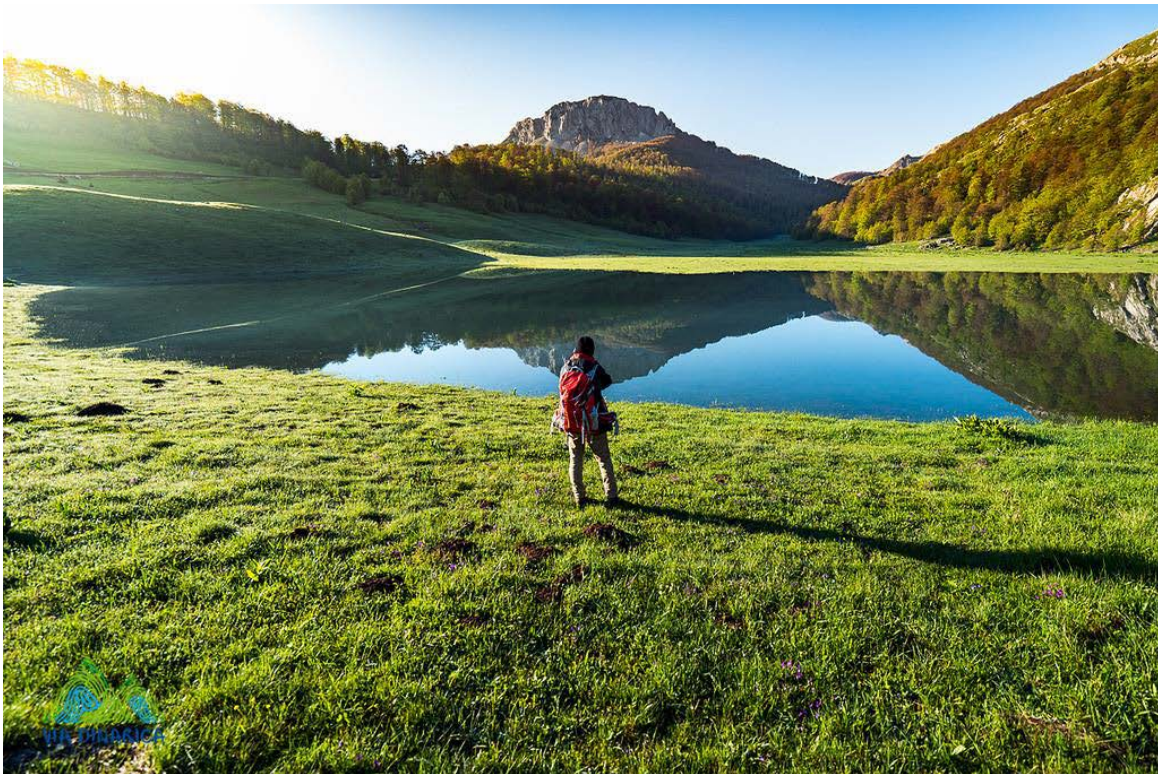


VIA DINARICA PROJECT: A PLATFORM FOR SUSTAINABLE TOURISM DEVELOPMENT AND LOCAL ECONOMIC GROWTH

Project Document



January 2018

Country: Bosnia and Herzegovina

Project Title: Via Dinarica: A Platform for Sustainable Tourism Development and Local Economic Growth, Phase II
Project Number: TBD
Implementing Partner: United Nations Development Programme (UNDP)
Start Date: 2018
End Date: 2020
LPAC Meeting date: 31.01.2018
Implementation modality: Direct Implementation Modality (DIM)

Brief Description

The second phase Via Dinarica 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 outcomes:

1. Via Dinarica further affirmed and sustained as a safe internationally recognized tourism brand,
2. Via Dinarica as a tourism platform offering economic development opportunities for local communities.

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 the 10 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: TBD

Total budget: EUR 1,287,149

Allocated resources:

- Government: EUR 50,000
- Other:
 - AICS: EUR 1,000,000
 - UNDP: EUR 237,149
- In kind contributions:

Unfunded budget:

For UNDP:

Name and function:

Signature:

Date:

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LIST OF ABBREVIATIONS

AICS	<i>L’Agenzia Italiana per la Cooperazione allo Sviluppo</i> – Italian Development Cooperation Agency
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
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

DEVELOPMENT CHALLENGE

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 people¹ has 13 constitutions, 14 legal systems (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 93rd 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, with authorities failing to provide the answers to the EU Questionnaire.

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, with only 46% realization so far. 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 2018². 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 86th, 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 81st 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.**³

1.2 Sector-specific analysis

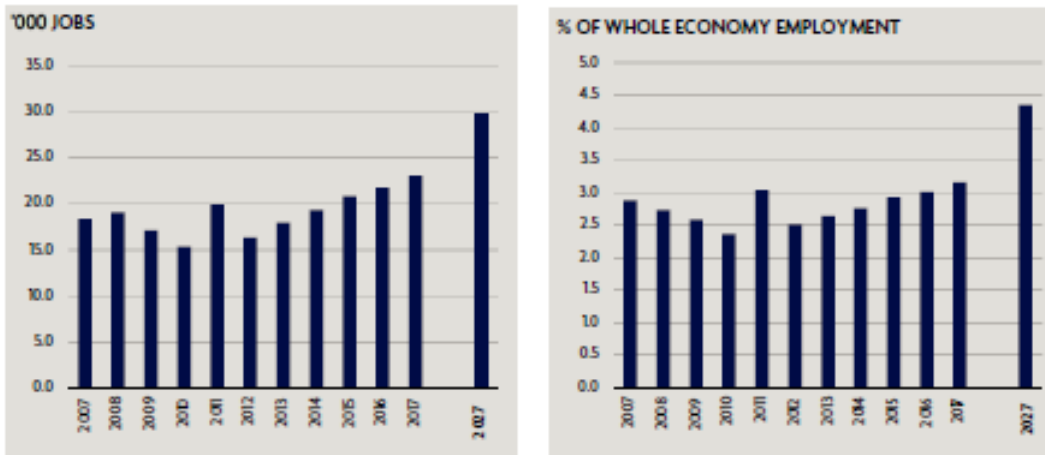
Tourism is one of the few economic sectors that do well and is undoubtedly one of the bright sides at the economic radar of Bosnia and Herzegovina. The country is sufficiently enigmatic for many international tourists, yet safe and reachable with short flights from major European destinations, at prices 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.

¹ 2013 Census results: <http://www.popis2013.ba/popis2013/doc/Popis2013prvvozdanje.pdf>.

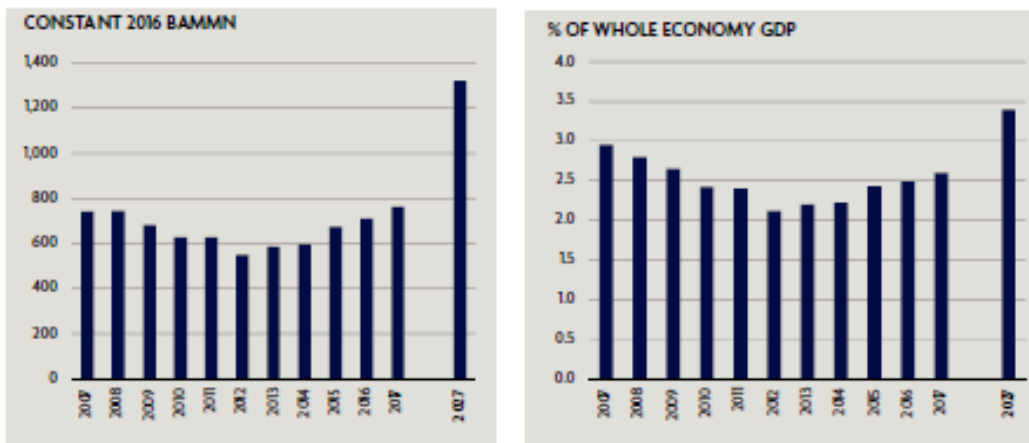
² World Bank, 2017, <http://www.worldbank.org/en/country/bosniaandherzegovina>.

³ 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 2017. The graphs below show the contribution of tourism to GDP in Bosnia and Herzegovina.



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.⁴

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 pre-determinants to tourism development.

⁴ Agency for Statistics, Bosnia and Herzegovina, tourism sector statistics, 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 and develop local communities and small businesses locally as well as globally. Its purpose is to connect the countries and communities of the Dinaric Alps by creating a unique and diversified tourist offer. 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 of 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 up 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;
- Zavala 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 – August 2017). Although focused on Bosnia and Herzegovina, the first Project phase enjoyed a broad base support from each country along the Via Dinarica,⁵ 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 [Outdooractive platform](#). By creating 30 new jobs 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 traction** 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 90,000⁶ 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

⁵ Albania, Bosnia and Herzegovina, Croatia, Kosovo, Montenegro, Serbia and Slovenia.

⁶ 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 ever-growing interest and expected increased number of tourists along the Via Dinarica trails in 2017 and beyond, 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.

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

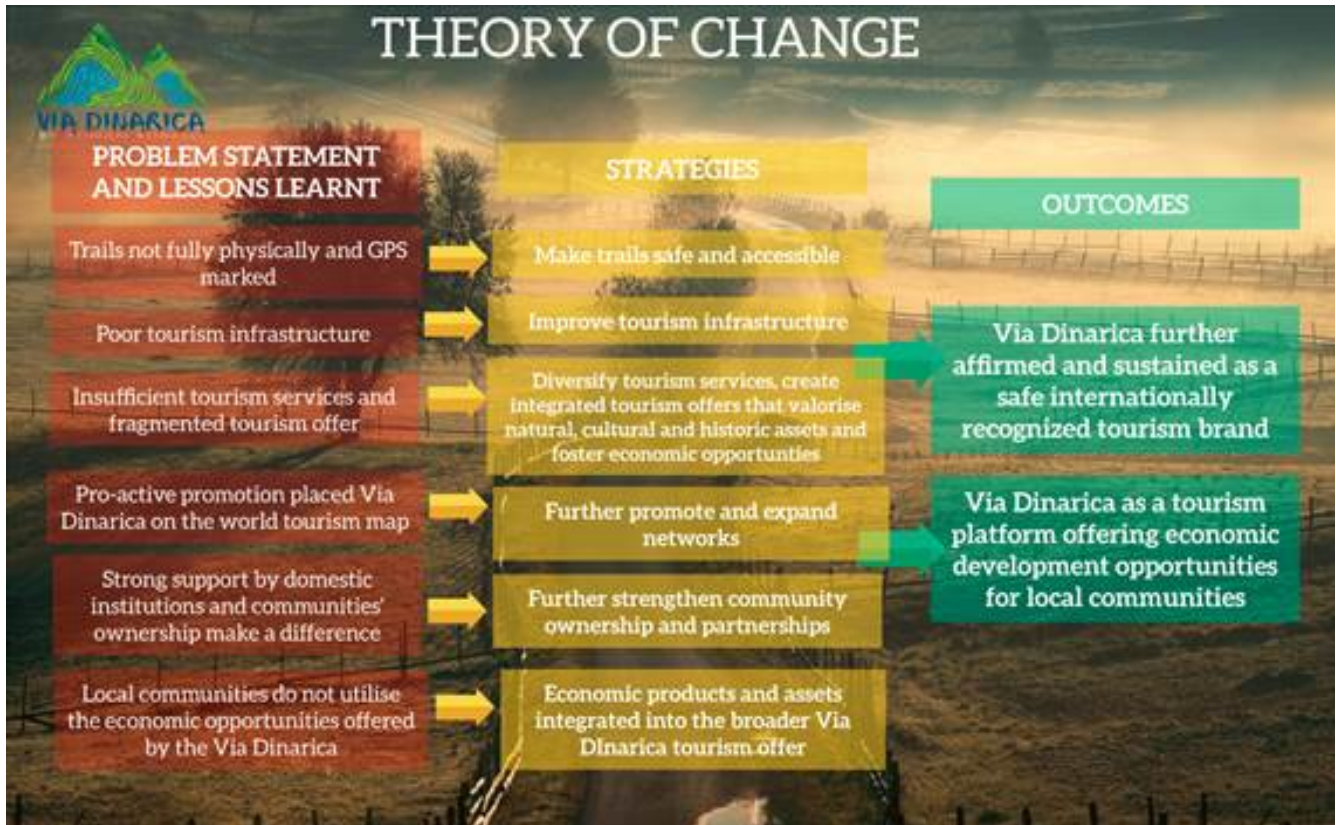
2. OBJECTIVES

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.

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 2008-2018⁷, and the Tourism Development Strategy of Republika Srpska 2010-2020⁸.

In addition, tourism is set as one of the priorities within the [Strategy Paper for Bosnia and Herzegovina \(2014-2017\)](#)⁹, 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**,¹⁰ including in terms of geographic focus, and its aims to contribute to economic development in Bosnia and Herzegovina.

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”.

⁷ The Strategy has not been formally adopted due to complex governance structure in that entity. However, 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.ruralexension.org/doc/Strategija%20razvoja%20turizma%20FBiH%202008-2018%20\(2008\).pdf](http://www.ruralexension.org/doc/Strategija%20razvoja%20turizma%20FBiH%202008-2018%20(2008).pdf).

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

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

¹⁰ Reference: http://www.esteri.it/mae/resource/doc/2017/03/doc_triennale_2016-2018_-_finale_approvato.pdf.

2.3 Hierarchy of objectives

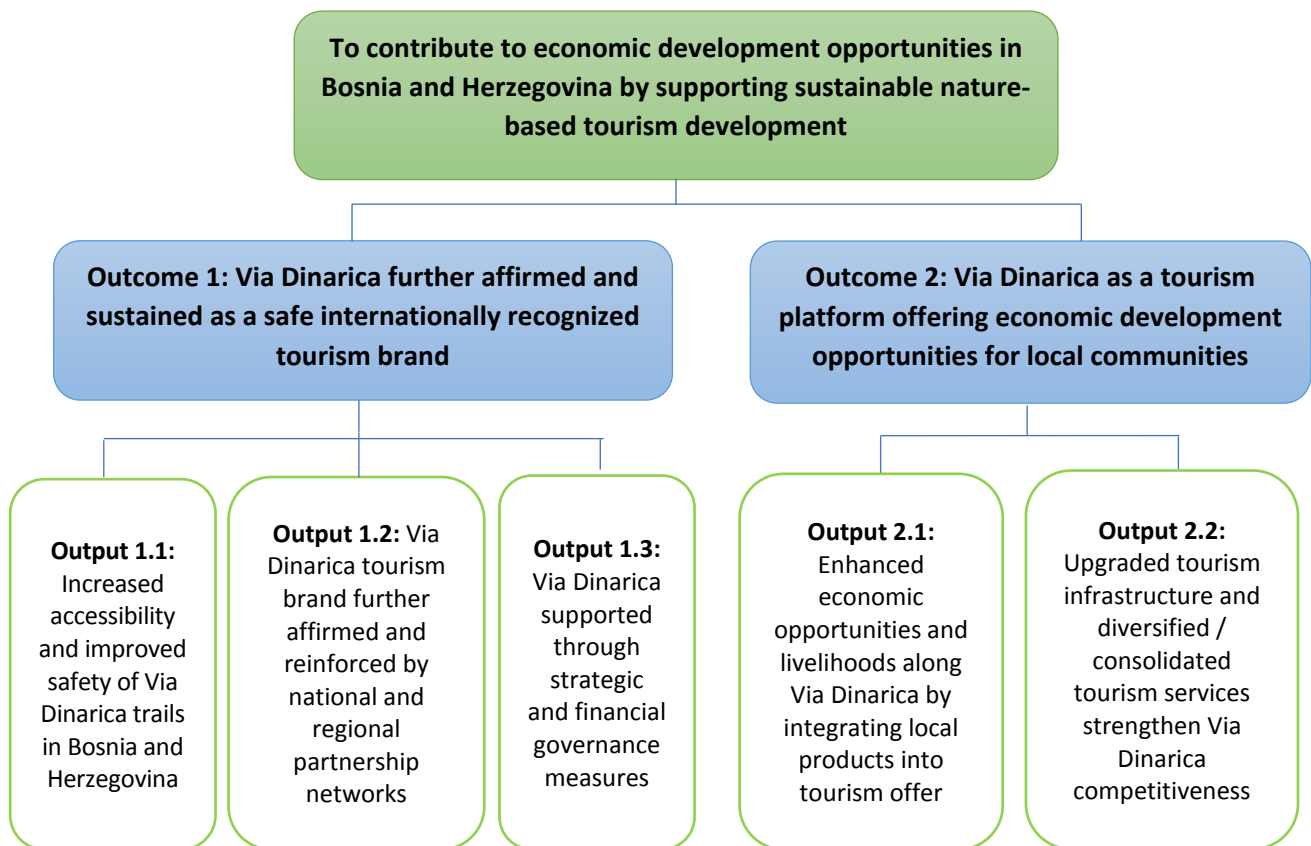
Building on previous achievements, the Project will seek to further economic development opportunities in Bosnia and Herzegovina by supporting sustainable nature-based tourism development. To this end, the Project intends to advance the Via Dinarica concept as a mechanism connecting cultural, historical, 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 outcomes:

Outcome 1: Via Dinarica further affirmed and sustained as a safe internationally recognized tourism brand,

Outcome 2: Via Dinarica as a tourism platform offering economic development opportunities for local communities.

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



RESULTS, APPROACH AND PARTNERSHIPS

3. DETAILED DESCRIPTION OF PROJECT OUTCOMES AND OUTPUTS

Outcome 1: Via Dinarica further affirmed and sustained as a safe and internationally recognized tourism brand

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 marked¹¹, in accordance with the National Mountaineering Association's standard and European Rambler's Association (ERA) general principles.¹² 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 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.



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

¹¹ The Project will use the harmonised Via Dinarica visibility trademark.

¹² 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.

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 Kosovo¹³, applying the methodology that has been used in previous Project phases in Bosnia and Herzegovina.¹⁴ 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. In addition, a regional one-day conference will be held, gathering all main regional Via Dinarica stakeholders, to discuss a joint vision forward.

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 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);

¹³ *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.

¹⁴ This methodology was created and implemented by the project partner organisation, Terra Dinarica.

- 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.



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.

Outcome 2: Via Dinarica as a tourism platform offering economic development opportunities for local communities



Under this Output, 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 domains¹⁵ 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:

- 2.1.1. 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;
- 2.1.2. Implement a grant scheme and technical assistance to integrate relevant local products, services and tourism assets into an economically viable Via Dinarica tourism offer.

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

Under this output, 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 output 2.1). 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.

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

¹⁵ Activities 2.1.2, 2.2.1, and 2.2.2.

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:

- 2.2.1. Design and implement a grant scheme for improvement of public tourism infrastructure and sites along Via Dinarica hotspots, in partnership with relevant authorities;
- 2.2.2. Support diversification and consolidation of tourism services along Via Dinarica trails (accommodation facilities, tourism offer, etc.);
- 2.2.3. Establish 3 strategic Via Dinarica information, promotion and service hubs;
- 2.2.4. 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 10 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.

Direct Project beneficiaries	
State and entity authorities	
No. of state and entity government staff	12
Local institutions	
No. of local governments	10
No. of local government staff engaged in Via Dinarica activities	30
No. of schools engaged in the Project	10
No. of school children engaged in the Project	450
Private sector	
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.	26
No. of women-owned businesses supported through the Project	7
No. of newly employed (part-time/seasonal)	25, at least 40% of women
Civil society organizations	
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)	20
National/nature parks/protected areas	
No. of national/nature parks/protected areas	3

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:

White Trail:	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
Blue Trail:	Čapljina, Neum, Ravno, Trebinje, Ljubuški, Grude, Stolac
Green Trail:	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 **10 local governments**, 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 contribution 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 Outdooractive web portal, presentation of Via Dinarica at 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 the AICS and the UNDP.

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.

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 2.5 years (30 months).

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.¹⁶

The Project structures will include the **Project Board** as a main steering mechanism and the **Project Team**.

The **Project Board** will be the decision-making authority, 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 Board will meet semi-annually, or as necessary when raised by the Project Manager.

Members of the Project Board will be senior 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, ACIS and UNDP. UNDP will serve as the secretariat to the Project Board, 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.

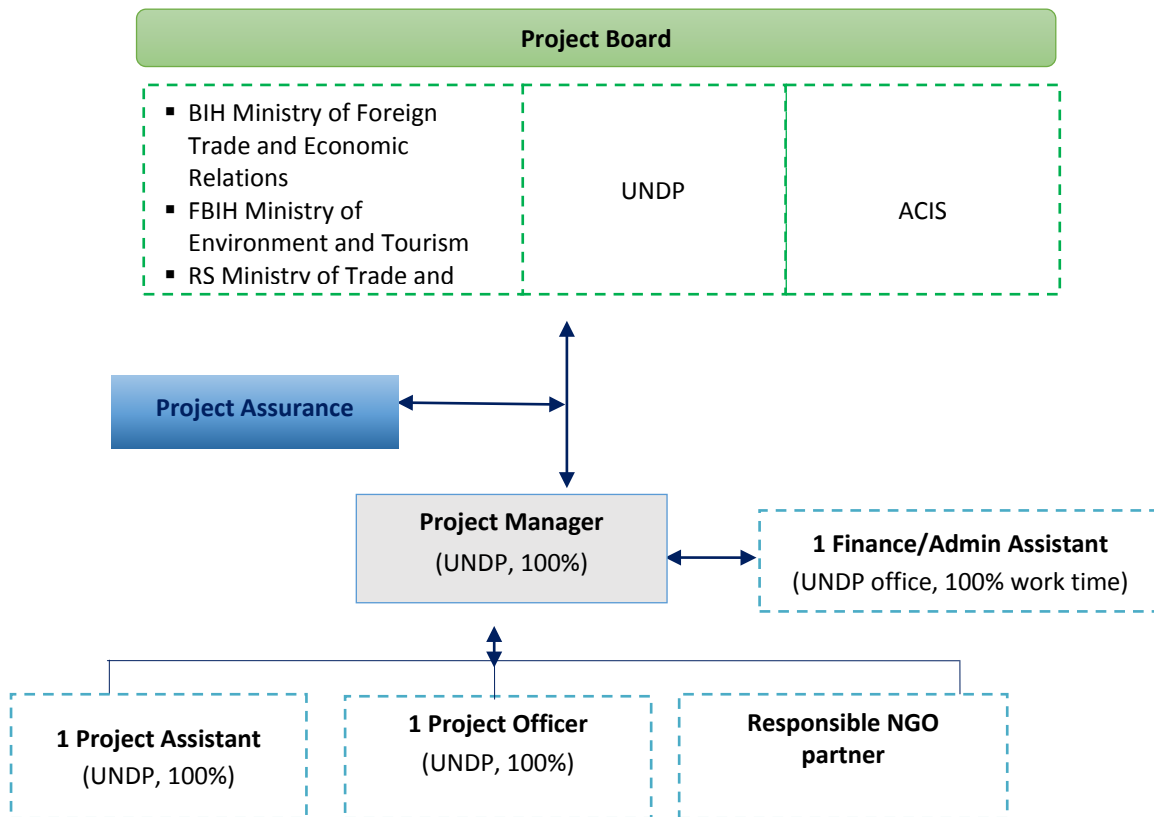
The Project will be implemented by the **Project Team**, including the Project Manager, Project Officer, and administrative support.

The **Project Manager** will run the project 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 assistance and support the Project Manager in conceptualisation and delivery of project activities. **An Admin/Finance**

¹⁶ 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; 1.2.2. 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).

Assistant will provide full-time administrative, logistics, financial, procurement, recruitment and data management support, while a **Project Assistant** will provide support to implementation of project activities.

It is foreseen that the project will deploy both national and/or international expertise in various fields as the need arises. 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.).



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 ACIS. 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 ACIS. Those reports will include:

- **Annual Narrative Progress Reports** submitted to the ACIS and the Project Board;
- **Annual Financial Report** submitted to the ACIS;
- **Final Project Narrative Report** submitted to the ACIS and the Project Board;
- **Final Project Financial Report** submitted to ACIS.

7. RESOURCES

7.1 Project budget

The total Project budget amounts to EUR 1,287,149 where the financial contribution by the ACIS amounts to EUR 1,000,000. UNDP, together with Project partners and beneficiaries, will ensure matching co-financing in the amount of EUR 287,149 (22.31% of the ACIS contribution).

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 has 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.

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.

LEGAL CONTEXT

9. LEGAL CONTEXT OR BASIS OF RELATIONSHIP

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.

This Project will contribute mainly to the UNDAF Focus Area 2: Sustainable and equitable development and employment, Outcome 4: by 2019, economic and social and territorial disparities between units of local self-governance are decreased through coordinated approach by national and subnational actors.

All activities of UNDP in Bosnia and Herzegovina are legally grounded in the Standard Basic Assistance Agreement between the Council of Ministers of Bosnia and Herzegovina and UNDP, signed on 07 December 1995.

10. ANNEXES

ANNEX I: LOGICAL FRAMEWORK

	Intervention logic	Indicators	Reference values (incl. reference year)	Targets (incl. reference year) ¹⁷	Sources and means of verification	Assumptions and risks
Overall objective	To contribute to economic development opportunities in BIH by supporting sustainable nature-based tourism development	Annual percent increase of employed in tourism industry	6% (Nov 2017) ¹⁸	6% (Nov 2020)	Official data by the BIH Agency for Statistics	
Outcomes	1. Via Dinarica further affirmed and sustained as a safe and internationally recognized tourism brand	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
		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)		
		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)		
	2. Via Dinarica as a tourism platform offering economic development opportunities for local communities	Number of people benefitting from jobs (part-time/seasonal) as result of Project assistance	30, 50% for women (2017)	55, at least 40% for women (2020)	Project reports, information/reports by beneficiaries	Stable national, regional and international markets (demand, supply, prices)

¹⁷ Target values include baseline and planned value by the reference year.

¹⁸ 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.

		Percent increase in sales of Via Dinarica Project beneficiaries (private sector)	5% (2017)	10% (2020)		
Outputs	1.1. Increased accessibility and improved safety of Via Dinarica trails in BIH	Number of km of Via Dinarica trails in BIH continuously maintained (annually)	Ca 700 km	Ca 700 km (2020)	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 Favourable weather conditions Continued commitment by voluntary mountaineering and rescue service organizations, as well as relevant local governments
		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)		
		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)		
		Number of voluntary rescue services organizations in BIH equipped and capacitated as a result of Project assistance	0 (2017)	4 (2020)		
	1.2. Via Dinarica tourism brand further affirmed and reinforced by national and regional partnership networks	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
		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)		
		Number of occasions globally recognized media feature Via Dinarica	10 (2017)	20 (2020)		

	Increase of viewers of the Via Dinarica official web page powered by Outdooractive platform	740,000 (2017)	900,000 (2020)		to participate in the Via Dinarica partnership network in BIH
	Number of school students in BIH aware of Via Dinarica	0 (2017)	450 students (2020)		
1.3. Via Dinarica supported through strategic and financial governance measures	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 Continuous political commitment and support to further expand and support to development and promotion of Via Dinarica
	Volume of higher government levels' public financing programmed to support Via Dinarica development	USD 60,000 (2017)	USD 250,000 (2020)		
2.1. Enhanced economic opportunities and livelihoods along Via Dinarica by integrating local products into tourism offer	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
	Number of producers and service providers benefiting from improved tourism development opportunities as a result of Project assistance	32 (2017)	58 (2020)		
2.2. Upgraded tourism infrastructure and diversified / consolidated tourism	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	Local authorities secure necessary administrative / construction permits

	services strengthen Via Dinarica competitiveness	Number of Via Dinarica hotspots with improved tourism infrastructure	0 (2017)	10 (2020)	tourism offer of national and regional tour operators, local governments records, beneficiary feedback	
		Number of Via Dinarica tourism packages offered by tour operators	4 (2017)	9 (2020)		
		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)		
Activities	1.1.1. Maintain Via Dinarica trails by engaging relevant mountaineering and other organizations, as well as local governments	INPUTS: Human resources (project team, consultancies, programmatic assurance) Grants for NGOs, local governments, private sector (tourism infrastructure and services, accommodation facilities) Outdoor Active Web Platform Equipment and supplies Events Travel Local office Indirect costs	FINANCIAL RESOURCES: AICS contribution: EUR 1,000,000 UNDP and partners' contribution: EUR 287,149 TOTAL: EUR 1,287,149 Output 1.1: EUR 118,655 Output 1.2: EUR 187,563 Output 1.3: EUR 106,597 Output 2.1: EUR 82,521 Output 2.2: EUR 410,032 Project management costs, incl. local office, vehicle maintenance, IT and General Management Services (GMS): EUR 381,781			
	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					
	1.2.1. Introduce and capacitate Via Dinarica Support Centre in BIH					
	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 BIH					
	1.2.6. Continue the process of Via Dinarica White Trail Leading Quality Certification with 2 more certification stages to be awarded by European Rambling Association					
	1.3.1. Provide technical support to relevant ministries to design and deliver public financial support schemes meant to further develop Via Dinarica in BIH					
	1.3.2. Provide technical support to relevant ministries related to statistics and analyses in the sector of tourism as per internationally recognized methodology and standards					

	<p>1.3.3. 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</p>		
	<p>2.1.1. 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</p>		
	<p>2.1.2. Implement a grant scheme and technical assistance to integrate relevant local products, services and tourism assets into an economically viable Via Dinarica tourism offer</p>		
	<p>2.2.1. Design and implement a grant scheme for improvement of public tourism infrastructure and sites along Via Dinarica hotspots, in partnership with relevant authorities</p>		
	<p>2.2.2. Support diversification and consolidation of tourism services along Via Dinarica trails (accommodation facilities, tourism offer, etc.)</p>		
	<p>2.2.3. Establish 3 strategic Via Dinarica information, promotion and service hubs</p>		
	<p>2.2.4. Deliver capacity development support to Via Dinarica accommodation and tourism service providers</p>		

ANNEX II: PROJECT BUDGET

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

RESULTS	AICS Y 1	AICS Y 2	AICS Y 3	AICS €	UNDP €	TOTAL €
Output 1.1. Increased accessibility and improved safety of Via Dinarica trails in BIH	48,445	23,697	21,303	93,445	25,210	118,655
Activity 1.1.1. Maintain Via Dinarica trails, by engaging relevant mountaineering and other organizations, as well as local governments	13,235	17,647	4,412	35,294	25,210	60,504
Coordination and maintenance of trails by Terra Dinarica in partnership with mountaineering organisations	13,235	17,647	4,412	35,294	0	35,294
Maintenance of trails by partner local governments (LG)	0	0	0	0	25,210	25,210
Activity 1.1.2. GPS and physically mark Via Dinarica trails	4,538	6,050	2,017	12,605	0	12,605
Activity 1.1.3. Introduce safety measures along the trails	12,605	0	12,605	25,210	0	25,210
Activity 1.1.4. Increase capacities of rescue services	18,067	0	2,269	20,336	0	20,336
Provision of equipment	13,445	0	0	13,445	0	13,445
Technical assistance and training	3,361	0	0	3,361	0	3,361
Local transportation	1,261	0	2,269	3,529	0	3,529
Output 1.2. Via Dinarica tourism brand further affirmed and reinforced by national and regional partnership networks	46,681	74,538	66,345	187,563	0	187,563
Activity 1.2.1. Introduce and capacitate Via Dinarica Support Centre in BIH	4,202	8,403	4,202	16,807	0	16,807
Technical assistance and training	4,202	4,202	4,202	12,605	0	12,605
Provision of equipment for the Support Center	0	4,202	0	4,202	0	4,202
Activity 1.2.2. Ensure further stocktaking of Via Dinarica resources regionally (with focus on Albania and Kosovo)	8,403	12,605	4,202	25,210	0	25,210
Technical assistance for assessment of Via Dinarica trails in Kosovo	8,403	0	0	8,403	0	8,403
Technical assistance for assessment of Via Dinarica trails in Albania	0	8,403	0	8,403	0	8,403
Support to coordination and partnership in Albania and Kosovo	0	1,681	1,681	3,361	0	3,361
Travel costs to Albania and Kosovo	0	2,521	2,521	5,042	0	5,042
Activity 1.2.3. Further upgrade and expand Via Dinarica web platform (through technical assistance and specialized services), including Albania and Kosovo	7,353	14,706	7,353	29,412	0	29,412
Activity 1.2.4. Promote Via Dinarica at domestic, regional and international markets	10,084	16,807	15,126	42,017	0	42,017
Expert assistance to develop Via Dinarica presentation	8,403	0	0	8,403	0	8,403
Promotion of Via Dinarica at fairs	0	9,034	9,034	18,067	0	18,067
Travel costs to fairs	0	1,471	1,471	2,941	0	2,941
Awareness raising campaigns in schools	0	2,101	2,101	4,202	0	4,202
Expert support for communication and visibility	1,681	4,202	2,521	8,403	0	8,403
Activity 1.2.5. Expand Via Dinarica partnership networks in BIH	252	168	4,202	4,622	0	4,622
Via Dinarica Networking Conference	0	0	4,202	4,202	0	4,202
Network meetings	252	168	0	420	0	420
Activity 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	16,387	21,849	31,261	69,496	0	69,496
Technical Assistance	0	4,202	12,605	16,807	0	16,807
Project Assistant	16,387	16,387	16,387	49,160	0	49,160
Local transportation	0	1,261	2,269	3,529	0	3,529
Output 1.3. Via Dinarica supported through strategic and	36,471	33,235	24,286	93,992	12,605	106,597

financial governance measures						
Activity 1.3.1. Provide technical support to relevant ministries to design and deliver public financial support schemes meant to further develop Via Dinarica in BIH	29,109	24,067	9,513	62,689	12,605	75,294
Technical assistance (Governance Advisor)	0	5,042	0	5,042	12,605	17,647
Project Officer	19,025	19,025	9,513	47,563	0	47,563
Technical assistance	10,084	0	0	10,084	0	10,084
Activity 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	7,361	9,168	14,773	31,303	0	31,303
Technical assistance to local governments	2,101	3,782	0	5,882	0	5,882
Project Officer	4,756	4,756	14,269	23,782	0	23,782
Local transportation	504	630	504	1,639	0	1,639
Output 2.1. Enhanced economic opportunities and livelihoods along Via Dinarica by integrating local products into tourism offer	71,649	0	0	71,649	10,872	82,521
Activity 2.1.1. 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)	8,403	0	0	8,403	0	8,403
Activity 2.1.2 Implement a grant scheme and technical assistance to integrate relevant local products, services and tourism assets into an economically viable Via Dinarica tourism offer	63,246	0	0	63,246	10,872	74,118
Grant scheme to integrate relevant local products, services and tourism assets into an economically viable Via Dinarica tourism offer	61,607	0	0	61,607	10,872	72,479
Local transportation	1,639	0	0	1,639	0	1,639
Output 2.2. Upgraded tourism infrastructure and diversified / consolidated tourism services strengthen Via Dinarica competitiveness	85,714	157,915	32,369	275,998	134,034	410,032
Activity 2.2.1. Design and implement a grant scheme for improvement of public tourism infrastructure and sites along Via Dinarica hotspots, in partnership with relevant authorities	46,218	45,588	0	91,807	84,034	175,840
Grant scheme for improvement of public tourism infrastructure and sites along Via Dinarica hotspots, in partnership with relevant authorities	42,017	42,017	0	84,034	84,034	168,067
Technical assistance	4,202	3,571	0	7,773	0	7,773
Activity 2.2.2. Support diversification and consolidation of tourism services along Via Dinarica trails (accommodation facilities, tourism offer, etc.)	39,495	39,495	0	78,990	50,000	128,991
Grant scheme to support diversification and consolidation of tourism services along Via Dinarica trails (accommodation facilities, tourism offer, etc.)	39,495	39,495	0	78,990	50,000	128,991
Activity 2.2.3. Establish 3 strategic Via Dinarica information, promotion and service hubs	0	63,025	25,210	88,235	0	88,235
Infrastructure works related to establishment of hubs	0	57,983	0	57,983	0	57,983
Provision of equipment for Via Dinarica information, promotion and service hubs	0	0	25,210	25,210	0	25,210
Technical assistance	0	5,042	0	5,042	0	5,042

Activity 2.2.4 Deliver capacity development support to Via Dinarica tourism service providers	0	9,806	7,159	16,966	0	16,966
Technical assistance and training	0	5,647	5,647	11,293	0	11,293
Local transportation	0	4,160	1,513	5,672	0	5,672
Project management	81,411	80,985	40,884	203,279	104,429	307,707
Project management staff	33,613	33,613	16,807	84,034	104,429	188,462
Administrative staff and costs	47,797	47,371	24,077	119,245	0	119,245
30 MONTHS GRAND TOTAL	370,370	370,370	185,186	925,926	287,149	1,213,076
GMS (8% of the AICS contribution)	29,630	29,630	14,815	74,074		74,074
TOTAL AICS (with GMS)	400,000	400,000	200,000	1,000,000		
TOTAL UNDP					287,149	
TOTAL BUDGET in EUR						1,287,149

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 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.

A **Project Officer** (full-time) will be engaged 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** (full-time) and **1 Project Assistant** (full-time).

The **Finance/Admin Assistant** (full time) will be 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.

The **Project Assistant** (full time) will be 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.

ANNEX IV: RISK ASSESSMENT

General Risks	Probability	Type / Impact	Project response
2018 General Elections might pose certain risks to the Project implementation, due to change in higher government levels' political leaderships and their commitment to the Project	Medium	Political / Medium (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.
War-related legacy in Bosnia and Herzegovina may have adverse effects on attracting tourists and promoting Via Dinarica	Medium	Behavioural / High	The Project will put emphasis on positive stories and potentials, including through traditional media and social media platforms, contributing to improved country image globally.
Adverse impacts to habitats to environmentally sensitive areas, including legally protected areas (e.g. nature reserve, national park)	Low	Environment / High	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
Irresponsible behaviour of tourists along Via Dinarica trails may cause human safety risks, including in terms of mines	Low	Behavioural / High	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.
Expanding activities of Via Dinarica to other countries in the region may face challenges and difficulties for political reasons	Low	Political / Low (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.
Local governments have limited resources to allocate for further development of Via Dinarica trails	Medium	Financial / Medium	The Project will engage with interested and committed local governments, allowing for timely, regular and realistic planning of public investments into Via Dinarica trails.
Force Majeure (e.g. severe weather conditions) impacts Project activities	Medium	Environment / Medium (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)

By 2019, economic and social and territorial disparities between units of local self-governance are decreased through coordinated approach by national and subnational actors.											
Outcome 4 indicator/s as stated in the UNDAF Results and Resources Framework, including baseline and targets: <i>Indicator:</i> Number of businesses / entrepreneurs benefiting from business development services <i>Baseline:</i> 200 (2014) <i>Target:</i> 1,399 (2018)					Outcome 6 indicator/s as stated in the UNDAF Results and Resources Framework, including baseline and targets: <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)						
Applicable Outputs from the UNDP Strategic Plan: #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 ⁴ including HIV and related services											
Project title and Atlas Project Number: 00197283											
EXPECTED OUTPUT	OUTPUT INDICATORS	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)					DATA COLLECTION METHODS	
			Value	Year	Year 1	Year 2	Year 3	Year 4	FINAL		
Economic development opportunities in BIH strengthened through support to sustainable nature-based tourism development	Annual percent increase of employed in tourism industry	Official data by the BIH Agency for Statistics	6% ¹⁹	2017 (Nov)	N/A	6%	6%	6%	6%	6%	Desk review
ACTIVITY/ RESULTS	INDICATORS	DATA SOURCE	VALUE	Year	Year 1	Year 2	Year 3	Year 4	FINAL	DATA COLLECTION METHODS	

¹⁹ 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. Via Dinarica further affirmed and sustained as a safe and internationally recognized tourism brand	1.a. Number of tourists visiting Via Dinarica in BIH as a result of Project assistance	Project reports, Outdoor-active platform (www.viadinarica.com), reports/information by Via Dinarica information, promotion and service hubs, including Coordinating Support Centre, European Rambling Association reports	90,000	2017	30,000	40,000	40,000	/	200,000 (2020)	Desk review Field visit
	1.b. 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
	1.c. Extent to which Via Dinarica in BIH is sustained through coordination and interconnected support services		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; Field visits;
2. Via Dinarica as a tourism platform offering economic development opportunities for local communities	2.a. Number of people benefitting from jobs (part-time/seasonal) as result of Project assistance	Project reports, information/reports by beneficiaries	30, 50% for women	2017	-	15 (6 for women)	10 (4 for women)	/	55, at least 40% for women (2020)	Desk review survey
	2.b. Percent increase in sales of Via Dinarica Project beneficiaries	Project reports, information/reports by beneficiaries	5%	2017	-	2%	3%	/	10% (2020)	Desk review survey

SUBACTIVITIES	INDICATORS	DATA SOURCE	VALUE	Year	Year 1	Year 2	Year 3	Year 4	FINAL	DATA COLLECTION METHODS
1.1. Increase 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, Outdooractive 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; Observation
	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 financial governance measures	1.3.a Number of local governments that invest in Via Dinarica tourism infrastructure, promotion and services	Project reports, official documentation of local governments, documentation	0	2017	-	10	-	/	10 (2020)	Focus Groups

	1.3.b Volume of higher government levels' public financing programmed to support Via Dinarica development	by relevant ministries	USD 60,000	2017	-	100,000	90,000	/	USD 250,000 (2020)	Desk review
2.1. Enhanced economic opportunities and livelihoods along Via Dinarica by integrating local products into tourism offer	2.1.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
	2.1.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
2.2. Upgraded tourism infrastructure and diversified / consolidated tourism services strengthen Via Dinarica competitiveness	2.2.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, beneficiary feedback	0	2017	-	-	3	/	3 (2020)	Desk review Observation
	2.2.b Number of Via Dinarica hotspots with improved tourism infrastructure		0	2017	-	-	10	/	10 (2020)	Desk review Observation
	2.2.c Number of Via Dinarica tourism packages offered by tour operators		4	2017	-	-	5	/	9 (2020)	Desk review Observation
	2.2.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	-	6 facilities, with 60 beds	-	/	56 facilities with 1,150 beds (2020)	Desk review Survey

ANNEX VI: MONITORING AND EVALUATION PLAN (AS PER STANDARD UNDP PROGRAMMING REQUIREMENTS)

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost (if any)
Track results progress	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	
Monitor and Manage Risk	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	
Learn	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	
Annual Project Quality Assurance	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	
Review and Make Course Corrections	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	
Project Review (Project Board)	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;	
Monitoring including Staff			TOTAL		44,942 EUR

proportion and Project Monitoring Activities					
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ANNEX VII: MULTI-YEAR WORK PLAN (AS PER STANDARD UNDP PROGRAMMING REQUIREMENTS)

EXPECTED OUTPUTS (OVERALL OBJECTIVE)	PLANNED ACTIVITIES (OUTCOMES)	Planned Budget by Year (in EUR)				RESPONSIBLE PARTY	PLANNED BUDGET		
		Y1	Y2	Y3	Y4		Funding Source	Budget Description	Amount
Economic development opportunities in BIH strengthened through support to sustainable nature-based tourism development	1. Via Dinarica further affirmed and sustained as a safe and internationally recognized tourism brand	131,597	131,471	111,932	/	UNDP	AICS	71300 – Local Consultants; 71400 – Contractual services – individuals; 71600 – Travel 72100 – Contractual services – Companies; 72600 – Grants; 72400 – Communications/Promotion	375,000
							UNDP/ partners		37,815
	2. Via Dinarica as a tourism platform offering economic development opportunities for local communities	157,363	157,915	32,369	/	UNDP	AICS	71300 – Local Consultants; 71600 – Travel; 72100 – Contractual services - Companies; 72600 – Grants;	347,647
							UNDP/ partners		144,906
	3. Project management (including GMS, proportionally divided per annum)	122,973.5	122,973.5	61,760	/	UNDP	AICS	61100 – NP Staff; 71400 – Contractual services – individuals; 71600 – Travel; 72500 – Office supplies; 73100 – Rental and maintenance of premises; 73400 – Transportation equip. maintenance; 74500 – Miscellaneous expenses;	203,278
							UNDP/ partners		104,429
GMS		74,074							
SUBTOTAL		1,213,075							
TOTAL (incl. monitoring and evaluation)	1,287,149								

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

Project Information

Project Information	
1. Project Title	VIA DINARICA PROJECT: A PLATFORM FOR SUSTAINABLE TOURISM DEVELOPMENT AND LOCAL ECONOMIC GROWTH (PHASE II)
2. Project Number	00107283
3. Location (Global/Region/Country)	Bosnia and Herzegovina

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

QUESTION 1: How Does the Project Integrate the Overarching Principles in order to Strengthen Social and Environmental Sustainability?
<i>Briefly describe in the space below how the Project mainstreams the human-rights based approach</i>
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.
<i>Briefly describe in the space below how the Project is likely to improve gender equality and women's empowerment</i>
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.
<i>Briefly describe in the space below how the Project mainstreams environmental sustainability</i>
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

QUESTION 2: What are the Potential Social and Environmental Risks? <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>	QUESTION 3: What is the level of significance of the potential social and environmental risks? <i>Note: Respond to Questions 4 and 5 below before proceeding to Question 6</i>			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)?
Risk Description	Impact and Probability (1-5)	Significance (Low, Moderate, High)	Comments	Description of assessment and management measures as reflected in the Project design.
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.
QUESTION 4: What is the overall Project risk categorization?				

	Select one		Comments
	<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"/>	
QUESTION 5: Based on the identified risks and risk categorization, what requirements of the SES are relevant?			
Check all that apply		Comments	
<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"/>		
<i>7. Pollution Prevention and Resource Efficiency</i>	<input type="checkbox"/>		

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

Social and Environmental Risk Screening Checklist

Checklist Potential Social and Environmental Risks		
Principles 1: Human Rights		Answer (Yes/No)
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
Principle 2: Gender Equality and Women's Empowerment		
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
Principle 3: Environmental Sustainability: Screening questions regarding environmental risks are encompassed by the specific Standard-related questions below		
Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management		
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
Standard 2: Climate Change Mitigation and Adaptation		
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
Standard 3: Community Health, Safety and Working Conditions		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
Standard 4: Cultural Heritage		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
Standard 5: Displacement and Resettlement		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
Standard 6: Indigenous Peoples		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
Standard 7: Pollution Prevention and Resource Efficiency		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- *28-404* /18
Sarajevo, 25.01.2018. godine

**Razvojni program Ujedinjenih nacija u Bosni i Hercegovini
n/r gđe Sezin Sinanoglu, 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 učesćem 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.

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,



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 predstavnica 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 raspoložuje.

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, www.fmoit.gov.ba

Sarajevo, 25th 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 Dapo
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: 14-052-660/18
Датум: 30.01.2018. год.

УНДП
Змаја од Босне
71 000 Сарајево

За: гђу. Sezin Sinanoglu
Резидентна координаторица UN-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



REPUBIKA 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

ANNEX X: PROJECT ACTIVITIES WORKFLOW

Activity	Timeframe																														Comments	
	Months	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29		30
Output 1.1. Increased accessibility and improved safety of Via Dinarica trails in BIH																																
Activity 1.1.1. Maintain Via Dinarica trails																																
Activity 1.1.2. GPS and physically mark Via Dinarica trails																																
Activity 1.1.3. Introduce safety measures along the trails																																
Activity 1.1.4. Increase capacities of rescue services																																
Provision of equipment																																
Technical assistance and training																																
Output 1.2. Via Dinarica tourism brand further affirmed and reinforced by national and regional partnership networks																																
Activity 1.2.1. Introduce and capacitate Via Dinarica Support Centre in BIH																																
Technical assistance and training																																
Provision of equipment for the Support Center																																
Activity 1.2.2.																																

Activity	Timeframe																														Comments		
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30			
Further stocktaking of Via Dinarica resources regionally																																	
Technical assistance for assessment of Via Dinarica trails in Kosovo																																	
Technical assistance for assessment of Via Dinarica trails in Albania																																	
Activity 1.2.3. Upgrade and expand Via Dinarica web platform																																	
Activity 1.2.4. Promote Via Dinarica																																	
Develop Via Dinarica presentation																																	
Promotion of Via Dinarica at fairs																																	
Awareness raising campaigns in schools																																	
Activity 1.2.5. Expand Via Dinarica partnership networks in BIH																																	
Via Dinarica Networking Conference																																	

Activity	Timeframe																														Comments	
	Months	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29		30
Network meetings																																
Activity 1.2.6. Continue Via Dinarica White Trail Leading Quality Certification																																
Technical Assistance																																
Output 1.3. Via Dinarica supported through strategic and financial governance measures																																
Activity 1.3.1. Provide technical support to ministries																																
Technical assistance (EU grant schemes)																																
Technical assistance (Int'l advisor)																																
Activity 1.3.2 Engage with LGs to contribute to Via Dinarica																																
Technical assistance to LGs																																
Output 2.1. Enhanced economic opportunities and livelihoods along Via Dinarica by integrating local products into tourism offer																																
Activity 2.1.1. Via Dinarica assessment (value chain)																																
Activity 2.1.2 Implement a grant scheme (value chains)																																

Activity	Timeframe																														Comments			
	Months	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29		30		
Output 2.2. Upgraded tourism infrastructure and diversified / consolidated tourism services strengthen Via Dinarica competitiveness																																		
Activity 2.2.1. Design and implement a grant scheme for improvement of public tourism infrastructure																																		
Technical assistance																																		
Activity 2.2.2. Grant scheme to support diversification and consolidation of tourism services																																		
Activity 2.2.3. Establish 3 strategic Via Dinarica hubs																																		
Infrastructure works related to establishment of hubs																																		
Provision of equipment for Via Dinarica hubs																																		
Technical assistance																																		
Activity 2.2.4 Deliver capacity development support to Via Dinarica																																		

Activity	Timeframe																														Comments			
Months	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30				
tourism service providers																																		