which is a positive factor for ensuring investments in tourism infrastructure and services, as well as promoting the tourism potential of the locality or region, as part of their wider local development strategies.

**Tourism and mountain organisations, associations (including rescue service organisations), as well as tour operators and agencies** are also an integral part of the broader set of stakeholders which hold an important role in the Via Dinarica's future development, specifically in terms of tourism service development and offer along the Via Dinarica trails, as well as promotion of the destination and outreach to tourists. These need to be further connected among themselves, as well as with the broader Via Dinarica Network, so as to ensure a common vision and action that brings maximised results for everyone.

**Terra Dinarica**, a non-governmental organization whose aim is to promote and protect the natural and cultural heritage of the entire region of the Dinaric Alps, with focus on Bosnia and Herzegovina, is also an important actor for Via Dinarica development. This is an organization that focuses its work explicitly on the sustainable development of the Via Dinarica concept in the country, with outreach to the region. *Terra Dinarica* has proven to be a valuable partner in the implementation of the phase I of the Via Dinarica Project, in particular related to the following project activities: assessment, inventory, mapping and identification of the main Via Dinarica trails; GPS and physical marking of the White, Green and Blue Trails; placement of accompanying signalization; assessment of tourism potentials along the trails; maintenance and upgrade of Via Dinarica web page and Outdooractive web platform, social media channels, such as: Facebook, Instagram, etc; and promotion of Via Dinarica both in Bosnia and Herzegovina and internationally.

**Local communities** are also vital for the overall success of the Via Dinarica idea, which is based on the notion of community-based and community-owned tourism development. The local ownership of the Via Dinarica trails is vital to its sustainability; therefore, efforts need to be placed to further engage communities and inform them about the broader set of social, economic and environmental opportunities brought along with sustainable tourism development.

**Local businesses, farmers and craft-makers** are also playing a key role in the broader Via Dinarica tourism offer, while contributing to the wider tourism value chain. These need to be further capacitated and connected to the wider integrated tourism product at the local level.

**Local schools** are also seen as an important stakeholder, with two-fold role: on the one hand, helping promote Via Dinarica trails as a healthy recreation option among children and their families, while at the same time raising environmental awareness among youth and children.

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**Media and specialized travel/outdoor/adventure magazines** are another important player, having in mind their potential to promote Via Dinarica brand, attract domestic and international attention and further affirm it as international outdoor-tourism hotspot.

## STRATEGY

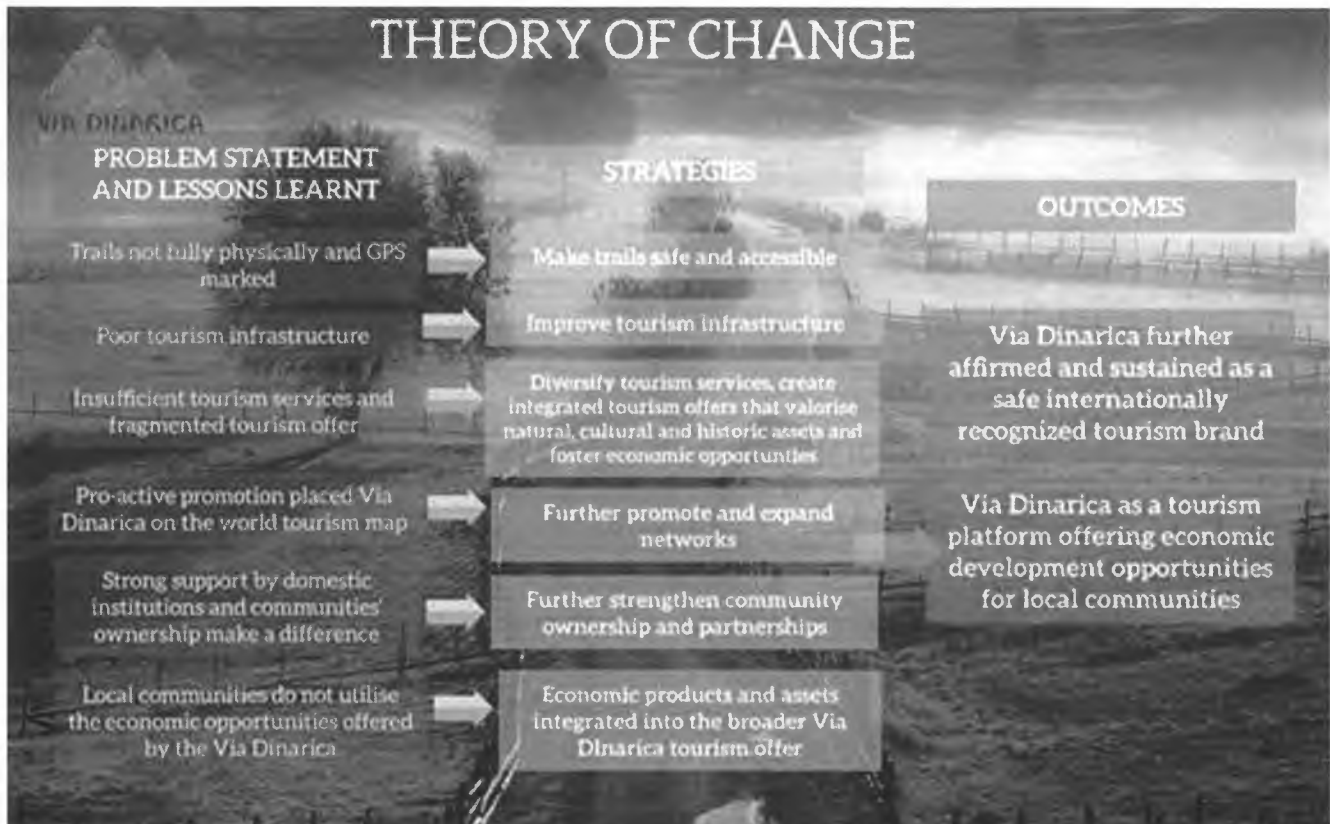
### 2. OBJECTIVES

#### 2.1 Theory of change

The Project strives to support public, civic and private sector stakeholders' efforts to develop and sustain Via Dinarica, widening economic opportunities for communities along its trails and contributing to sustainable development.

The Project theory of change has been created considering the existing needs, capitalising on the lessons learned and utilising unique opportunities for further development of the Via Dinarica trails.

The Project Theory of change is captured in the outlook below:



**Safe and accessible Via Dinarica trails** in Bosnia and Herzegovina, reinforced by **adequate tourism infrastructure** and diversified **tourism services** which valorise the unique natural, historical and cultural assets of the country, set the ground for successful affirmation of Via Dinarica as a world-class tourism destination. Further, **well-targeted promotion** of the tourism brand both within the country and internationally, **regional networking**, as well as **strengthened tourism governance** that ensures quality public services and infrastructure along the Via Dinarica corridors will leverage increased tourist visits. By facilitating communities' direct engagement in the development of Via Dinarica trails, **stronger commitment and ownership** will be in place, amplified by enthusiastic and diverse partnership networks. Economic products and assets integrated into the broader tourism value chains along the Via Dinarica trails will expand **economic opportunities and livelihoods** for communities and local businesses.

The development hypothesis for this activity is that if the accommodation facilities (bed and breakfasts / guesthouses, mountain huts, etc.) ensure adequate coverage, quality, and accessibility to the Via Dinarica trails, and if small rural households and service providers have access to finance (grants) and technical assistance to start and expand tourism offer than the number of tourists in Bosnia and Herzegovina and Via Dinarica area will increase which will contribute to job creation and income generation for rural families and small and medium tourism services providers.

## 2.2 Links to national and international strategies and frameworks

Although there is **no country-wide strategy for tourism development** of Bosnia and Herzegovina, in January 2017, the Council of Ministers of Bosnia and Herzegovina adopted the **Economic Reform Programme 2017-2019**, which places tourism development and tourism services among its priorities within the broader competitiveness and inclusive growth area. The Project also contributes to the implementation of the **Strategy for Tourism Development of the Federation of Bosnia and Herzegovina 2008-2018**<sup>7</sup>, and the **Tourism Development Strategy of Republika Srpska 2010-2020**<sup>8</sup>.

In addition, tourism is set as one of the priorities within the *Strategy Paper for Bosnia and Herzegovina (2014-2017)*<sup>9</sup>, which is the platform for support by the EU Instrument for Pre-Accession Assistance (IPA) II for the country. Moreover, tourism is also included as a priority within development strategies of the 10 cantons in the Federation of Bosnia and Herzegovina and numerous local governments country-wide.

In terms of the **institutional framework**, the Ministry for Foreign Trade and Economic Relations of Bosnia and Herzegovina is the responsible institution for tourism at the state level, while there are two entity ministries covering tourism, namely the Ministry of Environment and Tourism in the Federation of Bosnia and Herzegovina and the Ministry of Trade and Tourism in Republika Srpska.

The Project is in line with the **Italian Development Cooperation Programme 2016-2018**,<sup>10</sup> namely its strategic orientation to reinforce its presence in Bosnia and Herzegovina, primarily by contributing to the economic development, but also by providing assistance in addressing specific socio – political reality of the country.

**USAID in Bosnia and Herzegovina strategic goal** is to ensure Bosnia and Herzegovina becomes a more stable country that moves closer to Euro-Atlantic integration. One of the specific benchmarks for measuring achievement of this goal is progress on the path to EU Accession. The 2012 – 2018 USAID/Bosnia and Herzegovina Country Development Cooperation Strategy (CDCS)<sup>11</sup> includes two development objectives to achieve this overarching goal. The second development objective focuses on the economic growth of the country with the aim of ensuring that BIH has a competitive, market-oriented economy providing better economic opportunities for all its citizens. Economic growth provides the material basis for progress in all other dimensions of development and long-term stability. Achievement of the economic growth development objective requires achievement of two USAID Intermediate Results (IRs): IR 2.1. Improved capacity of the private sector to compete in the market economy; and IR 2.2. Improved economic aspects of governance relevant to business activity. Via Dinarica Project contributes to the IR 2.1 and its sub-purpose 2.1.1 (increased market access of assisted enterprises and other partners/beneficiaries).

The Project also contributes to achieving the **Sustainable Development Goals 8** “Promote sustained, inclusive and sustainable economic growth” and **12** “Ensure sustainable consumption and production patterns”.

The Project falls under **UNDAF Focus Area 2**: Sustainable and equitable development and employment, and contributes to the following Outcomes: **Outcome 4**: By 2019, economic and social disparities between units of local self-governance are decreased through coordinated approach by national and sub-national actors, and **Outcome 6**: By 2019, better articulated and coordinated employment, education, and scientific policies and programmes enable greater access to productive employment and income opportunities.<sup>12</sup>

Finally, the Project will contribute directly to the following strategic plan outcomes from the UNDP Strategic Plan<sup>13</sup>:

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<sup>7</sup> While the Strategy has not been formally adopted, its directions have been used as a strategic framework for the design of mid-term plans, policies and budgets in the tourism sector. Reference:

[http://www.ruralexextension.org/doc/Strategija%20razvoja%20turizma%20FBiH%202008-2018%20\(2008\).pdf](http://www.ruralexextension.org/doc/Strategija%20razvoja%20turizma%20FBiH%202008-2018%20(2008).pdf).

<sup>8</sup> Reference: <http://www.vladars.net/sr-SP-Cyrl/Vlada/Ministarstva/mtt/Pages/default.aspx#collapsible4>.

<sup>9</sup> The document is currently being extended by the end of 2020 to cover the entire EU programming cycle (2014-2020).

<sup>10</sup> Reference: [http://www.esteri.it/mae/resource/doc/2017/03/doc\\_triennale\\_2016-2018\\_-\\_finale\\_approvato.pdf](http://www.esteri.it/mae/resource/doc/2017/03/doc_triennale_2016-2018_-_finale_approvato.pdf).

<sup>11</sup> Reference: <https://www.usaid.gov/sites/default/files/documents/1863/BosniaCDCS.pdf>

<sup>12</sup> Reference: [http://www.ba.undp.org/content/dam/bosnia\\_and\\_herzegovina/docs/News/BiH%20One%20Programme%202015-2019%20-%20FINAL%20ENG%20Apr%202015.pdf](http://www.ba.undp.org/content/dam/bosnia_and_herzegovina/docs/News/BiH%20One%20Programme%202015-2019%20-%20FINAL%20ENG%20Apr%202015.pdf)

<sup>13</sup> UNDP Country Programme Document for Bosnia and Herzegovina (2015-2019). Reference:

[http://www.ba.undp.org/content/bosnia\\_and\\_herzegovina/en/home/library/publications/country-programme-document-for-bosnia-and-herzegovina--2015-2019.html](http://www.ba.undp.org/content/bosnia_and_herzegovina/en/home/library/publications/country-programme-document-for-bosnia-and-herzegovina--2015-2019.html)

#1 POVERTY: 1.1.2 Marginalized groups, particularly the poor, women, people with disabilities and displaced are empowered to gain universal access to basic services and financial and non-financial assets to build productive capacities and benefit from sustainable livelihoods and jobs;

#2 GOVERNANCE: 1.2.1 Capacities at national and sub-national levels strengthened to promote inclusive local economic development and deliver basic services including HIV and related services.

### **2.3 Hierarchy of objectives**

Building on previous achievements, the Project will seek to further economic development opportunities in Bosnia and Herzegovina by supporting sustainable nature-based tourism development. To this end, the Project intends to advance the Via Dinarica concept as a mechanism connecting cultural, historical, and natural resources, working in partnership with relevant institutions and other stakeholders and contributing to improved livelihoods and economic growth, particularly for rural communities along the trails in Bosnia and Herzegovina.

This will be achieved through the following two Outputs:

**Output 1: Via Dinarica affirmed as a safe and internationally recognized tourism platform for sustainable tourism development and local economic growth**

**Output 2: Local communities empowered to pursue rural enterprise development**

Below is a visual snapshot of the Via Dinarica Project II, including its outputs and results.



To further economic development opportunities in Bosnia and Herzegovina by supporting sustainable nature-based tourism development

Output 1: Via Dinarica affirmed as a safe and internationally recognized tourism platform for sustainable tourism development and local economic growth

Output 2: Local communities empowered to pursue rural enterprise development

Result 1.1. Increased accessibility and improved safety of Via Dinarica trails in BIH

Result 1.2 Via Dinarica tourism brand further affirmed and reinforced by national and regional partnership networks

Result 1.3. Via Dinarica supported through strategic and financial governance measures

Result 1.4 Enhanced economic opportunities and livelihoods along Via Dinarica by integrating local products into tourism offer

Result 1.5. Upgraded tourism infrastructure and diversified / consolidated tourism services strengthen Via Dinarica competitiveness

Result 2.1. Via Dinarica trails in BIH accessible

Result 2.2 Via Dinarica affirmed as a tourism brand

Result 2.3 Enhanced economic opportunities

Result 2.4 Diversified/consolidated tourism services and strengthened capacity of tourism service providers along the Via Dinarica

## RESULTS, APPROACH AND PARTNERSHIPS

### 3. DETAILED DESCRIPTION OF PROJECT OUTPUTS AND RESULTS

#### Output 1: Via Dinarica affirmed and as a safe and internationally recognized tourism platform for sustainable tourism development and local economic growth

**Result 1.1:  
Increased  
accessibility and  
improved safety of  
Via Dinarica trails  
in Bosnia and  
Herzegovina**

The Project will ensure improved access to Via Dinarica trails via maintenance and marking activities. Specifically, maintenance of 700 km of trails in Bosnia and Herzegovina will continue in partnership with relevant local governments, as well as mountain and akin associations. Additional 250 km of Via Dinarica trails will be GPS and physically marked<sup>14</sup>, in accordance with the National Mountaineering Association's standard and European Rambler's Association (ERA) general principles.<sup>15</sup> General principles of trail marking prescribe appropriate actions in order to ensure an easy orientation and general safety of hikers along and in vicinity of the trails. The existing system of marking has been developed in such a way that all trails correspond to the basic requirements or principles for marked trails. The Project will make efforts to

mobilise partnerships among local communities, governments at all levels, mountaineering and akin associations towards identifying sustainable solutions for maintenance of Via Dinarica trails (e.g. voluntary actions, regular allocations from municipal budgets, etc.). The 250 km of trails marked in Year 1 will be maintained in Years 2 and 3 in partnership with relevant local governments and mountain and akin associations.

The Project will introduce small-scale safety interventions within at least 10 locations along Via Dinarica trails to improve their overall accessibility and safety, in cooperation with the local governments, mountaineering associations and rescue services. Such measures may entail placement of safety fences and nets, via ferrates, water ropes, minor improvements of conditions of Via Dinarica access routes, adaptation measures enabling people with disabilities' access to trails and natural/cultural/historical attractions, etc.

The existence of a well-established and functional network of rescue services is of crucial importance for the safety of tourists and visitors along and in the vicinity of Via Dinarica trails. Thus, the Project will support four rescue service organizations through the provisions of equipment necessary for their effective functioning. The beneficiary rescue services will be selected on the basis of the requirements for this type of interventions at the most critical locations along Via Dinarica, which will be determined in a consultative process with main project partners and stakeholders.



Activities under this output are:

- 1.1.1. Maintain Via Dinarica trails by engaging relevant mountaineering and other organizations, as well as local governments;
- 1.1.2. GPS and physically mark Via Dinarica trails;
- 1.1.3. Introduce safety measures along the trails;
- 1.1.4. Increase capacities of rescue services.

<sup>14</sup> The Project will use the harmonised Via Dinarica visibility trademark.

<sup>15</sup> Founded in Germany in 1969, ERA is an umbrella organisation comprising 59 walking organisations from 34 European countries (+4 organisations from Israel, USA and Morocco as observers). With the "Leading Quality Trails – Best of Europe", the ERA sets a European standard bringing multiple uses for walking tourism. Reference: [www.era-ewv-ferp.com/frontpage](http://www.era-ewv-ferp.com/frontpage).

**Result 1.2.:  
Via Dinarica tourism  
brand further  
affirmed and  
reinforced by  
national and  
regional partnership  
networks**

In consultations with all relevant stakeholders, the Project will undertake sustainability assessment, providing recommendations on necessary organisational structures and capacities to ensure long-term coordination and development of Via Dinarica in Bosnia and Herzegovina. Among other, attention will be placed on: (i) optimal coordinating network, (ii) functions of network members, (iii) requirements to be met by the lead Via Dinarica Support Centre, as well as (iv) mechanisms for information, promotion and service hubs. In this process, the Project will consult and engage relevant stakeholders in Bosnia and Herzegovina.

Moreover, the Project will facilitate anchoring of the Via Dinarica Support Centre within qualified existing organisation, providing also equipment, technical assistance/capacity development support in line with the functions identified in the assessment, and as per a broader sustainability plan.

A stocktaking of Via Dinarica stakeholders and resources will be conducted in Albania and Kosovo\*<sup>16</sup>, applying the methodology that has been used in previous Project phases in Bosnia and Herzegovina.<sup>17</sup> In consultations with relevant stakeholders in Albania and Kosovo, the Project will identify adequate field partners to be engaged in these activities. Know-how attained during the previous Project phase will be transferred by UNDP with the support of *Terra Dinarica*. The stocktaking will result in identification of main Via Dinarica resources, as well as the assessment of at least additional 200 km of trails and 30 accommodation facilities in Albania and Kosovo.

Via Dinarica Outdooractive web platform will be upgraded to offer top quality cartography, information on accommodation and tourism services available, mobile phone application, etc., thus enabling high-quality information and services to Via Dinarica visitors and tourists. The Project will map arteries linking the trails with cultural, natural and historic heritage sites in Bosnia and Herzegovina and record them in the Outdooractive web platform and Via Dinarica mobile application, thus making them an integral part of the Via Dinarica offer. Additionally, the identified local partners in Albania and Kosovo will be provided with the access to Via Dinarica web platform and the resources identified locally will be uploaded to the platform and thus integrated into the overall Via Dinarica offer.



In order to further promote Via Dinarica and to capitalize on the investment in the enlargement of accommodation capacity and diversification of tourism services, the project will facilitate participation of a group of interested and selected tour operators at the international tourism fairs. A high-quality presentation of Via Dinarica (e.g. multimedia or Virtual Reality presentation) will be prepared to support these efforts. The Project will support the presentation of Via Dinarica destinations within at least one prominent international (e.g. Berlin or London) and at least one prominent regional tourism fair. Furthermore, Via Dinarica will be promoted within Bosnia and Herzegovina, by conducting two promotional campaigns targeting school children. The Project will make efforts to explore connections and exchange experience with Via Alpina international trails, stretching through 8 countries: Slovenia, Italy, Austria, Germany, Liechtenstein, Switzerland, France and the Principality of Monaco.

A series of networking meetings and events will be held in Bosnia and Herzegovina throughout the Project implementation to expand Via Dinarica partnership networks and further strengthen the sustainability of Via Dinarica initiative.

The use of the criteria system “Leading Quality Trails – Best of Europe”, administered by the ERA, renders the attractiveness of walking/hiking routes measurable and guarantees a high-quality walking experience. The certification process consists of 8 stages, where the final stage is award of the certificate “Leading Quality Trails – Best of Europe” for a three-year period. Two certification stages have been completed for the Via Dinarica White Trail during the previous phase of the Via Dinarica Project, as follows: 1) Via Dinarica has been presented to ERA in order to start with the quality assurance process, and 2) a 2-day standard European training course has been delivered to 7 representatives of the mountaineering alliances/associations in Bosnia and Herzegovina to educate them how to gather the necessary data for the trail inventory. The third stage of the certification process will be completed within the scope of this Project, with the personnel trained earlier gathering the necessary data for the

<sup>16</sup> \*The designation is without prejudice to positions on status and is in line with UN Security Council Resolution 1244/1999 and the International Court of Justice Opinion on the Kosovo declaration of independence.

<sup>17</sup> This methodology was created and implemented by the project partner organisation, Terra Dinarica.

accreditation, making an inventory analysis and preparing a provisional assessment of the trail, that will show level of fulfilment of criteria, but also deficiencies. Findings will feed into the Outdooractive, also contributing to updating previous Project assessments.

Activities under this output are:

- 1.2.1. Introduce and capacitate Via Dinarica Support Centre in Bosnia and Herzegovina;
- 1.2.2. Ensure further stocktaking of Via Dinarica resources regionally (with focus on Albania and Kosovo);
- 1.2.3. Further upgrade and expand Via Dinarica web platform, including Albania and Kosovo;
- 1.2.4. Promote Via Dinarica at domestic, regional and international markets;
- 1.2.5. Expand Via Dinarica partnership networks in Bosnia and Herzegovina;
- 1.2.6. Continue the process of Via Dinarica White Trail Leading Quality Certification with 1 more certification stage to be completed in cooperation with the ERA.

**Result 1.3:  
Via Dinarica  
supported through  
strategic and  
financial governance  
measures**

The Via Dinarica initiative has increasing support by relevant institutions at state and entity levels, manifested through financial investments for its further development and active engagement in planning its future. Based on the identified institutional needs within each partner institution at higher government levels, the Project will offer customised assistance in the process of design, management and monitoring of thematic public financial schemes in line with EU rules and regulations aiming to further develop and promote the Via Dinarica. In addition to supporting the overall tourism infrastructure and services, the grant schemes will also consider maintenance, promotion, as well as sustainability measures.

The Project will also work with local governments along the trails in Bosnia and Herzegovina, not only to motivate them to engage in Via Dinarica development partnership network, but also to design and deliver concrete operational measures and investments that contribute to improved accessibility and attractiveness of Via Dinarica in their territories. Efforts will be made to ensure a continuous approach by local governments by supporting them to embed these measures within their annual plans for implementation of local development strategies and connecting them with municipal budgets. Focus will be on local governments within Via Dinarica areas that hold greatest potential for developing an integrated tourism offer. In addition, the Project will cooperate with local governments to introduce adequate modalities for supporting maintenance of tourism/communal infrastructure along Via Dinarica trails.

Activities under this output are:

- 1.3.1. Provide technical support to relevant ministries to design and deliver public financial support schemes, including further development of Via Dinarica in Bosnia and Herzegovina;
- 1.3.2. Engage with local governments to contribute to including Via Dinarica-related priorities in their work plans, thus ensuring investments in infrastructure and promotion of Via Dinarica.

**Result 1.4:  
Enhanced  
economic  
opportunities and  
livelihoods along  
Via Dinarica by  
integrating local  
products into  
tourism offer**

The Project will deliver several grant schemes to boost and improve tourism offer and potential of Via Dinarica along priority tourism hotspots, which may be potentially merged into a comprehensive grant intervention that integrates the individual grant schemes envisaged in the areas of tourism services, infrastructure and tourism-related value chains. The grant assistance will be delivered following the identification of the tourism hotspots along the Via Dinarica trails.

The grant-schemes will be competitive, with clearly defined selection criteria, eligible applicants and territories, specific requirements (such as, for example, encouraging partnership applications that put together local governments, private sector, non-governmental organization, thus stimulating partnership-building and integration of products, services and infrastructure into an integrated tourism offer), evaluation methodology and transparency rules.

To enhance economic opportunities for local communities along the Via Dinarica White, Green and Blue Trails, the Project will seek to utilise and valorise existing indigenous assets, resources and products.

Firstly, an assessment will be conducted to map relevant tourism cluster products and Via Dinarica-specific value chains (for example – eco food and drinks, clothing and gear, cultural events and assets, souvenirs / handicrafts, etc.), with focus on rural and remote areas. Moreover, value chains will be identified and embedded into wider area-based integrated tourism offers, featuring cultural, traditional, nature, gastronomic products and experiences. The value chains analysis will help to identify Via Dinarica hotspots or areas that hold significant tourism development potential.



To further unlock this potential, the Project will engineer and deliver a competitive grant scheme, expected to boost an integrated tourism offers and result in new income-generation opportunities for communities along the trails. Focus will be on partnerships among small businesses (local producers and tourism service providers), local governments, and non-governmental organisations. The grant scheme will support connecting the following main segments into an integrated tourism offer: (i) local products, (ii) tourism services; (iii) tourism infrastructure and sites; (iv) promotion and visibility as part of the wider Via Dinarica tourism offer. In all cases, the Project will use the harmonised Via Dinarica visibility trademark. Ultimately, the Project will support the formation of at least 8 integrated tourism offers along priority Via Dinarica tourism hotspots.

In terms of support to affirmation of integrated tourism offer along several Via Dinarica tourism hotspots, the Project will encourage the improvement and linkage of stand-alone assets, tourism services, accommodation facilities, experiences and unique products (eco food and drinks; cultural and historical monuments; improvement of accommodation facilities, such as guesthouses and bed and breakfast; handicrafts/souvenirs; cultural events; unique tourism services – adventure, sports, hiking, biking, fly-fishing, etc.; small restaurants, tourism gear and asset producers, etc.) into economically viable tourism offer. Particular attention will be given to youth and women as beneficiaries or final users of the assistance results. Grants will require co-financing by beneficiaries.

Importantly, grant assistance planned in various domains<sup>18</sup> will be combined under one umbrella, engaging public, private and non-governmental actors, thus mobilizing their resources and resulting in integrated tourism offers.

Activities under this output are:

- 1.4.1. Expand the existing Via Dinarica White, Green and Blue Trails assessment, with focus on relevant products (food and drinks, souvenirs, clothing and gear), cultural events and assets, to identify hotspots for developing integrated tourism offer;
- 1.4.2. Implement a grant scheme and technical assistance to integrate relevant local products, services and tourism assets into an economically viable Via Dinarica tourism offer.

**Result 1.5: Upgraded tourism infrastructure and diversified / consolidated tourism services strengthen Via Dinarica competitiveness**

Under this result, efforts will be made to further contribute to upgrading tourism infrastructure and expanding the portfolio of tourism services, with particular focus on priority geographic regions along the Via Dinarica trails (as identified based on the findings of the assessment conducted under result 1.2). The assistance will be delivered through competitive grants for improvement of public tourism infrastructure and facilities that contribute to affirming regional integrated tourism offers, as well as increase attractiveness of Via Dinarica destinations. Main partners in this regard will be local governments.

In terms of support to tourism infrastructure, focus will be placed on: improvement of access roads to Via Dinarica; improvement of common tourism facilities for rafting, kayaking, fly-fishing, biking, bird-watching, etc.; small-scale rehabilitation of cultural and historical sites; basic outdoor tourism infrastructure (benches, picnic locations, etc.). The beneficiary local governments will ensure 50% co-financing of the grant assistance.

<sup>18</sup> Activities 2.1.2, 2.2.1, and 2.2.2.

Moreover, the Project will also provide grant assistance for the improvement of tourism services, such as improving of guesthouses / bed and breakfast facilities, small restaurants offering traditional food and drinks, design of new or diversification of existing tourism services (e.g. fly-fishing, caving and rafting tours, adventure/cultural/hiking tours, equipment upgrades, transport services, etc.). This will add value not only to affirming attractive and quality integrated tourism offers, but also increasing income generation opportunities for local communities. As for support to improvement and diversification of tourism services along the Via Dinarica hotspots, focus will be placed on: design or expansion of tourism products (such as adventure/cultural/hiking tours; fly-fishing, caving and rafting tours; equipment upgrades for tourist service delivery and outdoor tourism; transport services; specific touristic equipment shops; etc.). Particular focus will be placed on young people and women-owned businesses.

Furthermore, the Project will place significant efforts on contributing to Via Dinarica's sustainability, including through the establishment of at least 3 Via Dinarica information, promotion and service hubs, which will then serve as replication model to be further scaled up within Bosnia and Herzegovina and in other countries along the mega-trail. As a first step, the Project will create a set of minimum standards (geographic position; existence of necessary basic hard and soft infrastructure and capacity of the organisation; proximity to the identified Via Dinarica tourism hotspots; quality and type of services; responsibilities of the hub; promotion, visibility standards; sustainability, etc.), which will form the Via Dinarica hub model. Following that model agreed by stakeholders, the Project will support the establishment of 3 Via Dinarica hubs. In that process, the Project will consider utilising existing tourism facilities (e.g. National Parks, Parks of Nature, protected landscapes, etc. along the Via Dinarica trails). Three locations along the Via Dinarica trails have been pre-identified as potential Via Dinarica hubs: one hub located to the far East (Sutjeska National Park), one hub to the far West of the Via Dinarica White Trail (Blidinje Nature Park) and one hub on a central location in the vicinity of the capital city of Sarajevo (Bjelašnica mountain). However, final decision on the hubs' location will be made during the Project implementation, depending on the prospects for sustainability as well as on commitment by relevant stakeholders. Via Dinarica hubs will be placed at localities where information, equipment, accommodation, food, local products, guides, parking and other necessities should be provided to the visitors/active holiday seekers. Importantly, the three hubs will be part of the Via Dinarica coordination and service network along with the coordinating Via Dinarica Support Centre described under Output 1.2.



Additionally, the Project will work on strengthening capacities of tourism service providers (small businesses providing accommodation and other services in mountain tourism, eco-tourism, adventure tourism, etc.) along the trails, to strengthen and diversify the tourist offer and increase attractiveness of localities based on unique tourism assets. This will entail the delivery of customised training programmes; peer-to-peer exchange, and transfer of good practices from relevant destinations.

Activities under this output are:

Activities under this output are:

- 1.5.1. Design and implement a grant scheme for improvement of public tourism infrastructure and sites along Via Dinarica hotspots, in partnership with relevant authorities;
- 1.5.2. Support diversification and consolidation of tourism services along Via Dinarica trails (accommodation facilities, tourism offer, etc.);
- 1.5.3. Establish 3 strategic Via Dinarica information, promotion and service hubs;
- 1.5.4. Deliver capacity development support to Via Dinarica tourism service providers.

## Output 2: Local communities empowered to pursue rural enterprise development

### Result 2.1: Via Dinarica trails in Bosnia and Herzegovina accessible

Under this result, 250 km of new Via Dinarica trails will be maintained. Also, additional 250 km of Via Dinarica trails will be GPS and physically marked<sup>19</sup>, in accordance with the National Mountaineering Association's standard and European Rambler's Association (ERA) general principles.<sup>20</sup> The 250 km of Via Dinarica trails marked in Year 1 will be maintained in Years 2 and 3. All the activities will be conducted in partnership with relevant local governments and mountain and akin associations.

A total of four (4) Via Dinarica volunteering camps will be organized in Years 2 and 3 prior to onset of the tourism season in the most critical locations along the White Trail. The purpose of volunteering camps in manifold: a) to contribute to the maintenance and marking of Via Dinarica, b) to encourage volunteerism among mountaineering activists, local communities, authorities and "ordinary" citizens alike, and c) to promote Via Dinarica as an exciting destination both nationally and internationally. The camps will last for about a week and will gather local and international volunteers, who will work on several stages of Via Dinarica trails with the objective of preparing Via Dinarica trails for the tourism season. Accommodation, food, equipment and tools will be provided for the volunteers. Participants will be accommodated in mountain huts and shelters, households and tents (depending on capacity at specific locations). Indicative activities include: cleaning the trails, removing branches and fallen trees, removing rocks and stones, improving trail construction and repairing the trail markings and signs where needed.

Activities under this output are:

- 2.1.1. Maintain Via Dinarica trails by engaging relevant mountaineering and other organizations, as well as local governments;
- 2.1.2. GPS and physically mark Via Dinarica trails;
- 2.1.3. Organize Via Dinarica volunteering camps.

### Result 2.2.: Via Dinarica affirmed as a tourism brand

The Project will conduct the needs assessment for the establishment of Via Dinarica Support Centre. Based on the needs assessment, a capacity development plan will be devised, providing recommendations on necessary organisational structures and capacities that need to be achieved to make it viable. Introducing a functioning Via Dinarica Support Centre capable of providing services to a variety of Via Dinarica stakeholders as well as to ensure long-term coordination and development of Via Dinarica in Bosnia and Herzegovina is crucial for a long-term sustainability of Via Dinarica. Therefore, the Project will facilitate the introduction of the Via Dinarica Support Centre within qualified existing organisation, potentially NGO within Terra Dinarica, UNDP Field Partner, that has been instrumental in providing support for the

networking activities and has managed the Outdoor Active web platform in the Via Dinarica Phase I. As such, they have laid the foundations for the establishment of Via Dinarica Support Centre. It is necessary to conduct the assessment of Terra Dinarica capacities to fully undertake the role of Via Dinarica Support Centre, and depending on the outcome of the assessment, to develop its business model and a capacity development plan.

The Project will further support the Via Dinarica brand in Bosnia and Herzegovina and wider, by facilitating affirmation of the visual brand identity across the Western Balkans in cooperation with the socio-economic stakeholders.

A series of networking meetings and events will be held in Bosnia and Herzegovina throughout the Project implementation to expand Via Dinarica partnership networks and further strengthen the sustainability of Via Dinarica initiative. In addition, a regional one-day conference will be held, gathering all main regional Via Dinarica stakeholders, to discuss a joint vision forward.

Via Dinarica Outdooractive web platform will be upgraded to offer top quality cartography, information on accommodation and tourism services available, mobile phone application, etc., thus enabling high-quality

<sup>19</sup> The Project will use the harmonised Via Dinarica visibility trademark.

<sup>20</sup> Founded in Germany in 1969, ERA is an umbrella organisation comprising 59 walking organisations from 34 European countries (+4 organisations from Israel, USA and Morocco as observers). With the "Leading Quality Trails – Best of Europe", the ERA sets a European standard bringing multiple uses for walking tourism. Reference: [www.era-ewv-ferp.com/frontpage](http://www.era-ewv-ferp.com/frontpage).

information and services to Via Dinarica visitors and tourists. The Project will map arteries linking the trails with cultural, natural and historic heritage sites in Bosnia and Herzegovina and record them in the Outdooractive web platform and Via Dinarica mobile application, thus making them an integral part of the Via Dinarica offer.

In order to further promote Via Dinarica and to capitalize on the investment in the enlargement of accommodation capacity and diversification of tourism services, the project will facilitate participation of a group of interested and selected tour operators at the relevant tourism fairs. A high-quality presentation of Via Dinarica (e.g. multimedia or Virtual Reality presentation) will be prepared to support these efforts. That will include design and production of stands with appropriate Via Dinarica branding, design and production of typical fair promotional materials, such as backdrop, video and printed products, large format photographs and stands for exhibitions, and logistics/transfer of materials to the fairs.

Activities under this output are:

- 2.2.1. Introduce and capacitate Via Dinarica Support Centre in Bosnia and Herzegovina;
- 2.2.2. Further upgrade and expand Via Dinarica web platform, including Albania and Kosovo;
- 2.2.3. Promote Via Dinarica at domestic, regional and international markets;
- 2.2.4. Expand Via Dinarica partnership networks in Bosnia and Herzegovina;

**Result 2.3:  
Enhanced  
economic  
opportunities**

The Project will implement several grant schemes to assist tourism development along Via Dinarica priority tourism hotspots that will be identified along the Via Dinarica trails.

The competitive grant-schemes will have: clearly defined selection criteria, eligible applicants and territories, specific requirements, evaluation methodology and transparency rules.

The Project will seek to utilise and valorise existing indigenous assets, resources and products, which will create economic development opportunities for local communities placed along Via Dinarica Trails.

An assessment will be conducted to map potentials for development of Via Dinarica-specific value chains (for example – eco food and drinks, clothing and gear, cultural events and assets, souvenirs / handicrafts, etc.), with focus on rural and remote areas. The assessment will help to identify Via Dinarica hotspots or areas that hold significant tourism development potential.

The Project will furthermore implement a competitive grant scheme, expected to support development of an integrated tourism offers and result in new income-generation opportunities for communities residing along the trails. Focus will be on partnerships among small businesses, local governments, and non-governmental organisations.

The grant scheme will support connecting the following main segments into an integrated tourism offer: (i) local products, (ii) tourism services; (iii) tourism infrastructure and sites; (iv) promotion and visibility as part of the wider Via Dinarica tourism offer. In all cases, the Project will use the harmonised Via Dinarica visibility trademark. Ultimately, the Project will support the formation of at least 8 integrated tourism offers along priority Via Dinarica tourism hotspots.

In terms of support to affirmation of integrated tourism offer along several Via Dinarica tourism hotspots, the Project will encourage the improvement and linkage of stand-alone assets, tourism services, accommodation facilities, experiences and unique products (eco food and drinks; cultural and historical monuments; improvement of accommodation facilities, such as guesthouses and bed and breakfast; handicrafts/souvenirs; cultural events; unique tourism services – adventure, sports, hiking, biking, fly-fishing, etc.; small restaurants, tourism gear and asset producers, etc.) into economically viable tourism offer. Particular attention will be given to youth and women as beneficiaries or final users of the assistance results. Grants will require co-financing by beneficiaries.

Activities under this output are:





- 2.3.1. Expand the existing Via Dinarica White, Green and Blue Trails assessment, with focus on relevant products (food and drinks, souvenirs, clothing and gear), cultural events and assets, to identify hotspots for developing integrated tourism offer;
- 2.3.2. Implement a grant scheme and technical assistance to integrate relevant local products, services and tourism assets into an economically viable Via Dinarica tourism offer.

**Result 2.4.: Diversified /consolidated tourism services strengthen capacities of tourism service providers along the Via Dinarica**

The Project will contribute to upgrading tourism infrastructure and tourism services, with particular focus on priority geographic regions along the Via Dinarica trails (as identified based on the findings of the assessment conducted under result 1.2). The assistance will be delivered through competitive grants for improvement of public tourism infrastructure and facilities that contribute to affirming regional integrated tourism offers, as well as increase attractiveness of Via Dinarica destinations. Main partners in this regard will be local governments that should ensure 50% co-financing of the grant assistance.

Tourism infrastructure activities may include: improvement of access roads to Via Dinarica; improvement of common tourism facilities for rafting, kayaking, fly-fishing, biking, bird-watching, etc.; small-scale rehabilitation of cultural and historical sites; basic outdoor tourism infrastructure (benches, picnic locations, etc.).

The Project will also provide grant assistance to various tourism service providers for the improvement of tourism services, such as improving of guesthouses / bed and breakfast facilities, small restaurants offering traditional food and drinks, design of new or diversification of existing tourism services (e.g. fly-fishing, caving and rafting tours, adventure/cultural/hiking tours, equipment upgrades, transport services, etc.). This will contribute to increasing income generation opportunities for local communities. Particular focus will be placed on young people and women-owned businesses.

Additionally, the Project will work on strengthening capacities of tourism service providers (small businesses providing accommodation and other services in mountain tourism, eco-tourism, adventure tourism, etc.) along the trails, to strengthen and improve their tourist offer. This will include the delivery of tailor-made training programmes; peer-to-peer exchange, and transfer of good practices from relevant destinations.

Activities under this output are:

- 2.4.1. Design and implement a grant scheme for improvement of public tourism infrastructure and sites along Via Dinarica hotspots, in partnership with relevant authorities;
- 2.4.2. Support diversification and consolidation of tourism services along Via Dinarica trails (accommodation facilities, tourism offer, etc.);
- 2.4.3. Deliver capacity development support to Via Dinarica tourism service providers.

## 4. IMPLEMENTATION STRATEGY

### 4.1 Methodological approach

The project implementation strategy will be characterized by **several methodological approaches**.

Having in mind that the primary concern of governments at all levels in Bosnia and Herzegovina, and in the wider Western Balkan region, is how to stimulate job creation and create better living conditions for the citizens, the Project places at its centre the expansion and **utilisation of the economic potentials of rural areas situated along the Via Dinarica corridor**. Moreover, the Project will insist on connecting tourism resources and services with livelihood opportunities within target communities.

Building on previous achievements and partnerships, the Project will continue to **promote and expand participation and ownership** over the initiative by both institutions and communities. Such an approach is meant not only to add value to the envisaged efforts through additional resource mobilisation, but also strengthen their sustainability. In delivering its assistance in most effective manner, the Project will keep its **politically-impartial approach**.

The Project will endorse an **integrated tourism development approach based on economic potentials**, smartly combining investments in infrastructure and services with governance support and multi-stakeholder partnerships in areas holding greatest development potential.

In delivering its assistance and wherever relevant, the Project will apply **considerations for energy efficiency, disaster resilience, as well as accessibility for persons with physical disabilities**.

The Project recognizes that long-term, sustainable development will only be possible when women and men enjoy equal opportunity to rise to their potential. The notion of **gender equality** has been considered in the process of Project design, as well as mainstreamed within its activities. The Project monitoring framework is gender-sensitive and envisages sex-disaggregated data collection for all relevant indicators. The Project will use gender-sensitive criteria to encourage women application under support grant schemes.

While the Project will not have an explicit focus on supporting the **socially excluded groups**, some of its activities will contribute to improvement of their quality of life, specifically through local-level initiatives aiming to improve income generation and livelihoods, as well as interventions supporting investments and job creation in the remote rural areas, with focus on young unemployed.

Finally, the Project will **use traditional media channels, as well as social media platforms** to amplify Via Dinarica potentials in the country and beyond.

### 4.2 Target beneficiaries and expected benefits

Through its diverse set of assistance tools, the Project will outreach to a wide number of beneficiaries. One of the main tools will be competitive grant schemes. In designing the criteria within the grant schemes, the Project will consider its main target groups, as defined within the Project document, namely: local governments, small businesses, entrepreneurs, civil society organisations.

**Selection of 20 (10 under Output 1 and co-funded by AICS and 10 under Output 2 and co-funded by USAID) partner local governments:** the main criteria to be applied in the competitive selection of partner local governments include (but may not be limited to): (i) local government which is located along the lines of the Via Dinarica trails and fall under the tourism hotspot areas (as identified as a result of the trails assessment, activity 2.1.1); (ii) tourism is defined as a priority within the local development strategy of the applicant local government; (iii) local government's motivation and commitment (including financial) to the Via Dinarica initiative; (iv) readiness to maintain Via Dinarica-related infrastructure and assets built on the territory of the local government; (v) territorial synergies with other relevant initiatives.

**Small businesses and entrepreneurs:** the main criteria to be applied in the competitive selection of private sector beneficiaries will include (but may not be limited to): (i) the company operates along the Via Dinarica trails in Bosnia and Herzegovina, particularly within the tourism hotspot defined by the Project; (ii) the company has one of the following types of businesses: producers of traditional products and souvenirs; food production and processing companies and cooperatives; farms and agricultural producers; tourism guides; accommodation facilities; restaurants; tour operators and tourism service providers; producers of tourism equipment, gear; specialised tourism

magazines; (iii) the product/service offered by the company will be meaningfully integrated into a wider economically viable tourism offer; (iv) the company is committed to co-finance the Project financial assistance. In addition to the main criteria, the Project will encourage participation of women-owned businesses or companies managed by young people through additional criteria in this regard. Moreover, the Project will place particular attention to the aspect of employment by adding an additional criterion that brings additional evaluation points for applicants who will create new jobs (with focus on the young people, members of socially excluded groups, long-term unemployed men and women).

**Non-governmental organisations:** the main criteria to be applied in the competitive selection of beneficiaries from the non-governmental sector include (but may not be limited to): (i) the organisation is registered and operates along the Via Dinarica trails in Bosnia and Herzegovina, particularly within the territorial tourism hotspot defined by the Project; (ii) the organisation works in one of the following areas: (tourism promotion; association of producers, farmers; tourism club or tourism information centre; touristic guides; organization providing tourism services or managing tourism-related infrastructure or assets; mountaineering organisations; tourism boards; rescue services; (iii) the product/service offered by the organisation will be meaningfully integrated into a wider economically viable tourism offer; cultural organisations; (iv) the organisation is committed to co-finance the Project financial assistance. In addition to the main criteria, the Project will encourage participation of youth organisations through additional criteria in this regard. Selection of all Project beneficiaries will be approved by the Project Board.

The table below gives an indication of the number of beneficiaries to be directly involved with the Project at various levels.

<b>Direct Project beneficiaries</b>	
<b>State and entity authorities</b>	
No. of state and entity government staff	12
<b>Local institutions</b>	
No. of local governments	20 (10 for each Output 1 and 2)
No. of local government staff engaged in Via Dinarica activities	60 (30 for each Output 1 and 2)
No. of schools engaged in the Project	10 (Output 1)
No. of school children engaged in the Project	450 (Output 1)
<b>Private sector</b>	
No. of small businesses / entrepreneurs along the Via Dinarica Trails: producers of local traditional products, small-scale agricultural producers, different categories of accommodation providers, tour operators, nature-based services providers, etc.	51 (26 Output 1; 25 Output 2)
No. of women-owned businesses supported through the Project	17 (7 Output 1; 10 Output 2)
No. of newly employed (full-time)	30 (Output 2), at least 40% of women
No. of newly employed (part-time/seasonal)	55 (25 Output 1; 30 Output 2), at least 40% of women
<b>Civil society organizations</b>	
No. of NGOs along the Via Dinarica trails (business associations, rescue services, sport "recreation" and outdoor activities' clubs; mountaineer's associations, mountain biking associations, fly-fishing associations/clubs, environment protection organizations, local development agencies, youth organizations, women's associations, and eco-tourism organizations)	30 (20 Output 1; 10 Output 2)
<b>National/nature parks/protected areas</b>	
No. of national/nature parks/protected areas	3 (Output 1)

### 4.3 Geographical area of intervention and territorial demarcation with other relevant interventions

The Project geographical scope of work follows the White, Green and Blue Trails in Bosnia and Herzegovina, covering the following local governments:

<b>White Trail:</b>	Main trail: Bosansko Grahovo, Foča, Gacko, Jablanica, Kalinovik, Konjic, Livno, Mostar, Posušje, Prozor-Rama, Sarajevo, Trnovo (FBiH), Trnovo (RS), Tomislavgrad. Variants and arteries: Bugojno, Hadžići, Istočni Drvar, Kupres, and Nevesinje
<b>Blue Trail:</b>	Čapljina, Neum, Ravno, Trebinje, Ljubuški, Grude, Stolac
<b>Green Trail:</b>	Banovići, Banja Luka, Bihać, Bosanska Krupa, Bosanski Petrovac, Centar Sarajevo, Čelinac, Donji Vakuf, Drinić, Drvar, Fojnica, Goražde, Gornji Vakuf/Uskoplje, Han Pijesak, Ilijaš, Istočni Stari Grad, Jajce, Kakanj, Kladanj, Ključ, Knežev, Kotor Varoš, Krešev, Krupa na Uni, Maglaj, Mrkonjić Grad, Novi Travnik, Olovo, Pale (FBiH), Pale (RS), Petrovac, Prijedor, Ribnik, Rogatica, Rudo, Sanski Most, Sokolac, Srebrenica, Stari Grad Sarajevo, Šipovo, Teslić, Travnik, Tuzla, Vareš, Višegrad, Vlasenica, Vogošća, Zavidovići, Zenica, and Žepče.

Additionally, the Project will closely engage with at least **20 local governments (10 for each Output 1 and 2)**, located within the selected Via Dinarica tourism hotspots that will be supported through the Project. Partner local governments will be selected based on: (i) the results of the value chain assessment and identified priority areas, (ii) local government motivation and willingness to invest in and further maintain the trails. The selection process will be done by the Project team, based on a call-for-expression of interest among prioritised localities. Final endorsement of the selected local governments will be done by the Project Board.

The Project intends to support the **establishment of three Via Dinarica hubs** at strategic locations along the spine of the Via Dinarica – the White trail, where largest influx of tourists is expected. It is planned to utilize the existing infrastructure and tourism services, and upgrade them into Via Dinarica information, promotion and service hubs. The planned locations are within the National Park Sutjeska (east), the Nature Park Blidinje (west) and Bjelašnica mountain (in the vicinity of Sarajevo and the biggest airport in the country). However, final decision on the hubs' location will be made during the Project implementation, depending on the findings of the relevant assessment to be conducted, prospects for sustainability, as well as on commitment by relevant stakeholders.

Below are the details on the three potential pre-identified locations for Via Dinarica hubs.

a) **National Park Sutjeska (NP Sutjeska)** was established in 1963 and is the oldest and largest national park in Bosnia and Herzegovina, which is, by its natural values and beauties, the country's pearl. It is located in the forested, mountainous area at the border between Bosnia and Herzegovina and Montenegro. The park extends to about 17,250 ha and covers the area of Sutjeska with strict natural reserve Perućica, parts of the mountains Maglić (2,386 m – the highest peak in the country), Volujak, Vučevo and Zelengora. Thanks to the outstanding natural values and their preservation, since year 2000, the National Park Sutjeska has been included in the Category II of the IUCN (UN Department of Nature and Natural Resources). National Park Sutjeska is the most diverse complex of ecosystems on the territory of Bosnia and Herzegovina, and one of the most diverse in Southeast Europe.

b) **Blidinje Nature Park (Blidinje)** is located in the area of high mountains of the central Dinarides and encompasses the area of mountain massifs Čvrsnica and Vran. Administratively, it is an integral part of Municipalities of Posušje, Tomislavgrad, Prozor-Rama, Jablanica and the City of Mostar. Because of its geomorphological characteristics, richness of flora and fauna, and beautiful landscapes, in 1995 Blidinje was pronounced a Nature Park. Blidinje Lake is a geomorphological nature monument, after which Blidinje Nature Park was named. Traces of Illyrian graves and Roman roads indicate that Blidinje has been settled for at least 2,500 years. The large necropolis at Dugo Polje indicates that the waves of Slavs that came in the 7th century also made this area their home. Blidinje's Masna Luka is a special forest preserve with characteristic phytocoenological forest community, with rare and endemic flora and fauna.

c) **The Bjelašnica mountain range** is 20-minute drive away from Sarajevo, which makes it one of the most favourite outdoor destination for Sarajevans and tourists or visitors. Bjelašnica is a spacious karst plateau stretching in the northeast-southwest direction in the length of 30 km, vertically to the so-called classic Dinaric direction, and its width varies between 10 and 20 km. Bjelašnica hosted several components of the 1984 winter Olympic games. The mountain range stretches from Sarajevo City to the Municipality of Konjic and includes a

range of traditional Bogomil and Bosnian villages, watermills, canyons, waterfalls, lakes, and mountain huts. Numerous trails have been marked and are maintained by the various mountain clubs in the region.

Furthermore, the Project will have an outreach to the region, specifically to Albania and Kosovo, including through further stocktaking of Via Dinarica resources and stakeholders in view of their integration into the wider Via Dinarica tourism offer.

#### **4.4 Transversal themes: gender equality, social inclusion, human rights, sustainable natural resources management, disaster risk management**

The Project will ensure **gender equality** perspective across all activities. Specific focus will be given to women economic empowerment through incentivized job creation and livelihood opportunities for women within the Project grant schemes and capacity building activities.

The Project envisages concrete gender-sensitive indicators, through which concrete results will be measured. It will track changes by collecting data for sex-disaggregated indicators where possible and relevant.

The Project will seek to enhance **social inclusion** in all stages of the Project implementation, thus contributing to the creation of equal opportunities when it comes to access to nature, public infrastructure and services, employability and access to labour market. The socially excluded groups are: unemployed women and youth and long-term unemployed people; persons with disabilities; returnees and internally displaced persons; and Roma.

The Via Dinarica concept promotes tourism for the purpose of sustainable economic development of the countries along its corridors, while **protecting the environment** and respecting the sociocultural diversity and authenticity of communities. The Project involves a number of interventions in rural remote areas, including the protected ones, such as national and nature parks, as elaborated throughout this document. As such, it may pose certain risk to the environment. The Project will therefore pay attention to environmental protection in designing and delivering all its interventions. It will adhere strictly to the appropriate national legislation and UNDP's Social and Environmental Standards (SES). The SES require that all UNDP Programmes and Projects enhance positive social and environmental opportunities and benefits, as well as ensure that adverse social and environmental risks and impacts are avoided, minimized, mitigated and managed. Therefore, one of the Project's main streamlines is to raise awareness on environmental protection and sustainable tourism development, to ensure symbiotic integration of environmental conservation and tourism development objectives. Environment protection organizations are among direct project beneficiaries.

#### **4.5 Possible partnerships and synergies with other on-going or planned interventions**

The Project will capitalize the most on its previous phase supported jointly by USAID and UNDP. There are many other previous relevant tourism development projects, whose good practices and lessons learnt will be utilized and expanded by this intervention, including: *Walking the Via Dinarica Project*, supported jointly by the USAID, the Government of Japan, and the UNDP; as well as six EU-supported projects that formed designated eco-zones and heritage trails in protected areas that coincide with the territories of the Via Dinarica trail.

Synergies will be built with the ongoing project financed by AICS and implemented by the Italian NGO CISP – *Biodiversity for Local Development: Innovative Model of Participatory Governance for the Protected Landscape of Konjuh*, specifically in terms of exploring potentials to integrate and promote Konjuh area within the wider Green Trail tourism offer, as well as joint mobilisation of resources to further expand potentials of Konjuh. In addition, the Project will seek complementarities with the recently-launched *Interlinking Disaster Risk Management in Bosnia and Herzegovina Project (2017-2018)*, also financed by AICS, specifically in relation to ensuring complementarities within potential common localities, from the viewpoint of simultaneous strengthening disaster risk management capacities and implementing sustainable tourism development actions, with the effect being that projects' investments will be safeguarded by disaster-resilient approaches. To transform strategic direction and coordination mechanism into practice, the project will deliver concrete actions that will develop identified response, prevention and recovery capacities.

Importantly, synergies will be explored with the new EU-financed *Support in the Sector of Competitiveness and Innovation Action "Local Development Strategies" (2018-2022)*, implemented jointly by UNDP, GIZ and

International Labour Organization (ILO), specifically in terms of channelling Project financial assistance for tourism and agri-food along priorities and localities along Via Dinarica trails.

Successful approaches and knowledge in the area of value chains assessment accumulated via the UNDP-implemented Local Integrated Development Project (2016-2018) funded by the EU, will be transferred to the Project.

Complementarities will also be sought with the *Revitalising Local Communities/Mjesne zajednice (MZ) Programme* (2015-2018), a partnership initiative by the Government of Switzerland and the Government Sweden; as well as the *Municipal Environmental and Economic Governance Project* (2016-2020) and *Integrated Local Development Project* (2017-2020), both supported by the Government of Switzerland, in terms of utilising grass-root participatory processes and combining financial resources for relevant public services contributing to tourism development within common localities.

Further synergies will be sought with the *Diaspora for Development* Project implemented by UNDP and financed by the Government of Switzerland, as well as with the USAID funded project *Harnessing Diaspora for Economic Investment* project, so as to explore and utilize the potential of diaspora investments into local economic development at Via Dinarica locations.

Importantly, the Project will engage with relevant *mine action* actors on possible mine clearance and technical surveying of some segments of Via Dinarica that have not been included in trails because they are mine-suspected.

#### **4.6 Knowledge management**

During the previous phase, the Project developed a number of knowledge tools that can be further used: (i) trail assessment methodology, tourism assets, services and resources mapping methodology; (ii) specialized Via Dinarica web-portal at Outdooractive web platform; (iii) publications focused on specific segments of trails in Bosnia and Herzegovina.

Knowledge tools will be further used within Bosnia and Herzegovina, but also wider in other countries of Via Dinarica region, with particular focus on Albania and Kosovo.

#### **4.7 Visibility and communication**

Visibility, media-presence and public information sharing of project activities and achievements will be ensured on a regular basis, pursuing the following objectives: (i) promoting Via Dinarica tourism brand country-wide, regionally and internationally; (ii) publicly recognizing efforts by public, private and nongovernmental stakeholders contributing to the Via Dinarica affirmation; (iii) recognizing the AICS and USAID contributions to the Project success; (iv) instigating regional partnerships.

The above will be achieved through production of targeted Via Dinarica promotional materials, promotion of Via Dinarica at social media and Outdoor active web portal, presentation of Via Dinarica at the kick-off, closing and similar promotional events, and the 2 large tourism fairs (1 international and 1 regional), the Via Dinarica conference, and series of networking meetings. The Project visibility activities will aim to access multiple target groups (youth, mainstream, backpacker, culture, women, etc.).

All Project products, events, promotion materials will duly respect visibility requirements and standards of UNDP, as well as of AICS and USAID, as per agreement with the two donors.

#### **4.8 Use of existing country systems**

The Project will be implemented in close cooperation with all relevant stakeholders and, wherever possible, use the already existing systems and mechanisms, with the aim to promote tourism development, including, among others, through advocating operationalisation of entity tourism strategies and channelling of entity financial resources to support Via Dinarica development, as well as by engaging with local authorities to ensure their support to maintenance, promotion and development of trails.

Also, the Project implementation will rely on a myriad of local partners (e.g. mountaineering and akin associations, rescue services and tourism organisations/boards) already engaged in specific activities along

segments of Via Dinarica trails, providing for continuity of efforts, effective use of resources and strengthening of partnership networks.

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#### **4.9 Sustainability and scaling up prospect**

Having in mind that previous activities focused on establishing and promoting the Via Dinarica trails, as well as putting in place basic accommodation and services, the current phase of the Project will put emphasis on setting grounds for Via Dinarica sustainability. Thus, the Project will from its onset entail a series of activities to ensure sustainability of results, including, among others, coordination mechanisms, Via Dinarica Support Centre and hubs, funding mechanisms, etc. All products, needs assessments, action plans and coordination functions will be embedded with local stakeholders and existing mechanisms, to ensure their further use, as well as follow up activities. By increasing interest, commitment and resources by governments at all levels, as well as by leveraging community-owned tourism offer, the Project will further contribute to Via Dinarica sustainability.

The Project presents opportunities for scaling up, including horizontally to other Via Dinarica localities within Bosnia and Herzegovina, but also vertically by engaging relevant policy makers and promoting tested approaches and good practices to inform wider strategic frameworks for tourism development in Bosnia and Herzegovina. Having in mind that the Via Dinarica in Bosnia and Herzegovina is an integral part of the mega Via Dinarica Trail, encompassing 7 Western Balkan countries, the Project also holds strong potential for regional scaling up, in cooperation with relevant stakeholders, and by building on the activities to be implemented through the Projects in Albania and Kosovo. As part its sustainability strategy, the Project will proactively engage relevant partners to mobilise additional resources (e.g. from relevant international thematic funds) to support further Via Dinarica development.

### 5. ORGANIZATION, MANAGEMENT AND ADMINISTRATION

#### 5.1 Project duration

The total Project duration will be 3 years (30 months for Output 1 and 36 for Output 2).

#### 5.2 Project management

UNDP in Bosnia and Herzegovina will assume full responsibility and accountability for the overall management of the Project, including achieving of the results / outputs and outcomes, the efficient and effective use of resources, as well as implementation monitoring. The Direct Implementation Modality (DIM) will be applied, premised on the fact that institutional and administrative capacities within national stakeholders (line-ministries, local governments) are still not fully sufficient to undertake core functions and activities, as well as having in mind its high potential for maximum cost-effectiveness and tailored flexible capacity development of institutional partners.

However, UNDP will consider utilizing the unique expertise and relevant knowledge of the *Terra Dinarica* organisation that aims to promote and protect the natural and cultural heritage of the entire region of the Dinaric Alps. *Terra Dinarica* has proved to be a valuable partner in the implementation of the phase I of the Via Dinarica Project. *Terra Dinarica* will act as a responsible partner for some specific Project activities. UNDP will apply all measures in line with its standard policies and procedures to regulate its interaction with *Terra Dinarica* and ensure the adherence by the latter to the UNDP project and quality management standards. This will also contribute to further strengthening of *Terra Dinarica* organisational capacities.<sup>21</sup>

The Project structures will include a separate **Project Board** for each Output, as a main steering mechanism and the **Project Teams**.

The **Project Boards** will be the decision-making authorities, responsible for the Project management oversight. The Project Board will review and endorse annual work plans, supervise the implementation progress and authorize any major deviation therefrom. It will provide strategic guidance, as well as give final approval to selected strategic and operational issues. The Project Boards will meet semi-annually, or as necessary when raised by the Project Manager.

Members of both Project Boards will be representatives of the Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina, the Ministry of Environment and Tourism of Federation of Bosnia and Herzegovina, the Ministry of Trade and Tourism of Republika Srpska and UNDP. Additional member of the Project Board for Output 1 will be a representative of AICS and additional member for Output 2 will be a USAID representative. UNDP will serve as the secretariat to the Project Boards, responsible for sending out invitation for Project Board meetings, preparing meeting agenda and materials, as well as meeting minutes.

The **Project Assurance** role will support the Project Board by carrying out objective project oversight and monitoring functions. This role ensures appropriate Project management milestones are managed and completed. Independent of the Project Manager, the role of Project Assurance will be performed by the UNDP Rural and Regional Development Sector Leader, supported by the UNDP Sector Associate.

The Project will be implemented by the **Project Team**, that will be managed by the Project Manager, while administrative support will be provided by Admin/Finance Assistant. In addition to that, the team will, under Output 1, include: Project Officer and Project Assistant, while under Output 2 it will include Economic Development Officer and Grant Scheme Assistant.

The **Project Manager** will run the project under both Outputs on a day-to-day basis on behalf of the UNDP. The Project Manager will have the responsibility to ensure that the project produces the required results that are capable of achieving the benefits defined in this document. A **Project Officer** will provide technical

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<sup>21</sup> As part of the Project scope, *Terra Dinarica* will be engaged to implement the following activities: 1.1.1. Maintain Via Dinarica trails by engaging relevant mountaineering and other organizations, as well as local governments (coordination and maintenance of trails in partnership with mountaineering organizations); 1.1.2. GPS and physically mark Via Dinarica trails; 1.1.5. Via Dinarica volunteering camps 1.2.2. Ensure further stocktaking of Via Dinarica resources regionally (technical assistance for assessment of Via Dinarica trails in Albania and Kosovo); 1.2.3. Further upgrade and expand Via Dinarica web platform (through technical assistance and specialized services), including Albania and Kosovo; 1.2.4. Promote Via Dinarica at domestic, regional and international markets (awareness raising campaigns in schools); 1.2.6. Continue the process of Via Dinarica White Trail Leading Quality Certification with 1 more certification stage to be awarded by European Rambling Association (technical assistance).



assistance and support the Project Manager in conceptualisation and delivery of project activities under Output 1. An **Economic Development Officer** will provide technical expertise and assistance in devising, delivering and monitoring project activities under Output 2.

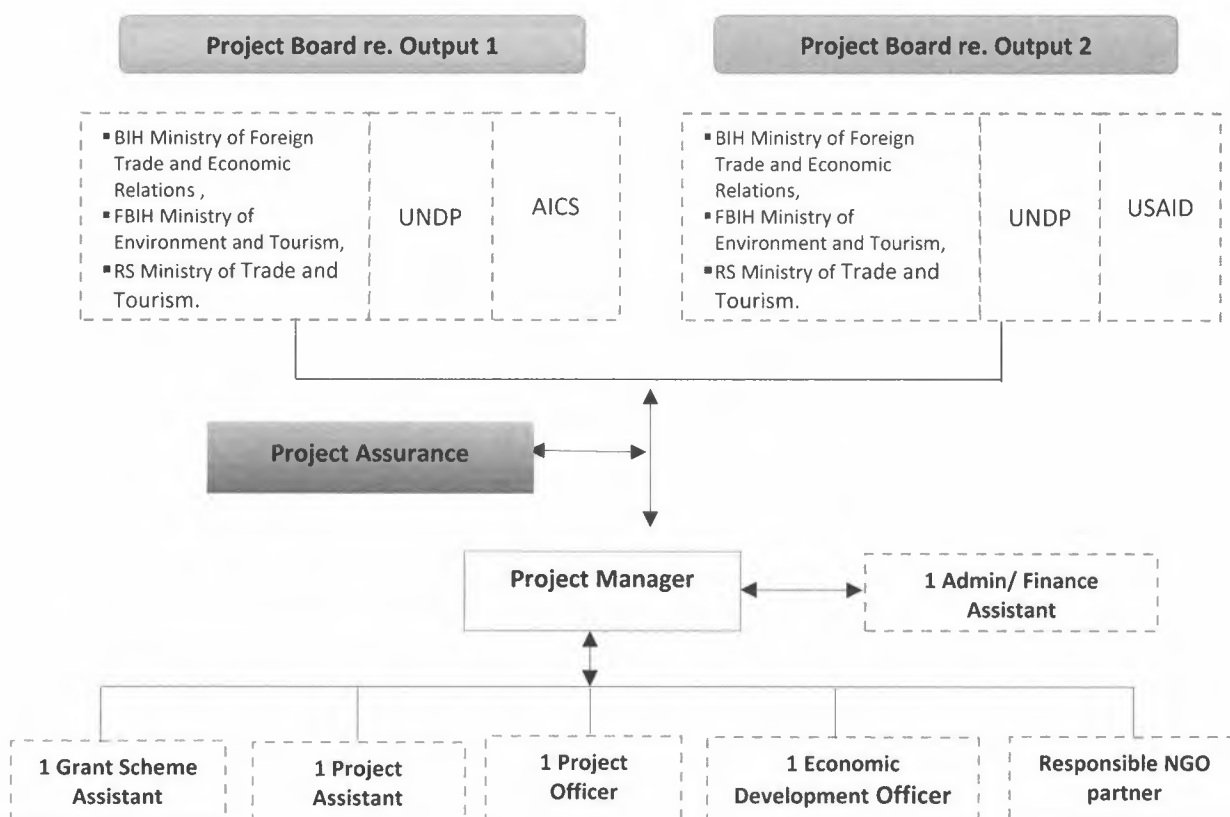
An **Admin/Finance Assistant** will provide full-time administrative, logistics, financial, procurement, recruitment and data management support under both Outputs, while a **Project Assistant**, and a **Grant Scheme Assistant** will provide support to implementation of project activities under Output1 and Output 2, respectively.

It is foreseen that the project will deploy both national and/or international expertise in various fields as the need arises, which will be combined between the two Outputs, as necessary. In addition, external goods and service providers will be engaged following a competitive process to deliver technical assistance, training, construction works or other types of specific goods and/or services (such as legal analysis, public/municipal finance planning and management, etc.).

It is worth noting here that the core team members will be Project Manager and Finance/Admin Assistant who will work on both Outputs in order to provide overall coordination and achieve synergy under both Outputs. As the two Outputs of the Project are closely inter-linked, other team members, engaged and responsible primarily for fulfilment of their respective tasks and functions under their respective Outputs, will closely cooperate and provide necessary support for the fulfilment of the akin tasks under another Output.

Appropriate project management structures are laid out below.

**Project Boards structure and Project team**



## 6. PROJECT MONITORING, EVALUATION AND REPORTING

The Project will be monitored and evaluated in line with UN corporate standards and the specific requirements of the donors. Project monitoring will be characterised by a gender-sensitive approach and it will incorporate the monitoring of potential adverse environmental impact, particularly for the activities implemented in the environmentally sensitive areas, including legally protected areas (e.g. nature reserve, national park). The main tools for organising the Project monitoring system encompass:

- The gender-sensitive Logical Framework (as described within *Annex 1* of the Project document);
- The Project risk analysis.

### ***Evaluations***

The Project will undertake the final participatory review to assess the results and effects, as well as to define the forward-looking vision.

### ***Reporting***

UNDP will consolidate narrative reports, as well as detailed financial reports as per the requirements of the donors. Those reports will include:

- **Quarterly Narrative Progress Report** submitted to USAID and the Project Board;
- **Annual Narrative Progress Reports** submitted to the AICS, USAID, and the Project Board;
- **Annual Financial Report** submitted to the AICS and USAID;
- **Final Project Narrative Report** submitted to the AICS, USAID, and the Project Board;
- **Final Project Financial Report** submitted to AICS and USAID.

## 7. RESOURCES

### 7.1 Project budget

The **total Project budget** amounts to **USD 2,625,631**, where the financial contributions by the AICS for implementation of Output 1 amounts to USD 1,190,000 and by USAID for implementation of Output 2 amounts to USD 999,671.

UNDP, together with Project partners, including local and higher-level authorities/governments<sup>22</sup>, as well as the beneficiaries, will ensure matching co-financing in the amount of USD 435,960 under both Outputs. The breakdown of the UNDP, local and higher-level authorities/governments and beneficiaries' co-funding is as follows:

UNDP = 100,150 USD

Local self-government units = 230,000 USD

Higher-level authorities = 92,872 USD

Beneficiaries = 12,938 USD

TOTAL = 435,960 USD

The Project budget is enclosed as *Annex II*.

### 7.2 Cost-effectiveness

The Project will deploy numerous measures in order to achieve cost effectiveness. In terms of procurement, outsourcing of services will be based on a transparent and competitive process, as well as on the value-for-money principle.

The Project will seek to achieve economy of scale in investments by combining, where possible, public funds of local governments and higher government levels.

Moreover, all training and capacity development assistance will be delivered by clustering partner local governments, so as to ensure economy of scale. The Project will seek to utilize in-kind contribution from partners in the form of hosting venue, hospitality and transport costs for events and training. For further cost efficiency, the Project will make use of existing relevant training programmes, thus reduce cost for training programme design.

## 8. RISK ANALYSIS

The main risks affiliated with the Project implementation are identified below, together with probability of occurring, types of effects on the Project, as well as adequate mitigation measures. Overall, the risk level for this Project is assessed as **low**, attributed mainly to weather and political factors. The main risks and identified mitigation measures are summarised below. A detailed risk analysis is enclosed as *Annex 6* to this Project document.

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<sup>22</sup> In September 2017, acknowledging the significance of the Via Dinarica Project for Bosnia and Herzegovina, and its results so far, the Government of the Federation of Bosnia and Herzegovina committed to financially support the Via Dinarica initiative, as a Project of special importance for the development and promotion of the Federation of Bosnia and Herzegovina. A cost-sharing agreement was signed between UNDP in Bosnia and Herzegovina and the Federation of BiH Ministry for Environment and Tourism which supported the Via Dinarica project with 100.000 BAM (cca. 50,000 EUR), which will be available to fund the agreed activities in the next phase of the Via Dinarica project, as specified in the budget of the Project Document. In their support letters to the Via Dinarica Project Proposal, Higher-level Governments expressed their commitment to continue providing financial contribution in the upcoming years.

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## LEGAL CONTEXT

### 9. LEGAL CONTEXT OR BASIS OF RELATIONSHIP

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of Bosnia and Herzegovina and UNDP, signed on 07 December 1995. All references in the SBAA to “Executing Agency” shall be deemed to refer to “Implementing Partner.”

The United Nations Development Assistance Framework in Bosnia and Herzegovina for the period 2015-2019 (signed by the Council of Ministers of Bosnia and Herzegovina and UN on 15 June 2015), as well as the current UNDP Country Programme Document 2015-2019 represent the basis for the activities of UNDP in the country.

### 10. RISK MANAGEMENT

1. UNDP as the Implementing Partner will comply with the policies, procedures and practices of the United Nations Security Management System (UNSMS.)
2. UNDP as the Implementing Partner will undertake all reasonable efforts to ensure that none of the project funds [UNDP funds received pursuant to the Project Document] are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via [http://www.un.org/sc/committees/1267/aq\\_sanctions\\_list.shtml](http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml). This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.
3. Social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Accountability Mechanism (<http://www.undp.org/secu-srm>).
4. UNDP as the Implementing Partner will: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.
5. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.
6. UNDP as the Implementing Partner will ensure that the following obligations are binding on each responsible party, subcontractor and sub-recipient:

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- a. Consistent with the Article III of the SBAA [or the Supplemental Provisions to the Project Document], the responsibility for the safety and security of each responsible party, subcontractor and sub-recipient and its personnel and property, and of UNDP's property in such responsible party's, subcontractor's and sub-recipient's custody, rests with such responsible party, subcontractor and sub-recipient. To this end, each responsible party, subcontractor and sub-recipient shall:
    - i) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
    - ii) assume all risks and liabilities related to such responsible party's, subcontractor's and sub-recipient's security, and the full implementation of the security plan.
  - b. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the responsible party's, subcontractor's and sub-recipient's obligations under this Project Document.
  - c. Each responsible party, subcontractor and sub-recipient will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, subcontractors and sub-recipients in implementing the project or programme or using the UNDP funds. It will ensure that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.
  - d. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to each responsible party, subcontractor and sub-recipient: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. Each responsible party, subcontractor and sub-recipient agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at [www.undp.org](http://www.undp.org).
  - e. In the event that an investigation is required, UNDP will conduct investigations relating to any aspect of UNDP programmes and projects. Each responsible party, subcontractor and sub-recipient will provide its full cooperation, including making available personnel, relevant documentation, and granting access to its (and its consultants', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with it to find a solution.
  - f. Each responsible party, subcontractor and sub-recipient will promptly inform UNDP as the Implementing Partner in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.

Where it becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, each responsible party, subcontractor and sub-recipient will inform the UNDP Resident Representative/Head of Office, who will promptly inform

UNDP's Office of Audit and Investigations (OAI). It will provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

- g. UNDP will be entitled to a refund from the responsible party, subcontractor or sub-recipient of any funds provided that have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document. Such amount may be deducted by UNDP from any payment due to the responsible party, subcontractor or sub-recipient under this or any other agreement.

Where such funds have not been refunded to UNDP, the responsible party, subcontractor or sub-recipient agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to such responsible party, subcontractor or sub-recipient for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

Note: The term "Project Document" as used in this clause shall be deemed to include any relevant subsidiary agreement further to the Project Document, including those with responsible parties, subcontractors and sub-recipients.

- h. Each contract issued by the responsible party, subcontractor or sub-recipient in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution, and that the recipient of funds from it shall cooperate with any and all investigations and post-payment audits.
- i. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project or programme, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.
- j. Each responsible party, subcontractor and sub-recipient shall ensure that all of its obligations set forth under this section entitled "Risk Management" are passed on to its subcontractors and sub-recipients and that all the clauses under this section entitled "Risk Management Standard Clauses" are adequately reflected, *mutatis mutandis*, in all its sub-contracts or sub-agreements entered into further to this Project Document.

## 11. ANNEXES

### ANNEX I: LOGICAL FRAMEWORK

	Intervention logic	Indicators	Reference values (incl. reference year)	Targets (incl. reference year) <sup>23</sup>	Sources and means of verification	Assumptions and risks
<b>Overall objective</b>	<b>To contribute to economic development opportunities in BIH by supporting sustainable nature-based tourism development</b>	Annual percent increase of employed in tourism industry	6% (Nov 2017) <sup>24</sup>	6% (Nov 2020)	Official data by the BIH Agency for Statistics	
<b>Outputs</b>	<b>Output 1: Via Dinarica affirmed as a safe and internationally recognized tourism platform for sustainable tourism development and local economic growth</b>	1.1 Number of tourists visiting Via Dinarica in BIH as a result of Project assistance	90,000 (2017)	200,000 (2020)	Project reports, Outdooractive platform (www.viadinarica.com), reports/information by Via Dinarica information, promotion and service hubs, including Coordinating Support Centre, European Rambling Association reports	Stable security and safety situation in BIH and the Western Balkans region  Political situation conducive to dialogue among key national and regional stakeholders
		1.2 Extent to which Via Dinarica White Trail meets international tourism standards (European Rambler's Association certification)	25% - 2 stages of the certification process (2017)	38% - 3 stages of the certification process (2020)		
		1.3 Extent to which Via Dinarica in BIH is sustained through coordination and interconnected support services	Coordination and support services not in place (2017)	Basic sustainability in place through at least 3 Via Dinarica information, promotion and service hubs, including Coordinating Support Centre (2020)		

<sup>23</sup> Target values include baseline and planned value by the reference year.

<sup>24</sup> The number of employed in Accommodation and food preparation industries amounted to 38,155 in November 2017, while the average annual percent increase over a period of three years was ca 6%. Source: Agency for Statistics of Bosnia and Herzegovina.

		1.4 Number of people benefitting from jobs (part-time/seasonal) as result of Project assistance	89; 40% for women (2017)	114 (89 baseline +25) at least 40% for women (2020)	Project reports, information/reports by beneficiaries	
		1.5 Annual percent change in sales of Via Dinarica beneficiaries (private sector)	1.5 mil BAM	1.75 mil BAM (2020)	Project reports, information/reports by beneficiaries	
	<b>Output 2: Local communities empowered to pursue rural enterprise development</b>	2.1 Annual percentage change in number of tourists visiting Via Dinarica in BiH as a result of Project assistance	90,000 (2017)	104,186 (2021)	Project reports, information/reports by beneficiaries	Stable national, regional and international markets (demand, supply, prices)
		2.2. Number of people benefitting from jobs (full-time and part-time/seasonal) as result of Project assistance	6 full-time; 40% for women (2017) 89 part-time/seasonal; 40% for women (2017)	36 full time (2021) 40% for women 119 part-time/seasonal; 40% women (2021)		
		2.3 Annual percent change in sales of Via Dinarica beneficiaries (private sector)	1.5 mil BAM (2017)	1.75 mil BAM (2021)		
	<b>OUTPUT 1</b>	<b>Indicators</b>	<b>Reference values (incl. reference year)</b>	<b>Targets (incl. reference year)<sup>25</sup></b>	<b>Sources and means of verification</b>	<b>Assumptions and risks</b>
<b>Output</b>	<b>1.1. Increased accessibility and</b>	1.1.a Number of Via Dinarica trails in BiH continuously maintained (annually)	Ca 700 (2017)	700 (2020)		Tourists along Via Dinarica trails behave responsibly, avoiding

<sup>25</sup> Target values include baseline and planned value by the reference year.



<b>improved safety of Via Dinarica trails in BIH</b>	1.1.b Number of km of marked Via Dinarica trails in BIH that meet National Mountaineering Association's standard and European Rambler's Association general principles	700 km (2017)	Ca 950 km (2020)	Project reports and records, information by relevant organizations and local governments, GPS, photos, training attendance records, media coverage	human safety risks, including in terms of mines  The Project activities may cause adverse impacts to habitats to environmentally sensitive areas  Favourable weather conditions  Continued commitment by voluntary mountaineering and rescue service organizations, as well as relevant local governments
	1.1.c Number of unsafe Via Dinarica locations in BIH made safe through Project small-scale safety measures	0 (2017)	10, out of which at least 2 enabling access to people with disabilities (2020)		
	1.1.d Number of voluntary rescue services organizations in BIH equipped and capacitated as a result of Project assistance	0 (2017)	4 (2020)		
<b>1.2. Via Dinarica tourism brand further affirmed and reinforced by national and regional partnership networks</b>	1.2.a Extent to which the Via Dinarica Support Centre in BIH is capacitated and functional	Non-existent (2017)	Fully (2020)	Project reports and records, assessment reports, media coverage, Outdooractive platform, social media, photos and video stories	Negative war-related image of BIH prevents tourists from visiting the country and Via Dinarica trails  Partners from Via Dinarica countries remain committed to regional cooperation  Relevant stakeholders ready and motivated to participate in the Via Dinarica
	1.2.b Number of km of trails and number of accommodation facilities along the Via Dinarica White Trail in Albania and Kosovo assessed and included in Via Dinarica regional tourism offer	120 km, 0 accommodation facilities (2017)	At least 320 km, 20 accommodation facilities in Albania and 10 in Kosovo (2020)		
	1.2.c Number of occasions globally recognized media feature Via Dinarica	10 (2017)	20 (2020)		
	1.2.d Increase of viewers of the Via Dinarica official web page powered by Outdooractive platform	740,000 (2017)	900,000 (2020)		

	1.2.e Number of school students in BIH aware of Via Dinarica	0 (2017)	450 students (2020)		partnership network in BIH
<b>1.3. Via Dinarica supported through strategic and financial governance measures</b>	1.3.a Number of local governments that invest in Via Dinarica tourism infrastructure, promotion and services	0 (2017)	10 (2020)	Project reports, official documentation of local governments, documentation by relevant ministries	Local governments have sufficient own financial resources to allocate for further development of the Via Dinarica trails and engage in inter-municipal cooperation initiatives
	1.3.b Volume of higher government levels' public financing programmed to support Via Dinarica development	USD 60,000 (2017)	USD 250,000 (2020)		
<b>1.4. Enhanced economic opportunities and livelihoods along Via Dinarica by integrating local products into tourism offer</b>	1.4.a Number of local products / services integrated into Via Dinarica tourism offer as a result of Project assistance	0 (2017)	5 (2020)	Project reports, Outdooractive platform, Via Dinarica promotional materials, feedback from beneficiaries, media coverage	Readiness of tour operators to integrate various products / services into their tourism offer
	1.4.b Number of producers and service providers benefiting from improved tourism development opportunities as a result of Project assistance	32 (2017)	58 (2020)		
<b>1.5. Upgraded tourism infrastructure and diversified / consolidated tourism services strengthen Via Dinarica competitiveness</b>	1.5.a Number of information, promotion and service hubs available along Via Dinarica trails in BIH	0 (2017)	3 (2020)	Project reports, photos, promotional materials, media coverage, available tourism offer of national and regional tour operators, local	Local authorities secure necessary administrative / construction permits
	1.5.b Number of Via Dinarica hotspots with improved tourism infrastructure	0 (2017)	10 (2020)		

	1.5.c Number of Via Dinarica tourism packages offered by tour operators	4 (2017)	9 (2020)	governments records, beneficiary feedback	
	1.5.d Number of improved accommodation facilities and total number of beds available as a result of Project assistance	50 facilities with 1,090 beds (2017)	56 facilities with 1,150 beds (2020)		
<b>OUTPUT 2</b>	<b>Indicators</b>	<b>Reference values (incl. reference year)</b>	<b>Targets (incl. reference year)<sup>26</sup></b>	<b>Sources and means of verification</b>	<b>Assumptions and risks</b>
<b>2.1. Via Dinarica trails in BiH accessible</b>	2.1.a Number of km of Via Dinarica trails in BiH continuously maintained (annually)	Ca 700 km (2017)	Ca 950 km (2021)	Project reports and records, information by relevant organizations and local governments, GPS, photos, training attendance records, media coverage	Tourists along Via Dinarica trails behave responsibly, avoiding human safety risks, including in terms of mines  The Project activities may cause adverse impacts to habitats to environmentally sensitive areas
	2.1.b Number of km of marked Via Dinarica trails in BiH that meet National Mountaineering Association's standard and European Rambler's Association general principles	700 km (2017)	950 km (2021)		
<b>2.2 Via Dinarica affirmed as a tourism brand</b>	2.2.a Agreement of main Via Dinarica stakeholders in BiH on Via Dinarica Support Centre role and format	Non-existent (2017)	Full (2021)	Project reports and records, assessment reports, media coverage, Outdooractive platform, social media, photos and video stories	Favourable weather conditions  Continued commitment by voluntary mountaineering and rescue service organizations, as well
	2.2.b Increase of viewers of the Via Dinarica official web page powered by Outdoor-active platform	740,000 (2017)	840,000 (2021)		
	2.2.c Number of local governments that invest in Via Dinarica tourism infrastructure, promotion and services	0 (2017)	10 (2021)	Project reports, official documentation of local governments,	

<sup>26</sup> Target values include baseline and planned value by the reference year.

		2.2.d Volume of higher government levels' public financing programmed to support Via Dinarica development	USD 60,000 (2017)	USD 93,000 (2021)	documentation by relevant ministries	as relevant local governments
	<b>2.3 Enhanced economic opportunities</b>	2.3.a Number of local products / services integrated into Via Dinarica tourism offer as a result of Project assistance	0 (2017)	5 (2021)	Project reports, Outdoor-active platform, Via Dinarica promotional materials, feedback from beneficiaries, media coverage	Readiness of tour operators to integrate various products / services into their tourism offer
		2.3.b Number of producers and service providers benefiting from improved tourism development opportunities as a result of Project assistance	32 (2017)	57 (2021)		
	<b>2.4 Diversified / consolidated tourism services and strengthened capacity of tourism service providers along the Via Dinarica</b>	2.4.a Number of Via Dinarica hotspots with improved tourism infrastructure	0 (2017)	10 (2021)	Project reports, photos, promotional materials, media coverage, available tourism offer of national and regional tour operators, local governments records, beneficiary feedback	Local authorities secure necessary administrative / construction permits
		2.4.b Number of Via Dinarica tourism packages offered by tour operators	4 (2017)	12 (2021)		
		2.4.c Number of improved accommodation facilities and total number of beds available as a result of Project assistance	50 facilities with 1,090 beds (2017)	57 facilities with 1,190 beds (2021)		
	<b>OUTPUT 1</b>		<b>INPUTS:</b> Human resources (project team, consultancies, programmatic assurance)		<b>FINANCIAL RESOURCES:</b>	
<b>Activities</b>	1.1.1. Maintain Via Dinarica trails by engaging relevant mountaineering and other organizations, as well as local governments;		Grants for NGOs, local governments, private sector (tourism infrastructure and services, accommodation facilities)		<b>AICS contribution: USD 1,190,000</b>	
	1.1.2. GPS and physically mark Via Dinarica trails;				<b>USAID contribution: USD 999,671</b>	
	1.1.3. Introduce safety measures along the trails;				<b>UNDP and partners' contribution: USD 435,960</b>	
	1.1.4. Increase capacities of rescue services				<b>TOTAL: USD 2,625,631</b>	

1.2.1. Introduce and capacitate Via Dinarica Support Centre in Bosnia and Herzegovina;	Outdoor Active Web Platform	
1.2.2. Ensure further stocktaking of Via Dinarica resources regionally (with focus on Albania and Kosovo);	Equipment and supplies	
1.2.3. Further upgrade and expand Via Dinarica web platform, including Albania and Kosovo;	Events	
1.2.4. Promote Via Dinarica at domestic, regional and international markets;	Travel	
1.2.5. Expand Via Dinarica partnership networks in Bosnia and Herzegovina;	Local office	
1.2.6. Continue the process of Via Dinarica White Trail Leading Quality Certification with 1 more certification stage to be completed in cooperation with the ERA	Indirect costs	
1.3.1. Provide technical support to relevant ministries to design and deliver public financial support schemes, including further development of Via Dinarica in Bosnia and Herzegovina;		
1.3.2. Engage with local governments to contribute to including Via Dinarica-related priorities in their work plans, thus ensuring investments in infrastructure and promotion of Via Dinarica		
1.4.1. Expand the existing Via Dinarica White, Green and Blue Trails assessment, with focus on relevant products (food and drinks, souvenirs, clothing and gear), cultural events and assets, to identify hotspots for developing integrated tourism offer;		
1.4.2. Implement a grant scheme and technical assistance to integrate relevant local products, services and tourism assets into an economically viable Via Dinarica tourism offer		
1.5.1. Design and implement a grant scheme for improvement of public tourism infrastructure and sites along Via Dinarica hotspots, in partnership with relevant authorities;		
1.5.2. Support diversification and consolidation of tourism services along Via Dinarica trails (accommodation facilities, tourism offer, etc.);		
1.5.3. Establish 3 strategic Via Dinarica information, promotion and service hubs;		
1.5.4. Deliver capacity development support to Via Dinarica tourism service providers		

<b>OUTPUT 2</b>		
2.1.1. Maintain Via Dinarica trails by engaging relevant mountaineering and other organizations, as well as local governments;		
2.1.2. GPS and physically mark Via Dinarica trails;		
2.1.3. Organize Via Dinarica volunteering camps		
2.2.1. Introduce and capacitate Via Dinarica Support Centre in Bosnia and Herzegovina;		
2.2.2. Further upgrade and expand Via Dinarica web platform, including Albania and Kosovo;		
2.2.3. Promote Via Dinarica at domestic, regional and international markets;		
2.2.4. Expand Via Dinarica partnership networks in Bosnia and Herzegovina		
2.3.1. Expand the existing Via Dinarica White, Green and Blue Trails assessment, with focus on relevant products (food and drinks, souvenirs, clothing and gear), cultural events and assets, to identify hotspots for developing integrated tourism offer;		
2.3.2. Implement a grant scheme and technical assistance to integrate relevant local products, services and tourism assets into an economically viable Via Dinarica tourism offer		
2.4.1. Design and implement a grant scheme for improvement of public tourism infrastructure and sites along Via Dinarica hotspots, in partnership with relevant authorities;		
2.4.2. Support diversification and consolidation of tourism services along Via Dinarica trails (accommodation facilities, tourism offer, etc.);		
2.4.3. Deliver capacity development support to Via Dinarica tourism service providers		

## ANNEX II: PROJECT BUDGET

The table below represents a summarised integrated project budget. Detailed project budget is attached to this document.

<b>RESULTS</b>								
<b>Output 1: Via Dinarica affirmed as a safe and internationally recognized tourism platform for sustainable tourism development and local economic growth</b>	<b>Donor</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>TOTAL (USD)</b>	<b>AICS (USD)</b>	<b>USAID (USD)</b>	<b>UNDP (USD)</b>
<b>1.1 Increased accessibility and improved safety of Via Dinarica trails in BIH</b>		<b>57,650</b>	<b>43,200</b>	<b>40,350</b>	<b>141,200</b>	<b>111,200</b>	<b>0</b>	<b>30,000</b>
Activity 1.1.1.1. Coordination and maintenance of trails by Terra Dinarica in partnership with mountaineering organisations	AICS	15,750	21,000	5,250	42,000	42,000	0	0
Activity 1.1.1.1. Maintenance of trails by partner local governments (LG)	AICS	0	15,000	15,000	30,000	0	0	30,000
Activity 1.1.1.2. GPS and physically mark Via Dinarica trails	AICS	5,400	7,200	2,400	15,000	15,000	0	0
Activity 1.1.1.3. Introduce safety measures along the trails	AICS	15,000	0	15,000	30,000	30,000	0	0
Activity 1.1.1.4. Provision of equipment (Rescue Services)	AICS	16,000	0	0	16,000	16,000	0	0
Activity 1.1.1.4. Technical assistance and training (Rescue Services)	AICS	4,000	0	0	4,000	4,000	0	0
Activity 1.1.1.4. Local transportation	AICS	1,500	0	2,700	4,200	4,200	0	0
<b>1.2 Via Dinarica tourism brand further affirmed and reinforced by national and regional partnership networks</b>		<b>55,550</b>	<b>88,700</b>	<b>78,950</b>	<b>223,200</b>	<b>223,200</b>	<b>0</b>	<b>0</b>
Activity 1.2.1.1. Technical assistance and training (Support Center)	AICS	5,000	5,000	5,000	15,000	15,000	0	0
Activity 1.2.1.1. Provision of equipment for the Support Center	AICS	0	5,000	0	5,000	5,000	0	0
Activity 1.2.2.1. Technical assistance for assessment of Via Dinarica trails in Kosovo	AICS	10,000	0	0	10,000	10,000	0	0
Activity 1.2.2.2. Technical assistance for assessment of Via Dinarica trails in Albania	AICS	0	10,000	0	10,000	10,000	0	0
Activity 1.2.2.2. Support to coordination and partnership in Albania and Kosovo	AICS	0	2,000	2,000	4,000	4,000	0	0
Activity 1.2.2.2. Travel costs to Albania and Kosovo	AICS	0	3,000	3,000	6,000	6,000	0	0
Activity 1.2.3. Further upgrade and expand Via Dinarica web platform (through technical assistance and specialized services), including Albania and Kosovo	AICS	8,750	17,500	8,750	35,000	35,000	0	0
Activity 1.2.4.1. Expert assistance to develop Via Dinarica presentation	AICS	10,000	0	0	10,000	10,000	0	0
Activity 1.2.4.2. Promotion of Via Dinarica at fairs	AICS	0	10,750	10,750	21,500	21,500	0	0
Activity 1.2.4.2. Travel costs to fairs	AICS	0	1,750	1,750	3,500	3,500	0	0
Activity 1.2.4.2. Awareness raising campaigns in schools	AICS	0	2,500	2,500	5,000	5,000	0	0

Activity 1.2.4. Expert support for communication and visibility	AICS	2,000	5,000	3,000	10,000	10,000	0	0
Activity 1.2.5 Via Dinarica Networking Conference	AICS	0	0	5,000	5,000	5,000	0	0
Activity 1.2.5 Network meetings	AICS	300	200	0	500	500	0	0
Activity 1.2.6. Technical Assistance (LQT certification)	AICS	0	5,000	15,000	20,000	20,000	0	0
Activity 1.2.6. Project Assistant	AICS	19,500	19,500	19,500	58,500	58,500	0	0
Activity 1.2.6. Local transportation	AICS	0	1,500	2,700	4,200	4,200	0	0
<b>1.3. Via Dinarica supported through strategic and financial governance measures</b>		<b>43,400</b>	<b>54,550</b>	<b>28,900</b>	<b>126,850</b>	<b>111,850</b>	<b>0</b>	<b>15,000</b>
Activity 1.3.1. Technical assistance (Governance Advisor)	AICS	0	21,000	0	21,000	6,000	0	15,000
Activity 1.3.1. Project Officer	AICS	22,640	22,640	11,320	56,600	56,600	0	0
Activity 1.3.1. Technical assistance (Tourism Statistics)	AICS	12,000	0	0	12,000	12,000	0	0
Activity 1.3.2. Technical assistance to local governments (Co-financing local infrastructure maintenance and dev.)	AICS	2,500	4,500	0	7,000	7,000	0	0
Activity 1.3.2. Project Officer	AICS	5,660	5,660	16,980	28,300	28,300	0	0
Activity 1.3.2. Local transportation	AICS	600	750	600	1,950	1,950	0	0
<b>1.4 Enhanced economic opportunities and livelihoods along Via Dinarica by integrating local products into tourism offer</b>		<b>98,200</b>	<b>0</b>	<b>0</b>	<b>98,200</b>	<b>85,263</b>	<b>0</b>	<b>12,938</b>
Activity 1.4.1. Expand the existing Via Dinarica White, Green and Blue Trails assessment, with focus on relevant products (food and drinks, souvenirs, clothing), cultural events and assets, to identify hotspots for developing integrated tourism offer (technical assistance)	AICS	10,000	0	0	10,000	10,000	0	0
Activity 1.4.2 Grant scheme to integrate relevant local products, services and tourism assets into an economically viable Via Dinarica tourism offer	AICS	86,250	0	0	86,250	73,313	0	12,938
Activity 1.4.2 Local transportation	AICS	1,950	0	0	1,950	1,950	0	0
<b>1.5. Upgraded tourism infrastructure and diversified / consolidated tourism services strengthen Via Dinarica competitiveness</b>		<b>181,750</b>	<b>267,669</b>	<b>38,520</b>	<b>487,938</b>	<b>328,438</b>	<b>0</b>	<b>159,500</b>
Activity 1.5.1. Grant scheme for improvement of public tourism infrastructure and sites along Via Dinarica hotspots, in partnership with relevant authorities	AICS	100,000	100,000	0	200,000	100,000	0	100,000
Activity 1.5.1. Technical assistance (Civil Engineer)	AICS	5,000	4,250	0	9,250	9,250	0	0
Activity 1.5.2. Grant scheme to support diversification and consolidation of tourism services along Via Dinarica trails (accommodation facilities, tourism offer, etc.)	AICS	76,750	76,749	0	153,499	93,999	0	59,500



Activity 1.5.3. Infrastructure works related to establishment of hubs	AICS	0	69,000	0	69,000	69,000	0	0
Activity 1.5.3. Provision of equipment for Via Dinarica information, promotion and service hubs	AICS	0	0	30,000	30,000	30,000	0	0
Activity 1.5.3. Technical assistance (Hubs' staff training)	AICS	0	6,000	0	6,000	6,000	0	0
Activity 1.5.4 Technical assistance and training (Service providers' training)	AICS	0	6,720	6,720	13,439	13,439	0	0
Activity 1.5.4 Local transportation	AICS	0	4,950	1,800	6,750	6,750	0	0
<b>Output 2: Local communities empowered to pursue rural enterprise development</b>								
<b>2.1 Via Dinarica trails in BIH accessible</b>		<b>15,000</b>	<b>17,500</b>	<b>17,500</b>	<b>50,000</b>	<b>0</b>	<b>50,000</b>	<b>0</b>
Activity 2.1.1. Coordination and maintenance of Via Dinarica trails in partnership with mountaineering organisations	USAID	0	7,500	7,500	15,000	0	15,000	0
Activity 2.1.2. GPS and physically mark Via Dinarica trails	USAID	15,000	0	0	15,000	0	15,000	0
Activity 2.1.3. Via Dinarica volunteering camps	USAID	0	10,000	10,000	20,000	0	20,000	0
<b>2.2 Via Dinarica affirmed as a tourism brand</b>		<b>36,857</b>	<b>43,107</b>	<b>31,107</b>	<b>111,070</b>	<b>0</b>	<b>90,190</b>	<b>20,880</b>
Activity 2.2.1. Via Dinarica Support Center: Needs assessment and capacity development plan	USAID	3,750	0	0	3,750	0	3,750	0
Activity 2.2.2. Regular update and maintenance of Outdoor active platform, viadinarica.com and other social media content	USAID	12,000	12,000	0	24,000	0	24,000	0
Activity 2.2.3. Project Visibility	USAID	10,000	20,000	20,000	50,000	0	50,000	0
Activity 2.2.4. Communication Analyst	USAID	10,440	10,440	10,440	31,320	0	10,440	20,880
Activity 2.2.5. Local transportation	USAID	667	667	667	2,000	0	2,000	0
<b>2.3 Enhanced economic opportunities</b>		<b>113,360</b>	<b>123,277</b>	<b>62,527</b>	<b>299,163</b>	<b>0</b>	<b>299,163</b>	<b>0</b>
Activity 2.3.1. Consultant for Via Dinarica value chains assessment and technical support	USAID	8,750	0	0	8,750	0	8,750	0
Activity 2.3.2. Grant scheme to support value chain development	USAID	45,000	60,000	0	105,000	0	105,000	0
Activity 2.3.3. Local transportation	USAID	0	3,667	3,667	7,333	0	7,333	0
Activity 2.3.4. Grant Scheme Assistant	USAID	23,400	23,400	23,400	70,200	0	70,200	0
Activity 2.3.5. Economic Development Specialist	USAID	33,960	33,960	33,960	101,880	0	101,880	0
Activity 2.3.6. Civil Engineer	USAID	2,250	2,250	1,500	6,000	0	6,000	0
<b>2.4 Diversified/consolidated tourism services and strengthened capacity of tourism service providers along the Via Dinarica</b>		<b>171,730</b>	<b>107,435</b>	<b>107,435</b>	<b>386,600</b>	<b>0</b>	<b>253,228</b>	<b>133,372</b>
Activity 2.4.1. Grant scheme for minor interventions on local tourism facilities that contribute to development of Via Dinarica destinations	USAID	0	100,000	100,000	200,000	0	100,000	100,000

Activity 2.4.2. Grant scheme to support accommodation and tourism service providers (bikers, mountain bikers, rafters, etc.)	USAID	166,860	0	0	166,860	0	133,488	33,372
Activity 2.4.3. Capacity building training for tourism service providers (B&Bs, hikers, bikers, mountain bikers, rafters, etc.)	USAID	0	5,000	5,000	10,000	0	10,000	0
Activity 2.4.4. Local transportation	USAID	4,870	2,435	2,435	9,740	0	9,740	0
<b>Project Evaluation</b>	<b>USAID</b>	<b>0</b>	<b>0</b>	<b>20,000</b>	<b>20,000</b>	<b>0</b>	<b>20,000</b>	<b>0</b>
<b>Project management Output 1</b>		<b>106,587</b>	<b>106,080</b>	<b>53,505</b>	<b>266,172</b>	<b>241,902</b>	<b>0</b>	<b>24,270</b>
<b>Project management staff</b>		<b>49,708</b>	<b>49,708</b>	<b>24,854</b>	<b>124,070</b>	<b>100,000</b>	<b>0</b>	<b>24,270</b>
Sector Quality Assurance	AICS	9,708	9,708	4,854	24,270	0	0	24,270
Project Manager	AICS	40,000	40,000	20,000	100,000	100,000	0	0
<b>Administrative staff and costs</b>		<b>56,879</b>	<b>56,372</b>	<b>28,651</b>	<b>141,902</b>	<b>141,902</b>	<b>0</b>	<b>0</b>
Project Assistant	AICS	25,800	25,800	12,900	64,500	64,500	0	0
Direct project costs (DPC)	AICS	9,840	9,840	4,920	24,600	24,600	0	0
Translation cost	AICS	898	391	661	1,950	1,950	0	0
Office running costs	AICS	20,341	20,341	10,170	50,852	50,852	0	0
<b>Project management Output 2</b>		<b>74,312</b>	<b>74,312</b>	<b>104,416</b>	<b>253,040</b>	<b>0</b>	<b>213,040</b>	<b>40,000</b>
<b>Project management staff</b>		<b>46,600</b>	<b>46,600</b>	<b>66,600</b>	<b>159,800</b>	<b>0</b>	<b>119,800</b>	<b>40,000</b>
Sector Quality Assurance	USAID	6,600	6,600	6,600	19,800	0	19,800	0
Project Manager	USAID	40,000	40,000	60,000	140,000	0	100,000	40,000
<b>Administrative staff and costs</b>		<b>27,712</b>	<b>27,712</b>	<b>37,816</b>	<b>93,240</b>	<b>0</b>	<b>93,240</b>	<b>0</b>
Project Assistant	USAID	7,768	7,768	7,768	23,304	0	23,304	0
Direct project costs (DPC)	USAID	9,840	9,840	9,840	29,520	0	29,520	0
Office running costs	USAID	10,104	10,104	20,208	40,416	0	40,416	0
<b>36 MONTHS GRAND TOTAL</b>		<b>954,393</b>	<b>925,830</b>	<b>563,210</b>	<b>2,463,433</b>	<b>1,101,852</b>	<b>925,621</b>	<b>435,960</b>
<b>GMS (8%)</b>					<b>162,198</b>	<b>88,148</b>	<b>74,050</b>	
<b>Total Budget</b>					<b>2,625,631</b>	<b>1,190,000</b>	<b>999,671</b>	<b>435,960</b>

### **ANNEX III: DESCRIPTIONS OF KEY FUNCTIONS OF THE PROJECT TEAM AND KEY SPECIALISTS**

The **Project Team** will be led by the **Project Manager** (full-time), who will be responsible for overall Project coordination and day-to-day management under both Outputs and will ensure that the Project produces the results specified, to the required corporate standards and within the constraints of time and cost. Main functions are: i) overall project management and technical guidance; ii) effective leadership towards project implementation processes; iii) project monitoring, reporting and quality assurance based on the principles of result-based, gender-sensitive management and delivery; iv) knowledge management; v) partnership and advocacy, and vi) strategic synergies and coordination with relevant interventions.

An **Project Officer** (full-time) will be engaged under Output 1 with the following main functions: i) supporting, coordination and oversight of the Project assistance with the selected beneficiary local governments and businesses; ii) supporting and coordinating the delivery of the capacity development assistance to partner government institutions and beneficiaries from the business sector; iii) in coordination with the relevant Project staff, facilitating, supporting and providing technical assistance to partner government institutions; iv) ensuring monitoring and oversight in the processes of implementation of project activities, and v) encouraging and supporting knowledge sharing, exchange of experiences and partnership among partners, and beneficiary local governments.

An **Economic Development Officer** (full-time) will be engaged under Output 2 with the following main functions: i) supporting, coordination and oversight of the Project assistance with the selected beneficiary local governments and businesses; ii) supporting and coordinating the delivery of the capacity development assistance to partner government institutions and beneficiaries from the business sector; iii) in coordination with the relevant Project staff, facilitating, supporting and providing technical assistance to partner government institutions; iv) ensuring monitoring and oversight in the processes of implementation of project activities, and v) encouraging and supporting knowledge sharing, exchange of experiences and partnership among partners, and beneficiary local governments.

The overall financial, administrative and logistical support will be ensured via **1 Finance/Admin Assistant/Associate** (full-time), **1 Project Assistant** (full-time) and **1 Grant Scheme Assistant**.

A **Finance/Admin Assistant/Associate** (full-time) will be engaged under both Outputs and is responsible for: i) supporting Project financial monitoring and management; processing financial transactions on the Global Atlas System; supporting preparation of budget revisions, budget monitoring; ii) providing administrative and operational support to Project implementation, ensuring quality of business processes; iii) making arrangements for purchase and receipt of office and Project supplies; iv) providing logistical and administrative assistance to the organization and delivery of Project activities, and v) managing and exercising financial supervision of the delivery of grant schemes for infrastructure projects and for strengthening of the tourism infrastructure and diversification of tourism services.

A **Project Assistant** (full-time) will be engaged under Output 1 and is responsible for: i) overall logistical and technical support to Project activities, events, workshops, meetings and training; ii) support in various Project business processes, including recruitment, procurement and human resource administrative management; iii) assisting the Project team in preparation of Project publications and materials; iv) assisting in supporting, coordination and oversight of the Project assistance with the selected beneficiary local governments and businesses; v) assisting in the delivery of the capacity development assistance to partner government institutions and beneficiaries from the business sector; and vi) assisting in monitoring and oversight in the processes of implementation of project activities.

A **Grant Scheme Assistant** (full-time) will be engaged under Output 2 and is responsible for: i) overall logistical and technical support to Project activities, events, workshops, meetings and training; ii) support in various Project business processes, including recruitment, procurement and human resource administrative management; iii)

assisting the Project team in preparation of Project publications and materials; iv) assisting in supporting, coordination and oversight of the Project assistance with the selected beneficiary local governments and businesses; v) assisting in the delivery of the capacity development assistance to partner government institutions and beneficiaries from the business sector; and vi) assisting in monitoring and oversight in the processes of implementation of project activities.

In addition, the Project will deploy several key short-term national and international specialists, to support Project implementation, among whom experts in tourism development management; statistics, analysis and reporting in the sector of tourism statistics; governance adviser; promotion specialist; civil engineering specialist; etc.

All, full and short-term team members, will contribute to the fulfilment of the relevant tasks under the both closely inter-linked Outputs of this Project, when required.

#### ANNEX IV: RISK ASSESSMENT

General Risks	Probability	Type / Impact	Project response
<b>2018 General Elections</b> might pose certain risks to the Project implementation, due to change in higher government levels' political leaderships and their commitment to the Project	<b>Medium</b>	<b>Political / Medium</b> (Policy delivery agenda is stalled)	The Project will apply adequate mitigation measures, such as signing Agreements with institutional partners, thus formalising their commitment and contribution to the Project, as well as familiarising the newly-elected officials and policy-makers with the Project purpose and motivating them to engage in its implementation and to commit further public financing programmed to support Via Dinarica development.
<b>War-related legacy in Bosnia and Herzegovina</b> may have adverse effects on attracting tourists and promoting Via Dinarica	<b>Medium</b>	<b>Behavioural / High</b>	The Project will put emphasis on positive stories and potentials, including through traditional media and social media platforms, contributing to improved country image globally.
<b>Adverse impacts to habitats</b> to environmentally sensitive areas, including legally protected areas (e.g. nature reserve, national park)	<b>Low</b>	<b>Environment / High</b>	The Project will cooperate closely with the managements of legally protected areas and adhere to the national legislation and UNDP's Social and Environmental Standards (SES) to ensure that adverse social and environmental risks and impacts are avoided, minimized, mitigated and managed
<b>Irresponsible behaviour of tourists along Via Dinarica trails</b> may cause human safety risks, including in terms of mines	<b>Low</b>	<b>Behavioural / High</b>	In all its investments, the Project will consider human safety aspects, and highlight the importance of responsible tourist behaviour (e.g. related to forest fires, injuries, avalanches, first aid information, mine information, etc). The Project will also work on strengthening the rescue services.
<b>Expanding activities of Via Dinarica to other countries in the region</b> may face challenges and difficulties for political reasons	<b>Low</b>	<b>Political / Low</b> (Partners from other Via Dinarica countries disinterested in regional cooperation)	The Project will capitalise on and present the Via Dinarica as a platform holding strong potential for cross-country cooperation, bringing socio-economic benefits to a variety of national and regional stakeholders.
<b>Local governments have limited resources</b> to allocate for further development of Via Dinarica trails	<b>Medium</b>	<b>Financial / Medium</b>	The Project will engage with interested and committed local governments, allowing for timely, regular and realistic planning of public investments into Via Dinarica trails.
<b>Force Majeure (e.g. severe weather conditions)</b> impacts Project activities	<b>Medium</b>	<b>Environment / Medium</b> (Delays in the Project's implementation)	The Project will sequence the activities in such a manner that the bulk of infrastructure/construction works are delivered during the peak construction season to mitigate the impact of this risk to the project implementation.

**ANNEX V: RESULTS FRAMEWORK (ALIGNMENT WITH STANDARD UNDP PROGRAMMING REQUIREMENTS)**

<b>By 2019, economic and social and territorial disparities between units of local self-governance are decreased through coordinated approach by national and subnational actors.</b>										
<b>Outcome 4 indicator/s as stated in the UNDAF Results and Resources Framework, including baseline and targets:</b> <i>Indicator:</i> Number of businesses / entrepreneurs benefiting from business development services <i>Baseline:</i> 200 (2014) <i>Target:</i> 1,399 (2018)				<b>Outcome 6 indicator/s as stated in the UNDAF Results and Resources Framework, including baseline and targets:</b> <i>Indicator:</i> Number of people employed, maintained in employment or benefiting from income generation activities as a result of UN interventions. <i>Baseline:</i> Jobs created: 150 (2014); Livelihoods: 4,500 (2014) <i>Target:</i> Jobs created: 3000 (2019)						
<b>Applicable Outputs from the UNDP Strategic Plan:</b> #1 POVERTY: 1.1.2 Marginalized groups, particularly the poor, women, people with disabilities and displaced are empowered to gain universal access to basic services and financial and non-financial assets to build productive capacities and benefit from sustainable livelihoods and jobs; #2 GOVERNANCE: 1.2.1 Capacities at national and sub-national levels strengthened to promote inclusive local economic development and deliver basic services including HIV and related services										
<b>Project title and Atlas Project Number: Via Dinarica:</b>										
EXPECTED OUTPUT	OUTPUT INDICATORS <sup>27</sup>	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)					DATA COLLECTION METHODS
			Value	Year	Year 1	Year 2	Year 3	Year 4	FINAL	
<b>Output 1: Via Dinarica affirmed as a safe and internationally recognized tourism platform for sustainable tourism development and</b>	1.1 Number of tourists visiting Via Dinarica in BIH as a result of Project assistance	Project reports, Outdoor-active platform (www.via.dinarica.com), reports/in	90,000	2017	30,000	40,000	40,000	/	200,000 (2020)	Desk review Field visit
	1.2 Extent to which Via Dinarica White Trail meets international tourism standards (European Rambler's Association certification)		25% - 2 stages of the certification process	2017	-	1 stage	-	/	38% - 3 stages of the certification process (2020)	Desk review; Field visits

<sup>27</sup> Projects should use output indicators from the Strategic Plan IRRF and from the Country Programme Document, as relevant, in addition to project-specific results indicators. Indicators should be disaggregated by sex or for other targeted groups where relevant.

<b>local economic growth</b>	1.3 Extent to which Via Dinarica in BIH is sustained through coordination and interconnected support services	formation by Via Dinarica information, promotion and service hubs, including Coordinating Support Centre, European Rambling Association reports	Coordination and support services not in place	2017	-	-	VD coordination mechanism established, and services provision interconnected through Support Centre and 3 hubs	/	Basic sustainability through at least 3 Via Dinarica information and service hubs, including Coordinating Support Centre (2020)	Desk review;
	1.4 Number of people benefitting from jobs (part-time/seasonal) as result of Project assistance		89; 40% for women	2017	-	15	10	/	114 (89 baseline +25) at least 40% for women	
	1.5 Annual percent change in sales of Via Dinarica beneficiaries (private sector)	Project reports, information/reports by beneficiaries	1.5 mil BAM	2017	75,000	85,000	90,000	/	1.75 mil BAM (2021)	Desk review survey
<b>Output 2: Local communities empowered to pursue rural enterprise development</b>	2.1 Annual percentage change in number of tourists visiting Via Dinarica in BIH as a result of Project assistance	Project reports, Outdoor active platform (www.via.dinarica.com), reports/information by Via Dinarica Support Centre	90,000	2017	4,500	4,725	4,961	/	104,186 (5%)	Desk review Field visit

	2.2 Number of people benefitting from full-time + part-time jobs as a result of Project assistance	Project reports, information/reports by beneficiaries	6 full-time, 40% for women  89 part-time/seasonal, 40% women	2017	-	15	15	/	36 full-time  119 part-time/seasonal (2021)	Desk review survey
	2.3 Annual percent change in sales of Via Dinarica beneficiaries (private sector)	Project reports, information/reports by beneficiaries	1.5 mil BAM	2017	75,000	85,000	90,000	/	1.75 mil BAM (2021)	Desk review survey
<b>OUTPUT 1 ACTIVITY/ RESULTS</b>	<b>INDICATORS</b>	<b>DATA SOURCE</b>	<b>VALUE</b>	<b>Year</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>FINAL</b>	<b>DATA COLLECTION METHODS</b>
1.1. Increased accessibility and improved safety of Via Dinarica trails in BIH	1.1.a Number of km of Via Dinarica trails in BIH continuously maintained (annually)	Project reports and records, information by relevant organizations and local governments, GPS, photos, training attendance records, media coverage	Ca 700 km	2017	522	700	178	/	Ca 700 km (2020)	Desk review Field visit
	1.1.b Number of km of marked Via Dinarica trails in BIH that meet National Mountaineering Association's standard and European Rambler's Association general principles		700 km	2017	94	125	31	/	Ca 950 km (2020)	Desk review Field visit
	1.1.c Number of unsafe Via Dinarica locations in BIH made safe through Project small-scale safety measures		0	2017	5	-	5	/	10, out of which at least 2 enabling access to people with disabilities (2020)	Desk review Field visit



	1.1.d Number of voluntary rescue services organizations in BiH equipped and capacitated as a result of Project assistance		0	2017	4	-	-	/	4 (2020)	Desk review Focus Groups Survey
1.2 Via Dinarica tourism brand further affirmed and reinforced by national and regional partnership networks	1.2.a Extent to which the Via Dinarica Support Centre in BiH is capacitated and functional	Project reports and records, assessment reports, media coverage, Outdoor-active platform, social media, photos and video stories	Non-existent	2017	-	-	Via Dinarica Support Centre fully capacitated and functional	/	Fully (2020)	Desk review Observation
	1.2.b Number of km of trails and number of accommodation facilities along the Via Dinarica White Trail in Albania and Kosovo assessed and included in Via Dinarica regional tourism offer		120 km, 0 accommodation facilities	2017	80 km, 8 accommodation facilities	120 km, 12 accommodation facilities	-	/	At least 320 km, 20 accommodation facilities in Albania and 10 in Kosovo (2020)	Desk review Focus Groups Survey
	1.2.c Number of occasions globally recognized media feature Via Dinarica		10	2017	2	4	4	/	20 (2020)	Desk review
	1.2.d Increase of viewers of the Via Dinarica official web page powered by Outdooractive platform		740,000	2017	50,000	70,000	40,000	/	900,000 (2020)	Desk review;
	1.2.e Number of school students in BiH aware of Via Dinarica		0	2017	-	300	150	/	450 students (2020)	Desk review; survey
1.3. Via Dinarica supported through strategic and	1.3.a Number of local governments that invest in Via Dinarica tourism infrastructure, promotion and services	Project reports, official document	0	2017	-	10	-	/	10 (2020)	Focus Groups

financial governance measures	1.3.b Volume of higher government levels' public financing programmed to support Via Dinarica development	ation of local governments, documentation by relevant ministries	USD 60,000	2017	-	100,000	90,000	/	USD 250,000 (2020)	Desk review
1.4 Enhanced economic opportunities and livelihoods along Via Dinarica by integrating local products into tourism offer	1.4.a Number of local products / services integrated into Via Dinarica tourism offer as a result of Project assistance	Project reports, Outdoor-active platform, Via Dinarica promotional materials, feedback from beneficiaries, media coverage	0	2017	-	3	2	/	5 (2020)	Desk review Observation
	1.4.b Number of producers and service providers benefiting from improved tourism development opportunities as a result of Project assistance		32	2017	10	16	-	/	58 (2020)	Desk review Focus Groups
1.5. Upgraded tourism infrastructure and diversified / consolidated tourism services strengthen Via Dinarica competitiveness	1.5.a Number of information, promotion and service hubs available along Via Dinarica trails in BIH	Project reports, photos, promotional materials, media coverage, available tourism offer of national and regional tour operators, local governments records, beneficiar	0	2017	-	-	3	/	3 (2020)	Desk review Observation
	1.5.b Number of Via Dinarica hotspots with improved tourism infrastructure		0	2017	-	-	10	/	10 (2020)	Desk review Observation
	1.5.c Number of Via Dinarica tourism packages offered by tour operators		4	2017	-	-	5	/	9 (2020)	Desk review Observation

	1.5.d Number of improved accommodation facilities and total number of beds available as a result of assistance	y feedback	50 facilities with 1,090 beds	2017	-	6 facilities, with 60 beds	-	/	56 facilities with 1,150 beds (2020)	Desk review Survey
OUTPUT 2 ACTIVITY/ RESULTS	INDICATORS	DATA SOURCE	VALUE	Year	Year 1	Year 2	Year 3	FINAL	DATA COLLECTION METHODS	
2.1. Via Dinarica trails in BiH accessible	2.1.a Number of km of Via Dinarica trails in BiH continuously maintained (annually)	Project reports and records, information by relevant organizations and local governments, GPS, photos, training attendance records, media coverage	Ca 700 km	2017	0	250	250	Ca 950 km (2021)	Desk review Field visit	
	2.1.b Number of km of marked Via Dinarica trails in BiH that meet National Mountaineering Association's standard and European Rambler's Association general principles		700 km	2017	250	0	0	950 km (2021)	Desk review Field visit	
2.2 Via Dinarica affirmed as a tourism brand	2.2.a Agreement of main Via Dinarica stakeholders in BiH on Via Dinarica Support Centre role and format	Project reports and records, assessment reports, media coverage, Outdoor	Non-existent	2017	-	-	Full	Full (2021)	Desk review Observation	
	2.2.b Increase of viewers of the Via Dinarica official web page powered by Outdoor-active platform		740,000	2017	30,000	30,000	40,000	840,000 (2021)	Desk review;	
	2.2.c Number of local governments that invest in Via Dinarica tourism infrastructure, promotion and services		0	2017	-	5	5	10 (2021)	Focus Groups	

	2.2.d Volume of higher government levels' public financing programmed to support Via Dinarica development	ctive platform, social media, photos and video stories Project reports, official documentation of local governments, documentation by relevant ministries	USD 60,000	2017	33,000	-	-	USD 93,000 (2021)	Desk review
2.3 Enhanced economic opportunities	2.3.a Number of local products / services integrated into Via Dinarica tourism offer as a result of Project assistance	Project reports, Outdoor-active platform, Via Dinarica promotional materials, feedback from beneficiaries, media coverage	0	2017	-	3	2	5 (2021)	Desk review Observation
	2.3.b Number of producers and service providers benefiting from improved tourism development opportunities as a result of Project assistance		32	2017	10	10	5	57 (2021)	Desk review Focus Groups
2.4 Diversified/consolidated tourism services and	2.4.a Number of Via Dinarica hotspots with improved tourism infrastructure	Project reports, photos, promotional	0	2017	-	5	5	10 (2021)	Desk review Observation
	2.4.b Number of Via Dinarica tourism packages offered by tour operators		4	2017	-	-	8	12 (2021)	Desk review Observation

strengthened capacity of tourism service providers along the Via Dinarica	2.4.c Number of improved accommodation facilities and total number of beds available as a result of Project assistance	materials, media coverage, available tourism offer of national and regional tour operators, local governments records, beneficiary feedback	50 facilities with 1,090 beds	2017	7 facilities with 100 beds	-	-	57 facilities with 1,190 beds (2021)	Desk review Survey
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**ANNEX VI: MONITORING AND EVALUATION PLAN (AS PER STANDARD UNDP PROGRAMMING REQUIREMENTS)**

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost (if any)
<b>Track results progress</b>	Progress data against the results indicators in the RRF will be collected and analysed to assess the progress of the project in achieving the agreed outputs.	Quarterly	M&E Platform will be established upon launch of the Project and populated based on the frequency which will be set for each indicator. Slower than expected progress will be addressed by Project management and the Project Board.	UNDP	
<b>Monitor and Manage Risk</b>	Identify specific risks that may threaten achievement of intended results. Identify and monitor risk management actions using a risk log. This includes monitoring measures and plans that may have been required as per UNDP's Social and Environmental Standards. Audits will be conducted in accordance with UNDP's audit policy to manage financial risk.	Quarterly	Risks are identified by project management and actions are taken to manage risk. The projects risks are reviewed quarterly and updated in Atlas to keep track of identified risks and actions taken.	UNDP	
<b>Learn</b>	Knowledge, good practices and lessons will be captured regularly, as well as actively sourced from other projects and partners and integrated back into the project. The Project will conduct specific activities to facilitate transfer of knowledge to stakeholders.	Quarterly	Lessons Learned Log is established and relevant lessons are captured by the project team and used to inform management decisions.	UNDP	
<b>Annual Project Quality Assurance</b>	The quality of the project will be assessed against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project.	Bi-annually and at closure stage	Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.	UNDP	
<b>Review and Make Course Corrections</b>	Internal review of data and evidence from all monitoring actions to inform decision making. Brief Quarterly Progress Reports.	At least semi-annually	Performance data, risks, lessons and quality will be discussed by the project board and used to make course corrections.	UNDP, Project Board	
<b>Project Review (Project Board)</b>	Annual Narrative Progress Reports submitted to the Swiss Cooperation and the Project Board;  The project's governance mechanism (i.e., project board) will hold regular project reviews to assess the performance of the project and review the Work Plan to ensure realistic budgeting over the life of the project.	Semi-annually	Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues identified.	UNDP; Project Board;	
<b>Monitoring including Staff proportion and Project Monitoring Activities</b>			<b>TOTAL</b>		<b>USD 73, 902</b>

**ANNEX VII: MULTI-YEAR WORK PLAN (AS PER STANDARD UNDP PROGRAMMING REQUIREMENTS)**

EXPECTED OUTPUTS	PLANNED ACTIVITIES	Planned Budget by Year (in USD)			RESPONSIBLE PARTY	PLANNED BUDGET		
		Y1	Y2	Y3		Funding Source	Budget Description	Amount
<b>Output 1: Via Dinarica affirmed as a safe and internationally recognized tourism platform for sustainable tourism development and local economic growth</b>	1.1 Increased accessibility and improved safety of Via Dinarica trails in BIH	57,650	43,200	40,350	UNDP	AICS	71300 – Local Consultants; 71600 – Travel; 72100 – Contractual services – Companies; 72600 – Grants;	111,200
						UNDP/ partners		30,000
	1.2 Via Dinarica tourism brand further affirmed and reinforced by national and regional partnership networks	55,550	88,700	78,950	UNDP	AICS	71300 – Local Consultants; 71400 – Contractual services – individuals; 71600 – Travel; 72100 – Contractual services - Companies; 72600 – Grants; 74200 – Audio, visual and printing production costs;	223,200
						UNDP/ partners		0
	1.3. Via Dinarica supported through strategic and financial governance measures	43,400	54,550	28,900	UNDP	AICS	71300 – Local Consultants; 71400 – Contractual services – individuals; 71600 – Travel;	111,850
						UNDP/ partners		15,000
	1.4 Enhanced economic opportunities and livelihoods along Via Dinarica by integrating local products into tourism offer	98,200	0	0	UNDP	AICS	71300 – Local Consultants; 71600 – Travel; 72100 – Contractual services - Companies; 72600 – Grants;	85,262
						UNDP/ partners		12,938
	1.5. Upgraded tourism infrastructure and diversified / consolidated tourism services strengthen Via Dinarica competitiveness	181,750	267,669	38,520	UNDP	AICS	71300 – Local Consultants; 71600 – Travel; 72100 – Contractual services - Companies; 72400 – Communication and audio visual equipment; 72800 – Information technology equipment;	328,438
						UNDP/ partners		159,500
	1.6 Project management	106,587	106,080	53,505	UNDP	AICS	61100 – NP Staff; 64300 – Staff management costs – IP staff;	241,902
						UNDP/ partners		24,270

							71400 – Contractual services – individuals; 71600 – Travel; 72500 – Office supplies; 73100 – Rental and maintenance of premises; 73400 – Transportation equip. maintenance; 74500 – Miscellaneous expenses;	
<b>Output 2: Local communities empowered to pursue rural enterprise development</b>	2.1. Via Dinarica trails in BIH accessible	15,000	17,500	17,500	UNDP	USAID	72600 – Grants;	50,000
						UNDP/ partners		0
	2.2 Via Dinarica affirmed as a tourism brand	36,857	43,107	31,107	UNDP	USAID	61100 – NP Staff; 71300 – Local Consultants; 71600 – Travel; 72600 – Grants; 74200 – Audio, visual and printing production costs;	90,191
						UNDP/ partners		20,880
	2.3 Enhanced economic opportunities	113,360	123,277	62,526	UNDP	USAID	71300 – Local Consultants; 71400 – Contractual services – individuals; 71600 – Travel; 72100 – Contractual services - Companies; 72600 – Grants;	299,163
						UNDP/ partners		0
	2.4 Diversified/consolidated tourism services and strengthened capacity of tourism service providers along the Via Dinarica	171,730	107,435	107,435	UNDP	USAID	71300 – Local Consultants; 71600 – Travel; 72100 – Contractual services - Companies; 72600 – Grants;	253,228
						UNDP/ partners		133,372
	2.5 Project management, including evaluation costs	74,312	74,312	124,416	UNDP	USAID	61100 – NP Staff; 64300 – Staff management costs – IP staff; 71400 – Contractual services – individuals; 71600 – Travel; 72500 – Office supplies; 73100 – Rental and maintenance of premises; 73400 – Transportation equip. maintenance; 74500 – Miscellaneous expenses;	233,040
						UNDP/ partners		40,000
<b>GMS</b>		<b>162,198</b>						



<b>SUBTOTAL</b>	<b>2,463,433</b>
<b>TOTAL (incl. monitoring and evaluation)</b>	<b>2,625,631</b>

**ANNEX VIII: SOCIAL AND ENVIRONMENTAL SCREENING (AS PER STANDARD UNDP PROGRAMMING REQUIREMENTS)**

Project Information

<b>Project Information</b>	
1. Project Title	VIA DINARICA PROJECT PHASE II
2. Project Number	Output 1: 00107611/Output 2: 00111453
3. Location (Global/Region/Country)	Bosnia and Herzegovina

Part A. Integrating Overarching Principles to Strengthen Social and Environmental Sustainability

<b>QUESTION 1: How Does the Project Integrate the Overarching Principles in order to Strengthen Social and Environmental Sustainability?</b>
<b><i>Briefly describe in the space below how the Project mainstreams the human-rights based approach</i></b>
The Project does not explicitly promote human rights of target groups, but its intention is clear to seek and enhance social inclusion in all stages of the Project implementation, thus contributing to the creation of equal opportunities when it comes to access to nature, public infrastructure and services, employability and access to labour market. The socially excluded groups are: unemployed women and youth and long-term unemployed people; persons with disabilities; returnees and internally displaced persons; and Roma.
<b><i>Briefly describe in the space below how the Project is likely to improve gender equality and women’s empowerment</i></b>
The Project intends to ensure gender equality perspective across all activities. Specific focus will be given to women economic empowerment through incentivized job creation and livelihood opportunities for women within the Project grant schemes and capacity building activities. The Project’s RRF includes concrete gender-sensitive indicators, through which concrete results will be measured. It will track changes by collecting data for sex-disaggregated indicators where possible and relevant.
<b><i>Briefly describe in the space below how the Project mainstreams environmental sustainability</i></b>
The Via Dinarica concept promotes tourism for the purpose of the sustainable economic development of the countries along its corridors, while preserving the environment and respecting the sociocultural diversity and authenticity of communities. Tourism, as a mayor focus of the Project stimulates measures to protect or conserve nature, while at the same time presents a significant environmental risk because of its demands and effects on natural resources. Thanks to the diversity of its flora and fauna, Bosnia and Herzegovina tops the Dinaric region’s biodiversity index. However, numerous illegal waste dumps in nature not only damage the environment, but also minimise quality of tourism experience. Therefore, one of the Project’s main streamlines is to raise awareness on environmental protection and sustainable tourism development, to ensure symbiotic integration of environmental conservation and tourism development objectives. Environment protection organizations are among direct project beneficiaries. The Project involves a number of interventions in rural remote areas, including the

protected ones, such as national and nature parks, as elaborated throughout this document. As such, it does pose certain risk to the environment. The Project will therefore apply particular attention to environmental protection in designing and delivering the interventions. It will adhere strictly to the appropriate national legislation and UNDP's Social and Environmental Standards (SES).

**Part B. Identifying and Managing Social and Environmental Risks**

<p><b>QUESTION 2: What are the Potential Social and Environmental Risks?</b>  <i>Note: Describe briefly potential social and environmental risks identified in Attachment 1 – Risk Screening Checklist (based on any “Yes” responses). If no risks have been identified in Attachment 1 then note “No Risks Identified” and skip to Question 4 and Select “Low Risk”. Questions 5 and 6 not required for Low Risk Projects.</i></p>	<p><b>QUESTION 3: What is the level of significance of the potential social and environmental risks?</b>  <i>Note: Respond to Questions 4 and 5 below before proceeding to Question 6</i></p>			<p><b>QUESTION 6: What social and environmental assessment and management measures have been conducted and/or are required to address potential risks (for Risks with Moderate and High Significance)?</b></p>
<p><b>Risk Description</b></p>	<p><b>Impact and Probability (1-5)</b></p>	<p><b>Significance (Low, Moderate, High)</b></p>	<p><b>Comments</b></p>	<p><b>Description of assessment and management measures as reflected in the Project design.</b></p>

Duty-bearers do not have the capacity to meet their obligations in the Project	I = 2 P = 2	Low		The Project will engage with the Project duty-bearers, allowing for timely, regular and realistic planning of public investments into Via Dinarica trails.
Irresponsible behaviour of tourists along Via Dinarica trails may cause human safety risks, including in terms of mines	I = 2 P = 2	Low		In all its investments, the Project will consider human safety aspects, and highlight the importance of responsible tourist behaviour (e.g. related to forest fires, injuries, avalanches, first aid information, mine information, etc). The Project will also work on strengthening the rescue services.
The Project activities may cause adverse impacts to habitats to environmentally sensitive areas, including legally protected areas (e.g. nature reserve, national park).	I = 3 P = 2	Moderate		The Project will cooperate closely with the managements of legally protected areas and adhere to the national legislation and UNDP's Social and Environmental Standards (SES) to ensure that adverse social and environmental risks and impacts are avoided, minimized, mitigated and managed.
<b>QUESTION 4: What is the overall Project risk categorization?</b>				
<b>Select one</b>			<b>Comments</b>	
<i>Low Risk</i>		<input checked="" type="checkbox"/>	The project is assessed as a low -risk category, particularly from human rights aspect viewpoint	
<i>Moderate Risk</i>		<input type="checkbox"/>		
<i>High Risk</i>		<input type="checkbox"/>		
<b>QUESTION 5: Based on the identified risks and risk categorization, what requirements of the SES are relevant?</b>				
Check all that apply			<b>Comments</b>	
<i>Principle 1: Human Rights</i>		<input checked="" type="checkbox"/>	Low risk project	
<i>Principle 2: Gender Equality and Women's Empowerment</i>		<input type="checkbox"/>		
<i>1. Biodiversity Conservation and Natural Resource Management</i>		<input type="checkbox"/>		
<i>2. Climate Change Mitigation and Adaptation</i>		<input type="checkbox"/>		
<i>3. Community Health, Safety and Working Conditions</i>		<input checked="" type="checkbox"/>	Low risk project	
<i>4. Cultural Heritage</i>		<input type="checkbox"/>		
<i>5. Displacement and Resettlement</i>		<input type="checkbox"/>		
<i>6. Indigenous Peoples</i>		<input type="checkbox"/>		

	<b>7. Pollution Prevention and Resource Efficiency</b>	<input type="checkbox"/>	
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Final Sign Off

Signature	Date	Description
QA Assessor	31.01.2018	Amra Zorlak, UNDP Monitoring and Evaluation Analyst
QA Approver	n/a	TBD
LPAC Chair	31.01.2018	Adela Pozder-Čengić

Risk Analysis

<b>Project Title:</b> Via Dinarica – second phase	<b>Award ID:</b> 00107283	<b>Date:</b> 05/10/2018
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#	Description	Date Identified	Type	Impact & Probability	Countermeasures / Mngt response	Owner	Submitted, updated by	Last Update	Status
1	Unconsolidated state and political stalemate Party-political power relation is an obstacle, both to envisaged decentralisation agenda and to the broader democratic transformation of local governments.	05/10/2018	Political	Delays or inability to introduce regulatory and performance improvement changes P = High to medium (4) I = Medium (3)	The Project will work with politicians at all government levels, including both legislative and executive branches, to raise their understanding and strengthen the quality of decision-making. Ensuring transparent and participatory processes is another angle from which to mitigate the risk.	PM			
2	Reluctance of municipalities to introduce transparent, effective and measurable operational frameworks These frameworks would allow for thorough assessment of their performance. Local governments generally attempt to preserve social peace and higher employment rate.	05/10/2018	Strategic	Obstacles to any fundamental reform of DRR management P = Medium to low (2) I = Medium (3)	Mitigation measures include involving municipality leadership right from the outset and clearly defining benefits from the proposed activities.	PM			

#	Description	Date Identified	Type	Impact & Probability	Countermeasures / Mngt response	Owner	Submitted, updated by	Last Update	Status
3	Force Majeure (e.g. disasters) impacts the Project The 2014 floods demonstrated that in the event of disaster, local financial, administrative and human resources tend to be fully engaged in recovery efforts, putting development investments and activities on hold.	05/10/2018	Environmental	Delays in the implementation  P = Low (1) I = High (4)	The Project will have a flexible approach, including reprogramming of activities to respond to the emerging needs.	PM			

## Social and Environmental Risk Screening Checklist

<b>Checklist Potential Social and Environmental Risks</b>		<b>Answer (Yes/No)</b>
<b>Principles 1: Human Rights</b>		
1.	Could the Project lead to adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups?	No
2.	Is there a likelihood that the Project would have inequitable or discriminatory adverse impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups?	No
3.	Could the Project potentially restrict availability, quality of and access to resources or basic services, in particular to marginalized individuals or groups?	No
4.	Is there a likelihood that the Project would exclude any potentially affected stakeholders, in particular marginalized groups, from fully participating in decisions that may affect them?	Yes
5.	Is there a risk that duty-bearers do not have the capacity to meet their obligations in the Project?	Yes
6.	Is there a risk that rights-holders do not have the capacity to claim their rights?	No
7.	Have local communities or individuals, given the opportunity, raised human rights concerns regarding the Project during the stakeholder engagement process?	No
8.	Is there a risk that the Project would exacerbate conflicts among and/or the risk of violence to project-affected communities and individuals?	No
<b>Principle 2: Gender Equality and Women's Empowerment</b>		
1.	Is there a likelihood that the proposed Project would have adverse impacts on gender equality and/or the situation of women and girls?	No
2.	Would the Project potentially reproduce discriminations against women based on gender, especially regarding participation in design and implementation or access to opportunities and benefits?	No
3.	Have women's groups/leaders raised gender equality concerns regarding the Project during the stakeholder engagement process and has this been included in the overall Project proposal and in the risk assessment?	No
4.	Would the Project potentially limit women's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services? <i>For example, activities that could lead to natural resources degradation or depletion in communities who depend on these resources for their livelihoods and well being</i>	No
<b>Principle 3: Environmental Sustainability:</b> Screening questions regarding environmental risks are encompassed by the specific Standard-related questions below		
<b>Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management</b>		
1.1	Would the Project potentially cause adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services?	No
1.2	Are any Project activities proposed within or adjacent to critical habitats and/or environmentally sensitive areas, including legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities?	Yes
1.3	Does the Project involve changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? (Note: if restrictions and/or limitations of access to lands would apply, refer to Standard 5)	No
1.4	Would Project activities pose risks to endangered species?	No
1.5	Would the Project pose a risk of introducing invasive alien species?	No
1.6	Does the Project involve harvesting of natural forests, plantation development, or reforestation?	No
1.7	Does the Project involve the production and/or harvesting of fish populations or other aquatic species?	No
1.8	Does the Project involve significant extraction, diversion or containment of surface or ground water? <i>For example, construction of dams, reservoirs, river basin developments, groundwater extraction</i>	No

1.9	Does the Project involve utilization of genetic resources? (e.g. collection and/or harvesting, commercial development)	No
1.10	Would the Project generate potential adverse transboundary or global environmental concerns?	No
1.11	Would the Project result in secondary or consequential development activities which could lead to adverse social and environmental effects, or would it generate cumulative impacts with other known existing or planned activities in the area? <i>For example, a new road through forested lands will generate direct environmental and social impacts (e.g. felling of trees, earthworks, potential relocation of inhabitants). The new road may also facilitate encroachment on lands by illegal settlers or generate unplanned commercial development along the route, potentially in sensitive areas. These are indirect, secondary, or induced impacts that need to be considered. Also, if similar developments in the same forested area are planned, then cumulative impacts of multiple activities (even if not part of the same Project) need to be considered.</i>	No
<b>Standard 2: Climate Change Mitigation and Adaptation</b>		
2.1	Will the proposed Project result in significant greenhouse gas emissions or may exacerbate climate change?	No
2.2	Would the potential outcomes of the Project be sensitive or vulnerable to potential impacts of climate change?	No
2.3	Is the proposed Project likely to directly or indirectly increase social and environmental vulnerability to climate change now or in the future (also known as maladaptive practices)? <i>For example, changes to land use planning may encourage further development of floodplains, potentially increasing the population's vulnerability to climate change, specifically flooding</i>	No
<b>Standard 3: Community Health, Safety and Working Conditions</b>		No
3.1	Would elements of Project construction, operation, or decommissioning pose potential safety risks to local communities?	No
3.2	Would the Project pose potential risks to community health and safety due to the transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?	No
3.3	Does the Project involve large-scale infrastructure development (e.g. dams, roads, buildings)?	No
3.4	Would failure of structural elements of the Project pose risks to communities? (e.g. collapse of buildings or infrastructure)	No
3.5	Would the proposed Project be susceptible to or lead to increased vulnerability to earthquakes, subsidence, landslides, erosion, flooding or extreme climatic conditions?	No
3.6	Would the Project result in potential increased health risks (e.g. from water-borne or other vector-borne diseases or communicable infections such as HIV/AIDS)?	No
3.7	Does the Project pose potential risks and vulnerabilities related to occupational health and safety due to physical, chemical, biological, and radiological hazards during Project construction, operation, or decommissioning?	No
3.8	Does the Project involve support for employment or livelihoods that may fail to comply with national and international labour standards (i.e. principles and standards of ILO fundamental conventions)?	No
3.9	Does the Project engage security personnel that may pose a potential risk to health and safety of communities and/or individuals (e.g. due to a lack of adequate training or accountability)?	Yes
<b>Standard 4: Cultural Heritage</b>		No
4.1	Will the proposed Project result in interventions that would potentially adversely impact sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: Projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	No



4.2	Does the Project propose utilizing tangible and/or intangible forms of cultural heritage for commercial or other purposes?	No
<b>Standard 5: Displacement and Resettlement</b>		No
5.1	Would the Project potentially involve temporary or permanent and full or partial physical displacement?	No
5.2	Would the Project possibly result in economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	No
5.3	Is there a risk that the Project would lead to forced evictions?	No
5.4	Would the proposed Project possibly affect land tenure arrangements and/or community-based property rights/customary rights to land, territories and/or resources?	No
<b>Standard 6: Indigenous Peoples</b>		No
6.1	Are indigenous peoples present in the Project area (including Project area of influence)?	No
6.2	Is it likely that the Project or portions of the Project will be located on lands and territories claimed by indigenous peoples?	No
6.3	Would the proposed Project potentially affect the human rights, lands, natural resources, territories, and traditional livelihoods of indigenous peoples (regardless of whether indigenous peoples possess the legal titles to such areas, whether the Project is located within or outside of the lands and territories inhabited by the affected peoples, or whether the indigenous peoples are recognized as indigenous peoples by the country in question)? <i>If the answer to the screening question 6.3 is “yes” the potential risk impacts are considered potentially severe and/or critical and the Project would be categorized as either Moderate or High Risk.</i>	No
6.4	Has there been an absence of culturally appropriate consultations carried out with the objective of achieving FPIC on matters that may affect the rights and interests, lands, resources, territories and traditional livelihoods of the indigenous peoples concerned?	No
6.5	Does the proposed Project involve the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	No
6.6	Is there a potential for forced eviction or the whole or partial physical or economic displacement of indigenous peoples, including through access restrictions to lands, territories, and resources?	No
6.7	Would the Project adversely affect the development priorities of indigenous peoples as defined by them?	No
6.8	Would the Project potentially affect the physical and cultural survival of indigenous peoples?	No
6.9	Would the Project potentially affect the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices?	No
<b>Standard 7: Pollution Prevention and Resource Efficiency</b>		No
7.1	Would the Project potentially result in the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	No
7.2	Would the proposed Project potentially result in the generation of waste (both hazardous and non-hazardous)?	No
7.3	Will the proposed Project potentially involve the manufacture, trade, release, and/or use of hazardous chemicals and/or materials? Does the Project propose use of chemicals or materials subject to international bans or phase-outs? <i>For example, DDT, PCBs and other chemicals listed in international conventions such as the Stockholm Conventions on Persistent Organic Pollutants or the Montreal Protocol</i>	No
7.4	Will the proposed Project involve the application of pesticides that may have a negative effect on the environment or human health?	No
7.5	Does the Project include activities that require significant consumption of raw materials, energy, and/or water?	No

**ANNEX IX: LETTERS OF SUPPORT FROM MAIN INSTITUTIONAL PARTNERS**

**Letter of support by the Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina (original and unofficial English translation)**

**BOSNA I HERCEGOVINA  
MINISTARSTVO VANJSKE  
TRGOVINE I EKONOMSKIH ODNOSA**



**БОСНА И ХЕРЦЕГОВИНА  
МИНИСТАРСТВО СПОЉНЕ ТРГОВИНЕ  
И ЕКОНОМСКИХ ОДНОСА**

**BOSNIA AND HERZEGOVINA  
MINISTRY OF FOREIGN TRADE AND  
ECONOMIC RELATIONS**

Broj: 10-2- *22-404* /18  
Sarajevo, 25.01.2018. godine

**Razvojni program Ujedinjenih nacija u Bosni i Hercegovini  
n/r gđe Sezin Sizanoglu, rezidentne koordinatorice UN-a i rezidentne predstavnice  
UNDP-a u BiH**

**Predmet: Pismo podrške**

Poštovani,

Projekat Via Dinarica platforma za održivi razvoj turizma i lokalni ekonomski rast (Via Dinarica) započeo je implementaciju 2014. godine i trajao je do 2017. godine, a finansirali su ga Agencija Sjedinjenih američkih država za međunarodni razvoj u Bosni i Hercegovini i Razvojni program Ujedinjenih nacija u Bosni i Hercegovini, u ukupnom iznosu od 1.600.000 američkih dolara. Cilj projekta je da doprinese smanjenju ekonomskih, socijalnih i regionalnih nejednakosti u Bosni i Hercegovini kroz razvoj Via Dinarice kao regionalne turističke destinacije i povećanje konkurentnosti u oblasti turizma u prirodi.

Ministarstvo spoljne trgovine i ekonomskih odnosa Bosne i Hercegovine je od samog početka projekta bilo uključeno u rad projektnog odbora, te je aktivnim učešćem svojih predstavnika, kako u radu odbora, tako i u pojedinim aktivnostima na terenu, doprinijelo ostvarivanju ciljeva projekta.

Ovim dopisom želim izraziti zadovoljstvo Ministarstva implementacijom projekta Via Dinarica, te naglasiti pozitivan učinak koji ovaj projekat ima na razvoj turizma u Bosni i Hercegovini i široj regiji koju obuhvata područje Dinarida.

Smatramo da se radi o projektu koji višestruko doprinosi ekonomskom razvoju i zapošljavanju stanovništva ruralnih predjela Bosne i Hercegovine, ne samo kroz intervencije na terenu, već i kroz promociju turizma, a samim tim i države, te aktivnog, zdravog života u prirodi i sa prirodom, vodeći računa o njenoj zaštiti. Posebno je važno istaći da su povratne informacije koje dobijamo od projektnih korisnika više nego pozitivne, a da relevantni potencijalni korisnici iskazuju veliki interes za uključivanje u inicijativu Via Dinarica.

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Zbog svega gore navedenog, Ministarstvo spoljnje trgovine i ekonomskih odnosa Bosne i Hercegovine pozdravlja i spremno je na isti način kao i do sada podržati nastavak i proširenje projekta, odnosno implementaciju njegove naredne faze. U tom smislu, pozivamo i ostale aktere i donatore da prepoznaju potencijal inicijative Via Dinarica i nadamo se da će, u što skorije vrijeme, UNDP nastaviti sa implementacijom sljedeće faze projekta, jer smatramo da sveobuhvatni projekti, kao što je Via Dinarica, daju dodatni doprinos kako daljnjem razvoju turizma, tako i cjelokupnom razvoju Bosne i Hercegovine.

S poštovanjem,

MINISTAR

Mirko Šarović

**Ref. No.: 10-2-28-404/18**

**Sarajevo, 25/01/2018**

**United Nations Development Programme in Bosnia and Herzegovina**

**To: Ms. Sezin Sinanoglu, UN Resident Coordinator and UNDP Resident Representative in BiH**

**Subject: Letter of Support**

Dears,

Implementation of the project Via Dinarica – A platform for Sustainable Tourism Development and Local Economic Growth (Via Dinarica) commenced with its implementation in 2014 and lasted until 2017 and was financed by the United States Agency for International Development and United Nations Development Programme in Bosnia and Herzegovina with the amount of 1.600.000 US dollars. The goal of the project is to contribute to the reduction of economic, social and regional disparities in Bosnia and Herzegovina through development of Via Dinarica as a regional tourism destination and to the increase of competitiveness in the nature-based tourism.

The Ministry of Foreign Trade and Economic Relations in Bosnia and Herzegovina has been, from the very beginning, a member of the Project Board, and has, through its' active participation in the work of the Project Board, and in some of the field activities, contributed to the fulfillment of the project's objectives.

With this Letter I wish to express the satisfaction of the Ministry with the implementation of the Via Dinarica Project and emphasize the positive effect this Project has on the tourism development in Bosnia and Herzegovina and the wider region the area of Dinarides encompasses.

We believe that this Project in many ways contributes to the economic development and employment of the population living in the rural areas of Bosnia and Herzegovina, not only through interventions in the field, but also through promotion of tourism, which contributes to the promotion of the state and active, healthy life in nature and with nature, taking care of its protection. It is particularly important to underline that the feedback that we are receiving from the Project's beneficiaries is more than positive, and that the relevant potential beneficiaries are expressing great interest in getting involved in the Via Dinarica initiative.

Having in mind all the above stated, Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina appreciates and is ready to continue supporting in the same manner, as it has up to now, the continuation and the expansion of the Project, that is the implementation of its next phase. In relation to that, we call upon other actors and donors to recognize the potential of the Via Dinarica initiative and we hope that UNDP will, as soon as possible, continue with the implementation of the next Project's phase, because we consider that comprehensive projects, as Via Dinarica is, further contribute to both tourism development and overall development Bosnia and Herzegovina.

Respectfully,

MINISTER

Mirko Šarović

(stamp and signature)

**Letter of support by the Ministry of Environment and Tourism of the Entity of Federation of Bosnia and Herzegovina (original and unofficial English translation)**

Bosna i Hercegovina  
Federacija Bosne i Hercegovine  
FEDERALNO MINISTARSTVO  
OKOLIŠA I TURIZMA

Bosnia and Herzegovina  
Federation of Bosnia and Herzegovina  
FEDERAL MINISTRY OF  
ENVIRONMENT AND TOURISM

Broj: 06-22-76/18  
Sarajevo, 25.1.2018.godine

**n/r Gđa. Sezin Sinanoglu**  
**Rezidenta koordinatorica UN-a i rezidentna predstavница UNDP-a u Bosni i Hercegovini**

Poštovana,

U posljednjih dvadeset godina turizam je postao važan faktor u ekonomiji mnogih zemalja, pa tako i Bosne i Hercegovine. Turizam je jako bitan u postizanju održivog razvoja. U našoj državi turizam predstavlja 5% bruto društvenog proizvoda (BDP).

Via Dinarica je najbolji primjer kako se putem projekta kojim se podržava turizam može pozitivno utjecati na razvoj ekonomije. Via Dinarica je projekat u okviru kojeg se koriste domaći resursi, zapošljava lokalno stanovništvo, ostvaruju prihodi, poštuje i uvažava kulturna raznolikost, i istovremeno štiti priroda.

U proteklih nekoliko godina, zahvaljujući projektu Via Dinarica, ova regija je postala regionalna turistička destinacija, koja nudi planinarenje svjetskog ranga, biciklizam, skijanje, ribolov, rafting, kao i pregršt mogućnosti za upoznavanje sa tradicionalnim načinom života, kulturom i gastronomijom.

Via Dinarica postaje regionalni brend te se tako povećava konkurentnost regije u granama turizma sa najvećom stopom rasta, kao što su sporsko-avanturistički, rekreacijski, ruralni, eko-turizam i općenito turizam u prirodi. Ovaj projekat omogućava da se ljepote Bosne i Hercegovine nađu na naslovnica prestižnih magazina poput *National Geography*, *Lonely Planet*, *Independent*, itd.

Posebno je značajno istaći da projekat Via Dinarica osigurava prihode lokalnoj zajednici i lokalnom stanovništvu, i stvara uslove za zadržavanje ljudi u manjim, ruralnim i planinskim sredinama, pružajući im mogućnost ostvarenja prihoda na svome ognjištu. Lokalno stanovništvo upoznaje posjetitelje sa svojim načinom života, nudeći usluge smještaja i tradicionalne hrane, prodajući suvenire karakteristične za to područje, te na taj način obezbjeđuju prihode neophodne za život.

Obzirom na pozitivne rezultate koje je polučio projekat, a i kako bismo pojačali njegove efekte, Vlada Federacije Bosne i Hercegovine je 2016. i 2017. godine finansijski podržala Via Dinariku u ukupnom iznosu od 300.000 konvertibilnih maraka, kao projekat od posebnog značaja za razvoj i promociju Federacije Bosne i Hercegovine.

Federalno ministarstvo okoliša i turizma preporučuje nastavak Via Dinarica projekta i nastavit će podržavati njegove aktivnosti, jer je Via Dinarica inicijativa vrlo važna za Bosnu i Hercegovinu, kao i za cijelu regiju Balkana, s obzirom da stavlja u funkciju razvoja mnogostruke potencijale kojima ova zemlja i ova regija raspolažu.

S poštovanjem,

  
MINISTRIČA  
Edita Đapo

Ul. Marka Marulića br.2, 71 000 Sarajevo, telefon 00 387 33 726 700, telefax 00 387 33 726 747,  
e-mail: [fmoits@bih.net.ba](mailto:fmoits@bih.net.ba), [www.fmoit.gov.ba](http://www.fmoit.gov.ba)

UNOFFICIAL TRANSLATION

Sarajevo, 25<sup>th</sup> January 2018

On behalf of Ms. Sezin Sinanoglu  
UN Resident Coordinator/  
UNDP Resident Representative in Bosnia and Herzegovina

During the last twenty years, the tourism has become an important factor in the economy of many countries, and so in Bosnia and Herzegovina as well. Tourism is very important in achieving sustainable development. In our country, tourism represents 5% of the Gross domestic product (GDP).

Via Dinarica is the best example how to influence economy development through a tourism supporting' project. Via Dinarica is a project within which domestic resources are being utilized, local population employed, income gained, and cultural diversity, while protecting nature at the same time, respected.

In the past several years, this region has, thanks to Via Dinarica, become a regional tourism destination, offering world-class hiking, cycling, skiing, fishing, rafting as well as a plethora of possibilities for familiarization with the traditional way of life, culture and gastronomy.

Via Dinarica is becoming a regional brand and so increasing the competitiveness of the region in the tourism branches with the highest growth rate, such as sports-adventure, recreational, eco and nature-based tourism in general. This project enables the beauties of Bosnia and Herzegovina to be found on the covers of prestigious magazines such as *National Geography*, *Lonely Planet*, *Independent*, etc.

It is especially important to point out that the Via Dinarica Project ensures revenue to the local population, and creates conditions for retention of people in smaller, rural and mountainous areas, offering them a possibility of income generation on their doorstep. Local population introduces the visitors to their way of life, offering the services of accommodation and traditional food, selling souvenirs characteristic for that area, thus securing revenues necessary for living.

Considering the positive results the project has yielded, and to strengthen its effects, the Government of the Federation of Bosnia and Herzegovina has, in 2016 and 2017, financially supported Via Dinarica in the total amount of 300,000 KM, as a project of special importance for development and promotion of the Federation of Bosnia and Herzegovina.

The Ministry of Environment and Tourism of the Federation of Bosnia and Herzegovina recommends the continuation of the Via Dinarica Project and it will continue to support its activities because the Via Dinarica initiative is very important for Bosnia and Herzegovina, as well as for the entire Balkans' region, as it puts multiple potentials this country and the region have, into function of development.

Yours sincerely,

  
Edita Dapp  
Minister

Letter of support by the Ministry of Trade and Tourism of the Entity of Republika Srpska (original and unofficial English translation)



РЕПУБЛИКА СРПСКА  
МИНИСТАРСТВО ТРГОВИНЕ И ТУРИЗМА

Трг Републике Српске 1, Бања Лука; тел:051/338-769, факс:051/338-864;  
E-mail: mtt@mtt.vladars.net

Број: 14-052-66018  
Датум: 30.01.2018. год.

УНДП  
Змаја од Босне  
71 000 Сарајево

За: гђу. Sezin Sinanoglu  
Резидентна координаторица УН-а/  
Резидентна представница UNDP-а у Босни и Херцеговини

**ПРЕДМЕТ:** Писмо подршке, даје се

Виа Динарика је за нас значајан пројекат јер доприноси развоју туризма у Републици Српској, као и у цијелој Босни и Херцеговини и региону западног Балкана. На основу наших природних претпоставки, кроз овај пројекат развили смо туризам и у руралним подручјима која до сада нису била довољно туристички посјеђена нити развијена.

Са економског аспекта, овај пројекат има огроман значај јер Виа Динарика доприноси запошљавању становника, повећању смјештајних капацитета и повећању туристичких услуга у Републици Српској и Босни и Херцеговини.

Циљ прве фазе пројекта је остварен, што значи да смо добили нову туристичку понуду у авантуристичком туризму, у виду планинарских, бициклических и пјешачких стаза, спортова на води и других туристичко-рекреативних активности. Драго нам је да смо, као члан пројектног одбора допринијели испуњењу пројектних резултата.

Виа Динарика је данас међународна стаза, која је рај за љубитеље природе и нуди широк спектар авантуристичких и културних активности, од планинарења и бициклизма, преко мушичарења и рафтинга, до истраживања традиције и гастрономске понуде. Стога је веома битно

да се овај пројекат реализовао у овом региону. Међутим, пред нама је још пуно посла да бисмо искористили потпуни економски потенцијал динарског подручја, те је неопходна сљедећа фаза пројекта како бисмо то и остварили.

Потребно је боље искористити могућности руралног развоја кроз интегрисање квалитетних традиционалних производа, услуга и разноврсних културних искустава у туристичку понуду на подручју Републике Српске, Босне и Херцеговине и регије Западног Балкана.

Посебно је значајно побољшати конкурентност пружалаца услуга у сеоском туризму, малих пољопривредника и сточара, а интегрисањем њихове понуде у туристичке пакете постигле би се економске користи и побољшао животни стандард локалног становништва.

Динарско подручје познато је по богатству природних ресурса и биолошкој разноликости. Морамо пронаћи начине да, кроз међусобну сарадњу, вреднујемо и искористимо аутохтоне вриједности, ресурсе и производе да бисмо проширили постојећу туристичку понуду која укључује културне, традиционалне, гастрономске производе. Виа Динарика је шанса за читаву регију да се развије као познати и признати бренд, а за поједине земље да, користећи сопствене ресурсе, остваре економску корист.

Идеја водиља је стварање више прилика за стицање прихода и омогућавање додане вриједности која осигурава бољу квалитету живота локалног становништва.

Надамо се да ћемо наставити сарадњу са UNDP-ом на имплементацији пројекта Виа Динарика, јер смо увјерени да на тај начин можемо допринијети интегрисаном локалном развоју кроз сарадњу с локалним заједницама и локалним властима како би се Виа Динарика искористила као могућности локалног и регионалног развоја. Вјерујемо да ће донатори препознати вриједност и могућности Виа Динарике, те да ће подржати UNDP како би се обезбиједио наставак ове иницијативе и мултипликација њених ефеката и резултата у Босни и Херцеговини, али и цијелом региону западног Балкана.

С поштовањем,

Достављено:

1. Наслову
2. Евиденцији
3. а/а





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**REPUBLIKA SRPSKA**  
**MINISTRY OF TRADE AND TOURISM**  
Trg Republike Srpske 1, Banja Luka; Tel: 051/338-769, Fax: 051/338-864;  
E-mail: mtt@mtt.vladars.net

Number: 14-052-660/2018

Date: 01/30/2018

**UNDP, Zmaja od Bosne, 71000 Sarajevo**

**To: Ms. Sezin Sinanoglu, UN Resident Coordinator/ UNDP Resident Representative**

**Subject: Letter of Support**

Via Dinarica is an important project for us as it contributes to tourism development in Republika Srpska, as well as in the entire Bosnia and Herzegovina and the Western Balkans region. Based on our natural predispositions, we have, through this project, developed tourism also in rural areas, which have not been sufficiently developed or visited by tourists up until now. From an economic point of view, this project has an enormous significance because Via Dinarica contributes to the population's employment, increase of accommodation capacities and growth of tourism services in Republika Srpska and Bosnia and Herzegovina.

The objective of the first phase of the project has been achieved, meaning we have gained a new tourism offer in adventure tourism, consisting of hiking, biking and walking trails, water sports and other touristic-recreational activities. We are glad that we have, as a member of the project board, contributed to the fulfillment of project results.

Today, Via Dinarica is an international trail, a paradise for nature lovers offering a wide spectrum of adventure and cultural activities, from hiking and biking, through fly-fishing and rafting, to exploring traditions and gastronomic offer. It is therefore very important that this project was implemented in this region. However, there is a lot of work ahead of us to utilize full economic potential of the Dinaric area and the next phase of the project is needed to achieve that.

It is necessary to better use the possibilities of the rural development through the integration of quality traditional products, services and various cultural experiences into the touristic offer in Republika Srpska, Bosnia and Herzegovina and the Western Balkans region.

It is especially important to significantly improve the competitiveness of service providers in rural tourism, small farmers and cattle breeders, while integration of their offer into tourism packages would result in economic benefits and improvement of living standard of local population.

The Dinaric area is known by its richness in natural resources and biological diversity. We must find ways to, through cooperation, valorize and utilize indigenous values, resources and products to widen the existing tourism offer that includes cultural, traditional, gastronomic products. Via Dinarica is a chance for the entire region to develop into a known and prominent brand and for certain countries an opening to gain an economic benefit using their own resources.

The guiding idea is creation of more opportunities for income generation and enabling an added value that ensures better quality of life of local population.

We hope to continue cooperation with UNDP on the implementation of Via Dinarica Project as we are convinced that in that way we can contribute to integrated local development through cooperation with local communities and local authorities so to use Via Dinarica as a possibility for local and regional development. We believe the donors will recognize the value and possibilities of Via Dinarica and support UNDP so to secure the continuation of this initiative and multiplication of its effects and results in Bosnia and Herzegovina, but also in the entire region of the Western Balkans.

Respectfully,

Predrag Gluhaković, PhD,  
MINISTER  
(signature)

Delivered to:

1. Addressee
2. Registry
3. Ad acta