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# USAID & SIDA FIRMA PROJECT

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**June 23, 2014**

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# USAID & SIDA FIRMA PROJECT

QUARTERLY REPORT: QUARTER 19

**Submitted by:**  
Cardno Emerging Markets USA, Ltd.

**Submitted to:**  
USAID

**Contract No.:**  
168-C-00-09-00103-00

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# Quarterly Report

## FIRMA Project USAID-Sida Bosnia & Herzegovina

Implemented by Cardno Emerging Markets USA, Ltd.



<b>To:</b>	Vlado Milin, COTR, USAID Sarajevo Nedim Bukvić, Project Manager, Sida BiH
<b>From:</b>	Dina Karic Chief of Party, FIRMA
<b>RE:</b>	<b>Quarterly Project Progress Report: #19 – March - May 2014</b> Contract # 168-C-00-09-00103-00
<b>Date:</b>	23-June-14

This report is submitted pursuant to contractual requirements under USAID-Sida’s *Fostering Interventions for Rapid Market Advancement* Project for Bosnia & Herzegovina (“FIRMA” or “the Project”), implemented by Cardno Emerging Markets USA, Ltd. In keeping with contractual guidelines for report content, it is organized as follows:

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## 1. Project Overview

FIRMA is a five-year, \$20 million project that began in September 2009 and is funded by USAID and Sida. The purpose of the project is to support enterprise competitiveness in selected value chains of the tourism, wood, and light manufacturing sectors of BiH, in the process advancing the country's ability to meet the Copenhagen Economic Criteria for accession to the European Union. To support sustainability, the project works primarily through a group of key local implementing partners, known as the "FIRMA Consortium", who cover all regions of the country.

The goals of USAID and Sida for FIRMA are ambitious and transformational, and therefore require wide impact – in product design and quality, in ways of connecting to markets, in expertise of workforce, and in investment attractiveness. FIRMA's strategy is directed toward these systemic objectives.

The FIRMA workplan is defined at the private sector value chain level. Implementing partners (called "Value Chain Facilitators" (VCFs)) organize stakeholders first to identify and prioritize competitiveness obstacles through value chain analysis, and then to originate and manage discrete activities to address these obstacles. FIRMA supervises and supports these activities, providing strategic and operational guidance, expert technical assistance, and grants from its \$3 million Small Grants Fund. In order to maximize scale and impact, FIRMA works closely with other donors and local government agencies that provide development assistance programs consistent with FIRMA's objectives – so-called "collaborating implementers".

FIRMA is implemented by Cardno Emerging Markets USA, Ltd. (Arlington, VA), with consortium subcontractors SIPU International (Stockholm, Sweden), JE Austin Associates (Arlington, VA), Making Cents International (Washington, DC), Orgut Consulting AB (Stockholm, Sweden), Pi Consulting (Sarajevo, BiH), and 12 regional and local economic development agencies in BiH.

## 2. Highlights During the Reporting Period

This report covers the nineteenth quarter of FIRMA's operation – March - May 2014. Noteworthy accomplishments for the period were as follows:

### SECTORS

#### a. Wood Sector

- **GAST 2014:** FIRMA supported five BH companies from the metal and wood sectors to exhibit at the GAST 2014 fair in Split, Croatia on a joint stand of 220 sq.mts . The GAST fair typically has a customer base in Croatian catering companies and hotels on the Dalmatian coast. The Federation Tourism association was also represented on A BiH joint stand. This is the eight joint BiH stand at GAST, the fifth time supported by FIRMA in collaboration with the Foreign Trade Chamber. Although GAST 14 fair was a significantly smaller fair compared to earlier ones (by exhibition space and number of exhibitors) the BiH stand was very well visited during the entire exhibition period; companies held around 50 business meetings with potential buyers from the entire region with expected sales of around 200,000 Euros.

- **INTERIO&EXTERIO 2014:** FIRMA supported four companies to jointly exhibit on 300 m<sup>2</sup> joint stand at the BiH Interio&Exterio Fair. Traditionally the fair includes complementary events to further connect companies and buyers and promote the BiH furniture sector to the general public. The events included business-to-business meetings with foreign buyers and agents, which were cut back slightly because of the floods, however meetings were held with a Dutch buyer. FIRMA also organized the presentation of the Quercus 2011-2013 promotion catalogue which included previous design winners. Finally, the 7th Joint Annual Forestry Conference was held which gathered 37 participants including BiH government representatives, forestry management companies and the wood processing companies.
- **Design Day** – As a part of the Interio/Exterio 2014 fair, FIRMA organized a two-day design event to raise awareness about the importance of design. Workshops were organized for children including a fashion workshop; doll-making workshop, a pottery workshop and a free drawing workshop. During the first day, the children made their own products which were presented the following day when a fashion show and puppet show were held.
- **Fair visit Salone Internazionale del Mobile Milano** – FIRMA, jointly with BH FTC/BHEPA organized for five furniture manufacturers to visit the Salone Internazionale del Mobile fair in Milan, the leading trend setting fair in Europe from 8 to 13 April 2014. The visit included a guided tour of the exhibition, attendance at a training seminar with topics about furniture distribution in Europe with a focus on Italy and European Timber regulation application in Italy, and the organization of business-to-business meetings with 13 Italian companies.
- **Fair visit - INDEX 2014 Dubai** - FIRMA supported four BH furniture companies to visit the INDEX International Design Exhibition 2014 trade fair in Dubai from 18-22 May to help companies develop and connect to new channels of distribution in the Middle East. In total, four BiH companies (Arteco, Artisan, Izazov and Promo) visited the Fair, alongside representatives from the foreign trade chamber. Two companies stated that they could potentially be interested in opening a showroom in Dubai at some stage.
- **Qualified Technical Consultants:** During this period technical consultants were engaged for the following companies: IZAZOV Kalesija, Namještaj Gradačac and *MS&WOOD Fojnica*. All companies were supported to prepare documentation and processes for the implementation of the Forestry Stewardships Chain of Custody certification, a certificate which is commonly requested by EU buyers.
- **Promotional materials:** FIRMA supported the development of modernly designed promotional activities for three companies during this period. The promotional materials included company catalogs and support to attain membership for a specialized online Architonic platform. Architonic is the most important online portal in Europe where architects, interior designers, and others interested in purchasing high end (designer) furniture for their projects go to find suitable products from some of the best manufacturers around the world. To be listed on Architonic, companies must meet their strict criteria in terms of design and quality in addition to paying an annual membership fee.

a. Tourism

- **Sarajevo 2014 – Communications Campaign:** The Sarajevo2014 campaign continued with the second peak focusing on the reopening of the Sarajevo City Hall – Vijecnica on May 9, 2014. As a part of the campaign a selected group of regional media were hosted to view the Vijecnica before its opening. The opening of the Vijecnica received world-wide coverage with several dozen articles being published about Sarajevo including coverage by international media such as CNN and BBC. As a result of the successful campaign, FIRMA’s VCF for Sarajevo tourism, Sarajevo Navigator/Linden, was appointed the official promotional agency for the 2014 events by the City of Sarajevo.
- **Destination Sarajevo – Internal Campaign:** FIRMA launched an internal media campaign for Sarajevo2014 to attract tourists travelling to Sarajevo by road to stay longer in the city. The campaign termed *Feel Sarajevo* communicates the events, product elements and values of Sarajevo as a travel destination. Locations were selected along the main traffic routes entering the country from both north and south, to communicate some of the heritage and product highlights of Sarajevo.
- **Destination Sarajevo Travel Portal:** FIRMA supported the first Sarajevo destination portal – a comprehensive web portal that promotes destination Sarajevo (including territories of Sarajevo and East Sarajevo) through a dynamic market driven design and online booking service through one of the leading booking engines – Booking.com. The portal was officially launched on April 15, 2014. The portal includes sales points for all segments of the destination offer and enables visitors to learn about, identify and book flights, reservations for restaurants and event tickets. The goal of the portal is to be the primary resource for the industry to communicate and promote their offers, from accommodation, tours, guide services, events. It is expected that over time the portal will contribute to a longer stay in Sarajevo by regional and international visitors. In its first 45 days of existence, portal’s Facebook page reached over 14,000 fans.
- **Bascarsija Traditional Crafts Certification Program:** On 28 April 2014 the certification program for traditional crafts and craftsmen was launched with the official certificate award ceremony taking place. A total of six crafts and 18 craftsmen were certified through this program. They received a certificate of authenticity issued by the Institute for Intellectual Property of BiH and were awarded the right to use the seal of Original Sarajevo Quality. The entire certification lasted over two years and included the development of regulatory framework that ensures the protection of traditional craft skills products under the seal of geographic origin. The process included development of relevant rulebooks, as well as development of individual nominations files for each individual craft and craftsmen that were submitted for certification. The activity, led by ZUP Bascarsija required the involvement of two key institutions, the National Museum as the expert pool on ethnographic assessments and authenticity verification and the Institute for Intellectual Property as the institution for certification. A total of 23 certification files were submitted to the Institute for certification. The certified craftsmen also received a full branding kit with guidelines, package samples, seals, special stickers to mark their premises – all as part of the promotional and sales effort that will allow them to differentiate protected

traditional crafts from other products in Bascarsija area. Promotional activities will be ongoing regarding the certificates, delivered through different channels that include web, Sarajevo Navigator city guide, media reports and others.

- **Rural Tourism Support:** FIRMA had commissioned an assessment of the current status and framework for development of rural tourism in Bosnia and Herzegovina that led to establishment of a pilot intervention in this segment. The assessment included a gap analysis of the regulatory framework and market outreach conducted and was completed by a regional expert. The pilot activity was implemented in partnership with the Foreign Trade Chamber and included workshops/discussions with two primary groups: rural service providers and travel agencies/tour operators. Twelve rural service providers and eight travel agencies took part in the workshops. Of these six service providers and seven travel agencies have committed to signing agreements to further cooperate on product development, product quality and market access.
- **US Media FAM Trips:** Following an earlier visit by Mr. Forrest McCarthy to Bosnia and Herzegovina (summer 2013) a promotional feature story *Packrafting Bosnia* was published through the ISSUU blog ([014](#)). Despite intense communication over the past period with three journalists that had expressed interest in visiting BiH, only one was able to overcome scheduling conflicts and to visit Bosnia. Mr. Alex Crevar arrived in early May and will remain in BiH throughout most of the summer. Mr. Crevar was commissioned to write five articles on Via Dinarica for the online edition of Outside magazine – the leading adventure and outdoor travel magazine in the US. Via Dinarica is a hiking and mountain biking product that stretches across five countries and which was initiated and is being implemented by Adventure Tourism Association in BiH (ATA BiH). Out of the commissioned five articles, three will be about the BiH segment of Via Dinarica.
- **UK Media FAM Trips:** As a part of FIRMA-supported activity focused on familiarization of UK media and tour operators with Bosnia and Herzegovina offer, Mr. Rudolf Abraham visited BiH in April 2014. Mr. Abraham is an award-winning travel and documentary photographer and writer specializing in Croatia and Eastern Europe. He is the author of eight books and has contributed to many more, and his work has been published widely in magazines and online, including BBC Countryfile, BBC News, Brummell, Canvas, CNN Traveler, Courier Japon, The Economist, France magazine, Hidden Europe, Meridiani, National Geographic Traveler, OE, Real Travel, Royal Wings, The Telegraph, Vertu Select, Wanderlust and Vanity Fair. He is also a member of the Outdoor Writers and Photographers Guild and the British Guild of Travel Writers, based in London, UK. Mr. Abraham commissioned an article focused on stecci (medieval tombstones) in BiH for Hidden Europe ([www.hiddeneurope.co.uk](http://www.hiddeneurope.co.uk), print circulation ~5000 plus further copies to British Council). The photo journal from this visit has already been published through his blog <http://www.rudolfabraham.co.uk/gallery-list>, while the article will be published in Hidden Europe at a later date.
- **Jajce Local Tourist Guides – training and certification:** FIRMA supported Youth Center Jajce to deliver a program of specialized training for tourist guides for Jajce. The program was developed and delivered in partnership with the Agency for Protection and

Management of Cultural, Historical and Natural Heritage of Jajce Town. Jajce is seeing a significant increase in the number of visitors in 2013 (three times greater than 2012), and the same trend is expected in 2014. As a destination with extremely rich and layered heritage, Jajce needs improved tourist guide services that have better knowledge of the sites in Jajce. FIRMA supported the development of curricula and a training programs for tourist guides in Jajce which was delivered during April and May 2014, with a total of 22 candidates of which 14 successfully completed the program. All 14 have also enrolled in the Federation Ministry of Environment and Tourism, tourism guide program meaning that they will also be licensed by the government.

- **Radimlja Souvenir Shop, Stolac:** FIRMA, through its VCF REDAH, provided assistance to an initiative by NGO Vidoski grad from Stolac to establish a souvenir shop in Radimlja – one of the largest stecci necropolis in BiH. FIRMA will support the production of shop displays and develop designs and produce the first set of souvenirs to be offered through the shop. NGO Visoski grad organized two workshops with local designers, artisans and craftsmen to develop the souvenir design. The design motives selected include two designs based on the traditional folk clothing applied on a selection of items such as cups, magnets and other souvenirs. In addition, a promotional leaflet is being developed to communicate this heritage and the initiative to visitors. The overall project is being implemented in partnership with the Public Institution Radimlja – the public agency that will provide the premises for the souvenir shop. With the expected listing of Radimlja stecci as one of the UNESCO sites under the regional nomination for protection, improved interpretation and explanation is extremely important when communicating the understanding of this specific heritage. The initiative also seeks to build links between the tourism services and the local design and artisan communities to provide a better offer for visitors and stronger dispersion of tourism benefits among the local community.
- **Conference on Cultural and Historic Heritage in Function of Tourism Development:** Following a visit organized by FIRMA, to the Archeology and Tourism Conference in London in late 2012, FIRMA launched an initiative to host a conference that will address the issues of more active cooperation between the tourism industry and the agencies responsible for protection and preservation of cultural heritage, and in particular archaeological heritage in BiH. The Conference program was developed in cooperation with BiH and international organizations that actively work in this field: BiH Ministry of Civil Affairs, Institutes for Protection of Cultural Heritage of RS and FBiH, Regional Cooperation Council Task Force for Culture, UNESCO, Cultural Heritage without Borders and several others. Despite the confirmation of presenters, the conference had to be cancelled because of the floods.
- **Sarajevo Symphony Open Air Concert:** FIRMA cooperated with the Sarajevo Symphony Orchestra to provide them guidance on fund raising activities. Several sets of actions were formulated and discussed, with the highlight being an Open Air concert to be held during the Vijecnica opening, which would be used to reach out to a wider audience. The concert delivered a full program of music based on well known film themes – as a genre attractive

to mature symphony supporters and new audiences. The concert was attended by several thousand spectators and was extremely well received.

- **Opening of Sarajevo City Hall – Vijecnica:** FIRMA provided technical assistance to the City of Sarajevo to develop and deliver the program for the opening of the Sarajevo City Hall – Vijecnica. The event was held on May 9, 2014 and included the Major’s cocktail ceremony inside the Hall, and a two hour outdoor program for citizens and visitors, including the Sarajevo Symphony open-air concert. The event attracted several thousand spectators and was televised by BHRT. BHRT provided a Eurovision link of the program, while Al Jazeera secured a satellite link for all media outlets. The program was delivered by local artists including the famous Sarajevo Cellist Vedran Smajlovic, a children’s choir of 150 members. The overall theme of the evening was to celebrate the heritage and the cultural life of the city over the past 100 years.
- **International Tourism Days Sarajevo 2014:** FIRMA supported the presentation of two programs at the fair: the Via Dinarica and Western Balkans Geotourism Map Guide at the International Tourism Days Sarajevo 2014 fair. The event was organized as a joint initiative from a group of local organizations – public and private – as an effort to revive the once very successful Sarajevo annual tourism industry gathering. The fair was over four days and included a series of presentations and workshops dedicated to specific topics. The FIRMA supported programs was for a stand for Via Dinarica and Western Balkans Geotourism Map Guide, as well as workshop session to present the program to interested audiences. The number of visitors in this year’s fair was higher than last years, although significant improvement in fair presentation is still required. During the fair, FIRMA and the BiH Foreign Trade Chamber presented the BiH Brand Tool Kit for tourism to the private sector, a special publication developed as a guideline for tourism stakeholders to promote BiH internationally with the same standard logo presentation.
- **AH&LEI Training and Certification:** FIRMA supported a BiH delegation to attend the American Hotel and Leisure Education Institute training and certification program offered through the USAID Regional Economic Growth program and delivered in Belgrade, Serbia. The program focused on training and certifying a core group from each of the participating countries (Serbia, Montenegro, Macedonia and BiH) in key hotel management skills. The program was delivered in a specific format of train-the-trainer, which will allow trainees to roll out training programs in their home countries. FIRMA coordinated with the Foreign Trade Chamber (FTC) and in particular ECOS, the education center of FTC, to support the BiH delegation to attend. ECOS has signed a Memorandum of Understanding with AH&LEI as the long term partner organization to manage the roll out process as well as possible future expansion of programs.
- **ITB Berlin 2014 – Regional Cooperation Visit:** FIRMA led a visit of BiH delegation to the ITB Berlin 2014. The ITB Berlin is the largest travel industry fair, and BiH has exhibited at the fair a number of times. The delegation included representatives from entity ministries (RS Ministry of Trade and Tourism and FBiH Ministry of Environment and Tourism) and the representative of Portal Editor for Western Balkans Geotourism Map Guide and the representative of Adventure Tourism Association in BiH. The goal of the visit was to

attend several meetings that focused on regional cooperation opportunities in the next 2 years, primarily through mechanisms provided by USAID REG project, and with the ATTA 09Adventure Travel Trade Association).

c. Metal Processing

- **Support for introduction of standards:** FIRMA supported four metal sector companies during this period to obtain welding process certificates for EN 1090 and EN 3834:
  - *TTO from Sarajevo:* producer of high quality stainless steel metal products, was certified according to EN 1090 standards. The standard certifies that all welding operations are being completed in accordance with the European standard and this will help TTO increase their export share.
  - *Lafat Komerc from Kalesija:* is a manufacturer of biomass boilers which offer an environmentally sound heating solution. FIRMA supported them to obtain the EN 3834 certificate which will improve their welding and overall production process.
  - *Provis from Visoko* is in the business of illuminated signs and digital printing business. Since the signs are placed on steel construction they need to become certified according to the EN 1090 standard. This standard will be mandatory from July 2014 for all companies exporting to the EU and using welding process in their production. By implementing the standard, they will secure their EU market.
  - *MCE from Usora* provide services for metal machinery processing and laser cutting. As a fairly new company they needed to upgrade their production process by obtaining a certificate, which was also demanded by their Italian client.
- **SERDA Project Academy:** FIRMA supported the second round of training on project-management-cycle. Twelve participants attended the training from the metal, wood, tourism companies as well as research institutions. Apart from learning about the methodology, the participants went through practical cases to prepare for donor funded project future calls.
- **Promotional material development:** FIRMA support GMC from Usora, a young manufacturing company of prefabricated halls and pallet racks. FIRMA helped the company develop a company logo, catalogue and website. These promotional materials will help GMC to gain new clients in international markets.
- **Visit to Automechanika Istanbul 2014:** FIRMA organized for BiH metal companies to attend the Autmehanika fair in Turkey to establish and strengthen business contacts, and to increase their market connections. Automechanika Istanbul is Eurasia's number one OEM and vehicle aftermarket event. It brings together companies from the automotive manufacturing, distribution and repair sectors in the region and provides opportunities for small and medium enterprises to expand their business in the market. FIRMA supported three BiH companies to attend, one of which had independent booth at the fair.

- **Exhibition at Hannover Fair 2014:** FIRMA supported five companies to exhibit in the Industrial Supply Hall at a 66sqm joint stand at the Hannover Fair as well as another three companies on two separate stands in the Energy Hall. Three of the companies were exhibiting for the first time.
- **B2B Mission at ESEF Fair, Utrecht:** The ESEF Fair in Utrecht is the largest and most important exhibition in the Benelux area in the field of supply, subcontracting and engineering. FIRMA support fifteen B&H companies to visit the fair and meet with potential buyers. The BiH companies were matched to twelve Dutch companies prior to the matchmaking event on the basis of the Dutch companies' preferences, resulting in 70 business-to-business meetings.
- **Prijedor Quality Fund:** As a part of the Prijedor quality fund companies Metalmont Mijic and Steel Foundry from Prijedor received support to implement quality standards required for their manufacturing. Metalmont Mijic was certified with EN 3834 standard, while the Foundry is in the process of introducing ISO 9001, which is planned to be completed by the end of June.
- **Certification of production plants:** The BiH Welding Institute from Tuzla in collaboration with certification authorities has successfully completed the certification of 11 production plants. These include: Alfe-Mi Živinice, MIP Prijedor, SIK Mostar, Mores Doboje, TMD-Hanibal Gradačac, Krivaja Metali Zavidovići, Tehnopetrol Tuzla, Deling Tuzla, and Ed-En Visoko. EN ISO 3843 and EN 1090 certificates are required to be able the export of welding products.
- **Krajina Innovation Facility:** FIRMA implemented a number of trainings to provide tools to our value chain implementers to support SMEs and research and development organizations on developing innovation in BiH. The workshops were attended by the University Entrepreneurial Centre (UPC) Banja Luka, Innovation Centre Banja Luka (ICBL), and Centre for Promotion of Local Development (PLOD) Bihac, Development Agency of Una-Sana Canton (RAUSK) Bihac and Prijedor Agency for Economic Development (PREDA). All parties have agreed to sign a Memorandum of Understanding to continue providing support to enterprises in the area of innovation. This MOU will also serve to develop a local network of innovation support in the Krajina area.
- **B2B Mission, Bratislava:** The purpose of the business mission to the Slovak Republic was to organize and participate in a Business Forum between companies from Bosnia and Herzegovina and the Slovak Republic. The aim of the event was to enable B&H companies to establish and strengthen business contacts and to increase their market connections in the Slovakian market. Companies reported more than 100 contacts established with 31 Slovakian counterparts as a result of the visit.

### **CROSS-CUTTING & General**

#### a. Access to Finance

- **Qualified Business Finance Consultants:** FIRMA's Qualified Business Finance Consultant (QBFC) program addressing a key obstacle in SME access to finance – the need for trusted and competent consulting assistance to help SMEs approach financial institutions, while providing financial institutions with greater confidence in SME creditworthiness.

Since January 2011, when the certified consultants began to engage companies, FIRMA has supported 62 companies to receive loans which totals KM39.58million. QBFC program use is spread across all three FIRMA sectors.

Table 1: QBFC Program Status		
Sector	Loans Approved	
	# Companies	Amount KM
Metal	31	16.226.272
Wood	19	14.272.310
Tourism	12	9.079.000
<b>Total</b>	<b>62</b>	<b>39.577.582</b>

Note: Due to approaching project close down, FIRMA completed last engagement of QBFC consultants. Reconciliation of the program financial data indicated that amount of total loans approved reported in previous quarterly report was inaccurate and is hereby corrected.

- **Budo Export doo Zepce and Sofic Jewellery doo Sarajevo supported in developing business plans.** A producer of solid wood panels Budo Export from Zepce requires assistance in developing a business plan needed for a bank loan application in order to finance further production expansion and restructure existing loans. Budo managed to recently obtain a new loan from NLB bank in amount of 2.2 million KM. In cooperation with the National Museum of Bosnia and Herzegovina, Sofić Jewelry produces replicas of old Bosnian jewelry and is currently the most successful goldsmith in Bačaršija. Sofić is currently planning to expand their production and further build their sales and distribution network. With support by FIRMA, Sofic developed a business plan and is currently applying for a 200,000KM loan at the Federation Development Bank.

f. Workforce Development

- **The development of occupational standards for six occupations in wood processing, metal processing and tourism industry.** With support from FIRMA and the German GiZ, the Agency for Pre-Primary, Primary and Secondary Education (APOS0) is currently completing the development of occupational standards for six occupations in the three FIRMA-supported sectors. APOS0 formed three sector expert working groups to develop the occupational standards, which included employer representatives, Employer's Associations, Chambers of Commerce and Employment Agencies. Based on previously conducted surveys completed in 48 companies, the working groups then held four rounds of three day working sessions in Banja Luka during which they worked on defining new occupational standards for Mechanical technician- Lathe CNC Operator, Welder, Waiter, Chef, Final wood processing technician and Upholsterer. After completing the final consultations with representative companies from the three sectors, APOS0 is expected to publish the new occupational standards by the end of June.
- **Provision of equipment to the Department of Design at the Academy of Fine Arts in Sarajevo.** On April 25, 2014 the Academy of Fine Arts in Sarajevo organized an event to mark the opening

of a new design cabinet, thanks to support received from FIRMA. The new equipment includes computer hardware and SolidWorks 3D software which will be used for design software training and student design projects. Modernizing this university department will enhance the standard teaching practices for the Academy's product designers and design students will be able to adopt their theoretical knowledge into practice. This activity was developed in response to company demands for better trained local designers, especially those working in the furniture sector. The Academy of Fine Arts in Sarajevo plans to continue modernizing this department by procuring additional equipment, including CNC simulators, 3D printers and other sophisticated technology.

- **The Center for Adult Education in Tešanj Opens its doors for Potential Trainees.** FIRMA supported the establishment of an Adult Training Center in the Tešanj vocational secondary school through the provision of equipment. The Center for Adult Education will deal primarily with vocational training, which will meet the demands of the labor market by providing programs that enable individuals to train as CNC operators, metal grinders, metal cutters, upholsterers, carpenters, mechatronic technicians, etc. The Center was also supported by the Federal Employment Agency, the Municipality of Tešanj, the Mixed Secondary School in Tešanj, the Government of Zenica-Doboj Canton; the Association of Businessmen, Biznis Centar Jelah-Tešanj, as well as Pobjeda, Fad, Mann + Hummel BA and Enker from Tešanj.
- **Support for Workforce training and new employment in Srebrenica.** FIRMA initiated a workforce development program that assisted Prevent to train and recruit new employees in the newly opened factory facility Srebrenica. Prevent needed 60 new workers for a new factory in Srebrenica and required workers that have skills in sewing, leather leveling and fitting with specific skills in the production of handbrake levers for the automotive industry. FIRMA facilitated the inclusion of ALDI Goražde (local development agency) to implement the activity but we also managed to obtain significant co-funding from UNDP, the Federal Employment Bureau, the Municipality of Srebrenica and potentially the Employment Bureau of Republic of Srpska for the program.

### 3. Review of Project Progress

#### a. Progress vs. Workplan

The following table shows cumulative FIRMA activities through the quarter. An "Activity" is defined as a discrete approved program in direct pursuit of FIRMA's contractual objectives that requires an investment of FIRMA resources.

Through the report quarter FIRMA had undertaken 419 separate activities since the project began in September 2009. Eighteen of these were initiated in the review quarter.

Table 2: FIRMA Activities		
Project Quarter / End Date	Activities Initiated	Activities Completed
Prior to Report Quarter	401	340
Quarter 19	18*	12*
<b>TOTAL Project</b>	<b>419</b>	<b>352</b>

*\*Includes child activities*

In Attachment 4 Progress vs. Workplan, we report the status of all of the tasks and activities contained in the submitted Year 5 Workplan that were due to be completed or initiated during the review period, as well as activities due to be completed earlier but carried over. Most activities due to be completed during the period were completed, and almost all due to be initiated are in process. Exceptions and updates are reported in the status column of the table.

The following table summarizes grant approvals from TEC meetings and spending convened from the project start.

Table 3: Grants Spending	
	\$ Amount
Total Grants per TEC	\$3.292.673
Amount Spent	\$3.087.342
Amount to be paid for ongoing activities (303.559 KM)	\$205.331

The total grants per TEC in the amount of \$3.29 mil represent actual spent amount for completed activities plus committed amount for ongoing activities approved on TEC meetings. Through the quarter end \$3.09 mil were actually spent which is 94% of the approved funds. Just over \$205,000 is expected to be spent during the course of the project for already approved ongoing activities. For more details please see Attachment 3.

b. Progress vs. PMP

PMIs: Performance Management Indicators are reported in Attachment 1 below. Indicators are based on activity monitoring and evaluation reports covering 419 activities either completed or in progress.

c. Progress vs. Budget

The following tables provide summaries by broad expense categories of expenditures vs. budget. The first table covers the report quarter, and the second cumulative from project start through the report quarter.

Expenditure for the report quarter was actually \$1,237,600. Cumulative to date, spending was 97% of budget overall.

<b>Table 4: Expenditure vs. Budget Summary – Report Quarter 19</b>				
<b>Line Item</b>	<b>Budget</b>	<b>Expense</b>	<b>Difference</b>	<b>%</b>
Labor	453.765	588.456	-134.691	130%
Operating & General	205.987	453.489	-247.502	220%
Grants & Procurements	82.500	195.655	-113.155	237%
<b>Total</b>	<b>742.252</b>	<b>1.237.600</b>	<b>-495.348</b>	<b>167%</b>

<b>Table 5: Expenditure vs. Budget Summary - Cumulative</b>				
<b>Line Item</b>	<b>Budget</b>	<b>Expense</b>	<b>Difference</b>	<b>%</b>
Labor	10.568.068	9.393.003	1.175.065	88%
Operating & General	4.786.632	5.693.370	-906.738	119%
Grants & Procurements	3.548.424	3.271.560	276.864	92%
<b>Total</b>	<b>18.903.124</b>	<b>18.357.933</b>	<b>545.191</b>	<b>97%</b>

Compared to previous reporting periods for this reporting period the following items are included under each category above (as taken from Cardno invoice):

Labor includes: (i) Labor costs. (ii) Indirect costs (overhead & fringe), (iii) Subcontractor cost and (iv) Subcontractor Fee

Operating & General includes: (i) Travel, Transportation and Per Diem, (ii) Allowances, (iii) Other Direct Costs, (iv) General & Administrative

Grants and Procurements includes: (i) Procurement, (ii) Grants under Contract and (iii) Fee on Grants.

Staffing: FIRMA has 16 full-time and 8 part-time staff. The organization chart is provided in Attachment 2 below.

*This concludes the narrative section of our Quarterly Report. Supporting detail is provided in the following attachment exhibits and tables.*

Attachment 1: Performance Management Indicators

All PMIs in approved FIRMA Performance Management Plan. Activity PMIs are taken from activity monitoring and evaluation reports covering 419 activities either in progress or completed.

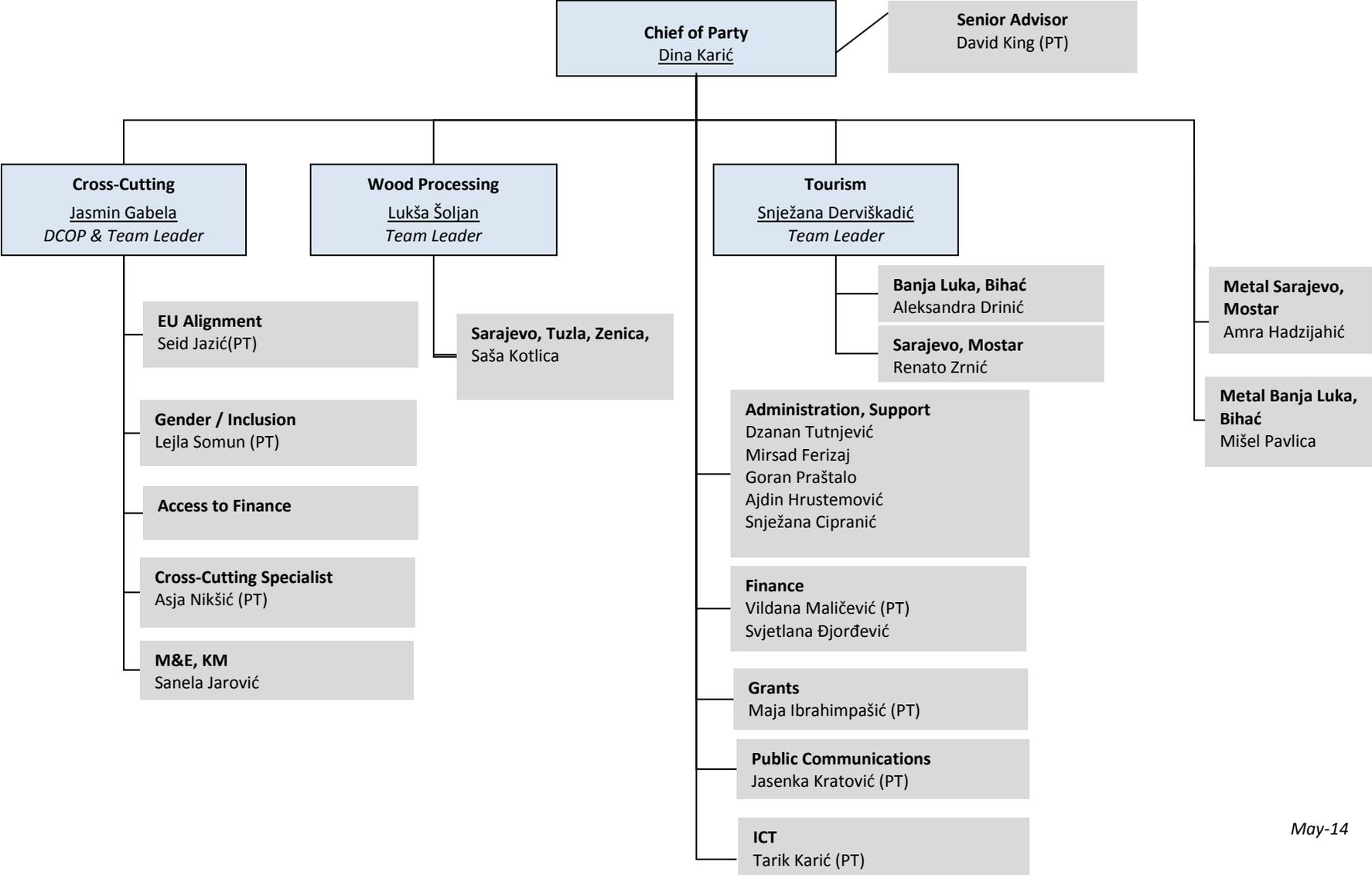
Table 1: Performance Management Indicators																
Work Area	Indicator Type	Indicator Number	Performance Indicator	Contr Req*	Unit **	Target (Cumulative)										Data Source
						Yr1		Yr2		Yr3		Yr4		Yr5		
						Tgt	Act	Tgt	Act	Tgt	Tgt	Tgt	Act	Tgt	Act	
Competitiveness	F	101	Firms with improved management practices as a result of USG assistance	X	N	65	11	190	417	315	373	440	443	565	509	Activities
	F	102	Firms receiving USG assistance that obtain certification for international standards			20	22	40	189	60	189	200	238	230	253	Activities
	F	103	Exports of firms receiving USG assistance to increase their exports	X	%	10%	10.2%	25%	32%	35%	37%	45%	n.a.	60%	n.a.	Baseline Surveys
	Custom	104.1	Private financing mobilized with a DCA guarantee - Number of Loans		B	12	0	18	2	32	2	45	5	60	7	Activities
	F	104.2	Private financing mobilized with a DCA guarantee - Amount	X	MM \$	1.2	0	1.8	1.05	3.2	1.05	4.5	4,77	6.0	6,43	Activities
	Custom	105	Aggregate economic scale of beneficiaries	X	%	20%	B	30%	43%	40%	56%	40%	n.a.	40%	n.a.	Activities
	Custom	106	Sales of project beneficiaries <i>Sales of project beneficiaries – women led</i>	X		5%	10.8%	15%	21%	30%	31%	40%	n.a.	50%	n.a.	Baseline Surveys
	Custom	107	Employment of project beneficiaries <i>Employment of project beneficiaries – women led</i>	X	N	3%	5%	10%	14.5%	21%	27%	28%	n.a.	35%	n.a.	Baseline Surveys
	Custom	108	Business finance to project beneficiaries	X		6%	6 <sup>1</sup> %	12%	18%	24%	34%	32%	n.a.	40%	n.a.	Activities
	F	109	Firms receiving USG assistance		N	10	>	30	189	50	189	200	238	230	253	Activities

<sup>1</sup> First year finance growth is based on the information about new debt from the baseline survey 2012.

Table 1: Performance Management Indicators																
Work Area	Indicator Type	Indicator Number	Performance Indicator	Contr Req*	Unit **	Target (Cumulative)										Data Source
						Yr1		Yr2		Yr3		Yr4		Yr5		
						Tgt	Act	Tgt	Act	Tgt	Tgt	Tgt	Act	Tgt	Act	
			that obtain EU-aligned standards or certifications													
Workforce Development	F	201	Persons completing USG-funded workforce development programs			225	359	750	1,212	1,275	2,337	3,800	3773 F 1291 M 2482	4,000	4039 F 1367 M 2672	Activities
	F	202	Persons gaining employment or better employment as a result of participation in USG-funded workforce development programs	X	N	150	125	350	728	550	1,305	2,100	2128 F 556 M 1572	2,400	2227 F 582 M 1645	
	Custom	203	Persons participating in FIRMA-supported WfD programs from disadvantaged / excluded groups			50	>	100	438	150	992	1,200	1322	1,300	1562	
Gender / Inclusion	Custom	301	Women-led businesses in the 3 FIRMA focus sectors		N	#/0%	43	#/3%	121	#/5%	148	#/7%	165	#/10%	181	Activities
	Custom	302	FIRMA beneficiary SMEs employing the socially / economically excluded		N	#/ 3%	B	#/5%	123	#/8%	135	#/10%	138	#/12%	159	
Business Environment	F	401	Policy, legal, and regulatory changes adopted in connection with USG assistance		N	track	0	>>	8	>>	17	>>	21	>>	30	Activities
Sustainability	Custom	501	Implementing partners fully capable of taking over FIRMA functions and financially sustainable		N	1	2	2	2	5	2	6	6	7	6	Independent Assessment

\* X = indicator required by contract \*\* All data disaggregated by gender whenever meaningful B = baseline report needed to determine results

Attachment 2: **FIRMA Work Organization**



May-14

## Attachment 3: Grant Fund Status

FIRMA GRANT FUND STATUS as of 31 may 2014			
	\$ Amount	Exchange Rate	
Total Grants per TEC*	\$3.292.673		
Amount Spent	\$3.087.342	\$1,43	
Amount to be Paid (303.559 KM)	\$205.331		
Spending Summary of Completed Activities in KM			
	Final Spent/Final Budget		
Wood Processing		1.059.770	
Metal Processing		908.560	
Tourism		1.249.140	
Cross Cutting		511.592	
<b>Total</b>		<b>3.729.062</b>	
Spending Summary of Ongoing Activities in KM			
	Committed	Spent	Remaining to be paid
Wood Processing	229.410	111.829	117.581
Metal Processing	133.000	99.431	33.569
Tourism	291.677	189.903	101.774
Cross Cutting	325.373	274.738	50.635
<b>Total</b>	<b>979.460</b>	<b>675.901</b>	<b>303.559</b>
Summary of Spent Activities			
Amount Spent for Completed Activities			3.729.062
Amount Spent for Ongoing Activities			675.901
AMOUNT SPENT in KM			4.404.963
AMOUNT SPENT in USD			3.087.342
*Total Grants Per TEC is calculated as Final Spent for Completed (KM 3.729.062) + Ongoing Committed (KM 979.460) divided by \$ exchange rate of 1.43.			

Explanation of Figures reported in the table above:

- Total Grants per TEC is calculated as Actual Spent Amount plus Committed Amount of Ongoing Activities per TEC approvals (using \$1.44 exchange rate);
- Amount Actual Spent - this figure represents actual amount spent as of end of reporting quarter;
- Amount to be Paid: this amount is calculated as the amount Committed less what has already been paid;

**Definition of Committed:** this is the amount approved by the TEC meetings for activities, when the activity is at a Concept Note stage. The TEC approval to Concept Notes represents a general approval to FIRMA to start negotiating actual budgets for individual grants to beneficiaries. The Commitment

amount is a framework budget that shows the maximum amount of resources that could be committed to the grant. This amount is often greater than the actual budget, because once budget negotiations start a detailed budget is developed. The budget in the grant contract must not exceed the Committed Amount.

Table: Spending Summary of Completed Activities in KM

- Final Spent/Final Budget: shows the amount spent in KM;

Table: Spending Summary of Ongoing activities in KM

- Committed Amount: this is shown for each sector and is the total approved by the TEC at the Concept Note stage;
- Actual Spent: shows the amount spent in KM;
- Balance Remaining: difference between Committed Amount and Actual Spent. These funds are reserved until the activity is completed. All balances that have not been used will be returned to the grant pool of funds;

Table: Summary of Spent activities

- Shows the total spent in KM – broken down for completed and ongoing activities;
- Shows the total amount spent in USD using exchange rates applicable on the day of payment;

Attachment 4: **Progress vs. Workplan**

(Please find attached separate document)

**Attachment 5 - FIRMA Year 5 Work plan – General and Operational**

<b>Area:</b>	<b>GENERAL &amp; OPERATIONAL</b>
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<b>Task Area / Component</b>	<b>Activities</b>	<b>Activity Period</b>	<b>Expected Results</b>	<b>Status</b>
1. Administrative	1.1 FIRMA VCF strengthening <ul style="list-style-type: none"> <li>• VCF monitoring &amp; management</li> <li>• VCF capacity-building (training programs: Access to Finance, EU Standards, &amp; Grant Proposals)</li> </ul>	Sep 13 – Aug 14	<ul style="list-style-type: none"> <li>• Improved capacity for sustainability of VCFs and FIRMA</li> </ul>	• Ongoing
	1.2 Grant Monitoring	Sep 13 – Aug 14	<ul style="list-style-type: none"> <li>• Full conformance with contractual grant management requirements</li> </ul>	• Ongoing
	1.3 PAD / M&E	Sep 13 – Aug 14	<ul style="list-style-type: none"> <li>• Full project activities and results tracking through PAD</li> <li>• Improved results reporting to USAID &amp; Sida</li> </ul>	• Ongoing
2. General	2.1 Collaboration with local governments and other donor funded projects on developing SME support programs and funding <ul style="list-style-type: none"> <li>• FIRMA Coordination Body meetings</li> </ul>	Sep 13 – Aug 14	<ul style="list-style-type: none"> <li>• Collaborative funding of FIRMA-consistent activities</li> <li>• Meetings of CB</li> </ul>	• Ongoing
	2.2 Public Communications & campaign management	Sep 13 – Aug 14	<ul style="list-style-type: none"> <li>• Promotion of FIRMA approach and activities</li> <li>• Targeted campaign impact</li> </ul>	• Ongoing
	2.3 Year 4 Baseline Survey	Feb 14 – Apr 14	<ul style="list-style-type: none"> <li>• Data for measuring business results impact</li> </ul>	• Ongoing - Due mid July

FIRMA Year 5 Work plan – Metal Processing

<b>Area:</b>	<b>METAL PROCESSING</b>
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<b>Task Area / Component</b>	<b>Activities</b>	<b>Activity Period</b>	<b>Expected Results</b>	<b>Status</b>
1. Product & Productivity	1.1 Product Development	Until Dec 13	<ul style="list-style-type: none"> <li>2 MP companies have developed new products</li> </ul>	<ul style="list-style-type: none"> <li>Completed</li> <li>Two companies developed new products, products tested and prototypes are operational.</li> </ul>
	1.2 Krajina Regional Innovation Facility	Oct 13 - May 14	<ul style="list-style-type: none"> <li>Innovation facility in Krajina region established</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> <li>Workshops held. Currently preparing work descriptions, action plans and MoUs for innovation support activities.</li> </ul>
	1.3 Certification of Production Plants	Until Dec 13	<ul style="list-style-type: none"> <li>Up to 11 companies certified</li> </ul>	<ul style="list-style-type: none"> <li>Completed.</li> <li>11 companies certified. Final report from NERDA pending.</li> </ul>
	1.4 CE sign or similar certificate	Until Dec 13	<ul style="list-style-type: none"> <li>At least 5 MP companies supported in implementing CE sign or TS 16949 or similar certificate</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> <li>In total 6 companies were supported in CE sign or similar certificate. Additional 5 are in process: 1 of which aborted its participation, 2 completed the process, 2 are in finalization stage</li> </ul>
	1.5 Prijedor Municipality MP Quality Fund	Oct 13 - May 14	<ul style="list-style-type: none"> <li>At least 5 MP sector companies receive EU required standards /</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> <li>1 company completed</li> </ul>

FIRMA Year 5 Work plan – Metal Processing

Task Area / Component	Activities	Activity Period	Expected Results	Status
			certificates	certification, 2 in progress.
	1.6 QTC Fund through REDAH	Dec 13	<ul style="list-style-type: none"> <li>Up to 15 companies are supported through the voucher program, of which 30% are women-led businesses</li> </ul>	<ul style="list-style-type: none"> <li>Completed 14 companies supported in total</li> </ul>
2. Connection to Markets	2.1. Exhibition at Hannover 2014	Oct 13 - May 14	<ul style="list-style-type: none"> <li>At least 5 BiH metal processing companies exhibited at Hannover Fair</li> </ul>	<ul style="list-style-type: none"> <li>Completed 5 companies exhibited at joint stand at Hannover 2014 while additional 3 companies exhibited individually.</li> </ul>
	2.2. B2B and Fair in Turkey	Sep 13	<ul style="list-style-type: none"> <li>At least 2 companies participated</li> </ul>	<ul style="list-style-type: none"> <li>Completed Three companies participated in visit.</li> </ul>
	2.3. Business delegations to Russia, Sweden, etc.	Apr 13 - May 14	<ul style="list-style-type: none"> <li>Up to 3 outward mission including B2B conducted, 20 companies attended</li> </ul>	<ul style="list-style-type: none"> <li>Completed Missions to: Russia (25 comp. , 7 institutions), Austria (20 comp. , 1 institutions), Utrecht (14 comp. participated), Istanbul (3 comp. participated), mission to Slovakia (8 companies)</li> </ul>
	2.4. B2Bs between Dutch and BiH companies during ZEPS Intermetal 2013	Oct 13	<ul style="list-style-type: none"> <li>Up to 20 individual meetings held</li> </ul>	<ul style="list-style-type: none"> <li>Completed 5 Dutch companies met 20 BiH companies.</li> </ul>
	2.5. Support in developing promotion materials	Mar 14-May 14	<ul style="list-style-type: none"> <li>Up to 3 companies supported</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing 3 companies selected. 2 completed, 1 in progress.</li> </ul>
3. Business Environment	3.1. Metal Forum 2013	Until Dec 13	<ul style="list-style-type: none"> <li>Metal Forum 2013 at ZEPS 2013 held; at least 50 attendees at</li> </ul>	<ul style="list-style-type: none"> <li>Completed Metal Forum 2013 held;</li> </ul>

FIRMA Year 5 Work plan – Metal Processing

Task Area / Component	Activities	Activity Period	Expected Results	Status
			Forum present; Operational Team initiated up to 3 conclusions of “Metal Forum”	74 participants (10 comp.)
	3.2. SERDA Project Academy	Oct 13 – Dec 13	<ul style="list-style-type: none"> <li>• 2-3 PCM FP7 tailored training conducted, 30 participants (companies + research/academic institutions) attended</li> </ul>	<ul style="list-style-type: none"> <li>• Completed First training held in January 2014 (17 participants). Second training held in April 2014 (12 participants).</li> </ul>
	3.3. Cluster Manager Education	Jan 14 - May 14	<ul style="list-style-type: none"> <li>• At least 3 cluster managers trained</li> </ul>	<ul style="list-style-type: none"> <li>• Canceled - not enough interest by beneficiaries</li> </ul>
	3.4. Assist RAUSK in organization of Focus Groups with MP companies	Jan 14 – May 14	<ul style="list-style-type: none"> <li>• At least 3 FG meetings held</li> </ul>	<ul style="list-style-type: none"> <li>• Completed 1 focus group meeting held. The other did not take place, since RAUSK did not undertake further activities.</li> </ul>

FIRMA Year 5 Work plan – Wood Sector

<b>Area:</b>	<b>WOOD SECTOR</b>
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Task Area / Component	Activities	Activity Period	Expected Results	Status
1. Product & Productivity	1.1 Connecting Designers and WS SMEs	Sep 13 - Jun14	<ul style="list-style-type: none"> <li>• 5 companies developed original products/products lines; Design teams established, Design students and graduated students gain experience and references</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing</li> <li>• 5 companies prepared ToR</li> <li>• 4 designers prepared preliminary design according ToR</li> <li>• QTC in design in the last phase of designing products and showrooms for four companies: Masterwood, Gavranovic, Grossist, and Nova Marko</li> </ul>
	1.2 QUERCUS 2014 (subactivity of Interio 14)	Jan 14 – May 14	<ul style="list-style-type: none"> <li>• Competition of young designers held</li> <li>• New original design ideas offered</li> <li>• Up to 50 designers participated</li> </ul>	<ul style="list-style-type: none"> <li>• Completed</li> <li>• Because of the fair INTERIO 14 (21-26.5.2014) postponing from March to May the contest was canceled. The usual event was held with the presentation of Catalog QUERCUS 14 covering former contests' works (230 in total) from 2011-2013 was made and presented at Fair INTERIO &amp; Exterio 2014</li> </ul>
	1.3 Training - Export marketing plan-HOW TO	Sep 13 - Dec 13	<ul style="list-style-type: none"> <li>• Up to 12 wood-processing</li> </ul>	<ul style="list-style-type: none"> <li>• Completed with RS CoC</li> </ul>

FIRMA Year 5 Work plan – Wood Sector

Task Area / Component	Activities	Activity Period	Expected Results	Status
	PENETRATE EUROPEAN MARKETS		companies attend the training	<ul style="list-style-type: none"> <li>Completed with REZ (10 companies participated)</li> </ul>
	1.4 Establishing Wood Quality Center	Sep 13 - Jun 14	<ul style="list-style-type: none"> <li>Established Center for quality assurance and control system in wood industry; Up to 30 WS companies participated in quality control training. Quality control system based on FPC (TA) introduced in 8-10 companies</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> <li>Two day workshops held for total of 21 participants, including 5 company representatives. FPC system to be set up for 5 beneficiary companies.</li> </ul>
	1.5 FSC CoC certification (TA) (and other certificates)	Sep 13 - Jun 14	<ul style="list-style-type: none"> <li>Up to 6 companies completed FSC CoC (or some other ) certificate</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> <li>5 companies Standard Sarajevo, Drvoprodukt Ilijaš, Malagić Živinice, Malagić&amp;Divani and INGRAT successfully completed the certification process and received the FSC CoC certificate. 3 companies are prepared for certification. IZAZOV Kalesija, MS&amp;Wood Fojnica and Namještaj Gradačac-Solid wood, totaling 8 companies</li> </ul>
	1.6 Further strengthening Logs distribution system in USK	Sep 13 - Jun 14	<ul style="list-style-type: none"> <li>Transparent logs distribution system enabling favorable conditions for added value producers and to horizontal linkages between added value producers and sawmills</li> </ul>	<ul style="list-style-type: none"> <li>Completed.</li> <li>Logs distributed in accordance with the established system. This time this was done by USK Forestry who excluded USK CoC from the process. Although calculations are done correctly, FIRMA will</li> </ul>

FIRMA Year 5 Work plan – Wood Sector

Task Area / Component	Activities	Activity Period	Expected Results	Status
				continue to insist to bring USK CoC back in the process because of the transparency of the process.
	1.7 Deliver general and advanced training in management to DRVO cluster Banja Luka members	Jan 14 - Mar 14	<ul style="list-style-type: none"> <li>• Up to 12 member companies trained and familiarized with the latest management techniques and methods</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing Engaged QTC in advanced training for technical documentation development.</li> </ul>
	1.8 Specific WS trainings and workshops- Training for better sawlog utilization	Sep 13 - Dec 13	<ul style="list-style-type: none"> <li>• Up to 24 wood-processing companies trained (up to 30 persons)</li> </ul>	<ul style="list-style-type: none"> <li>• Completed Two trainings were organized, 30 participants;</li> </ul>
2. Connection to Markets	2.1. Support in developing of promotional materials	Sep 13 - May 14	<ul style="list-style-type: none"> <li>• Developed promotional materials for up to 5 companies</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing Completed catalogues for BOR Bihać, Eden Garden, I. Sarajevo. Approved catalogue for FTC BH. Completed membership for online platform ARCHITECTONIC for Rukotvorine. Production of HQ photographs for MEGA drvo catalog is in process</li> </ul>
	2.2. Organize exhibitions and fairs	Sep 13 – Aug 14	<ul style="list-style-type: none"> <li>• 15-20 companies exhibited at fairs / increased level of export sales to targeted regional and international targeted markets</li> <li>• Belgrade 2013</li> <li>• IMM 2014 Cologne</li> <li>• GAST Split 2014</li> </ul>	<ul style="list-style-type: none"> <li>• Completed</li> <li>• IMM 2014 - completed, participated 7 companies, initial sales during the fair is over 1 million Euro</li> <li>• GAST 2014 - completed 6 companies participated</li> <li>• INTERIO&amp;EXTERIO 2014</li> </ul>

FIRMA Year 5 Work plan – Wood Sector

Task Area / Component	Activities	Activity Period	Expected Results	Status
			<ul style="list-style-type: none"> <li>• Other(s)</li> </ul>	<p>completed, 4 companies participated in joint stand. Totaling 17 companies.</p> <ul style="list-style-type: none"> <li>• RS CoC decided not to participate at the Belgrade 13 fair.</li> </ul>
	2.3 PSA Germany and or PSA Italy support	Jan 14 – Jun 14	<ul style="list-style-type: none"> <li>• Increased number of participating companies (3 to 5 additional companies)</li> <li>• Promotional event(s) held</li> </ul>	<ul style="list-style-type: none"> <li>• Completed for PSA Germany</li> <li>• PSA Italy cancelled – sales agent could not be identified</li> </ul>
	2.4 B2B meetings – INTERIO 2014	Feb 14 – Jun 14	<ul style="list-style-type: none"> <li>• Up to 8 foreign companies participated</li> <li>• Up to 15 BH companies participated</li> <li>• Up to 50 meetings held</li> </ul>	<ul style="list-style-type: none"> <li>• Completed</li> <li>• Due to flood most of the foreign participants canceled participation.</li> <li>• 1 company from Netherlands participated and held business meeting with IZAZOV Kalesija, SMRČA, MS&amp;WOOD, ZEDEX Zenica and Rukotvorine Konjic. Also, all participating companies held 6 B2B meetings on joint products and cooperation, totaling 10 meetings</li> </ul>
	2.5. Trade mission Netherland	Sep 13 - May 14	<ul style="list-style-type: none"> <li>• 5 to 10 BH companies participated, up to 30 business meetings held</li> </ul>	<ul style="list-style-type: none"> <li>• Cancelled</li> <li>• REZ gave up the originally planned B2B in Netherlands.</li> </ul>
3. Business	3.1. EUTR 995/2010-conference follow up (TA)	Sep 13 - May 14	<ul style="list-style-type: none"> <li>• FIRMA activities fully Implemented and Action plan –</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing</li> </ul>

FIRMA Year 5 Work plan – Wood Sector

Task Area / Component	Activities	Activity Period	Expected Results	Status
Environment			EUTR Conference (Authorities' activities – lobbying for -CITES, etc.);	Meeting with FTC and BiH Export Council (MOFTER) initiated. FTC to organize meeting of all stakeholders.
	3.2. Develop and implement Log distribution system in ZeDo	Sep 13 - Jun 14	<ul style="list-style-type: none"> <li>• Log distribution system established</li> </ul>	<ul style="list-style-type: none"> <li>• On hold due to staff changes in ZeDo Canton.</li> </ul>
	3.3. USK WS Development Policy follow up (TA)	Sep 13 – Jun 14	<ul style="list-style-type: none"> <li>• WS policy implemented</li> </ul>	<ul style="list-style-type: none"> <li>• Initiated</li> </ul>
	3.4. Joint Annual Forestry Conference (Interio 14)	March 14	<ul style="list-style-type: none"> <li>• AP for fighting illegal activities analyzed</li> <li>• Certification and new projects update</li> </ul>	<ul style="list-style-type: none"> <li>• Completed 6 presenters with written presentations, 37 participants</li> </ul>

FIRMA Year 5 Work plan – Tourism

<b>Area:</b>	<b>TOURISM</b>
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<b>Task Area / Component</b>	<b>Activities</b>	<b>Activity Period</b>	<b>Expected Results</b>	<b>Status</b>
1. Product & Productivity	1.1 Development of tourism product at protected areas	Aug 13 - Nov 13	<ul style="list-style-type: none"> <li>• Framework document for improving management of tourism flows at NP Una with recommendations</li> </ul>	<ul style="list-style-type: none"> <li>• Completed</li> </ul>
	1.2 Sarajevo Destination Portal	Aug 13- Dec 13	<ul style="list-style-type: none"> <li>• Destination portal development – final stage</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing; Launch scheduled for April 8, 2014</li> </ul>
	1.3 Ramadan Festival of Islamic Traditions	Aug 13 – Aug 14	<ul style="list-style-type: none"> <li>• New product established and site upgraded to receive visitors</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing, Opening scheduled for June 27, 2014</li> </ul>
	1.4 Kozara MTB Routes	Aug 13 - Oct 13	<ul style="list-style-type: none"> <li>• 8 routes opened (5 new)</li> <li>• Mt. and NP Kozara built into EU network for routes</li> </ul>	<ul style="list-style-type: none"> <li>• Completed</li> </ul>
	1.5 Ciro Train Revival	Aug 13 – Nov 13	<ul style="list-style-type: none"> <li>• Project proposal delivered and en route to secure EU funding</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing, final stage. Promotional ride scheduled for mid June 2014</li> </ul>
	1.6 Baljvine Village	Nov 13 – Jun 14	<ul style="list-style-type: none"> <li>• Rural tourism offer initiated</li> </ul>	<ul style="list-style-type: none"> <li>• Completed; Baljvine received direct grant for planned activity.</li> <li>• Ongoing technical assistance provided (networking and coaching the AI).</li> </ul>
	1.7 Western Hercegovina Project development	Sep 13 – Nov 13	<ul style="list-style-type: none"> <li>• Project fully developed and</li> </ul>	<ul style="list-style-type: none"> <li>• Terminated as partners</li> </ul>

FIRMA Year 5 Work plan – Tourism

Task Area / Component	Activities	Activity Period	Expected Results	Status
			submitted for EU Cross-border CRO-BiH program	could not be identified to implement the project.
	1.8 Interpretative Skills Training with Trail Management Workshop	Sep 13	<ul style="list-style-type: none"> <li>• 17 NP Una staff and tourism stakeholders able to lead interpretative activities</li> <li>• 1 person from protected zone Sarajevo trained in interpretative skills and trail development</li> </ul>	<ul style="list-style-type: none"> <li>• Completed</li> </ul>
	1.9 ATTA EDU Training	Aug 13 – Oct 13	<ul style="list-style-type: none"> <li>• Market intelligence and product definition skills improved</li> <li>• Stronger regional network and linkages leading to new packaging and regional tours</li> </ul>	<ul style="list-style-type: none"> <li>• Completed</li> </ul>
2. Connection to Markets	2.1 Promotion through Sarajevo Destination Portal	Dec 13 – Aug 14	<ul style="list-style-type: none"> <li>• Portal operational and active</li> </ul>	<ul style="list-style-type: none"> <li>• Completed, Launched in April 2014</li> </ul>
	2.2 Sarajevo 2014	Aug 13 – Jul 14	<ul style="list-style-type: none"> <li>• Improved market awareness of Sarajevo and 2014 heritage</li> </ul>	<ul style="list-style-type: none"> <li>• Campaign Launched</li> <li>• Under implementation: My Olympic Memories</li> <li>• Sarajevo City Hall Peak implemented</li> <li>• Internal/Domestic Sarajevo Destination Campaign launched</li> </ul>
	2.3 US Outdoor Market – Media	Aug 13 – Mar 14	<ul style="list-style-type: none"> <li>• At least 8 articles published</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing</li> <li>• One feature story published</li> <li>• Media visit from Outside Magazine in</li> </ul>

FIRMA Year 5 Work plan – Tourism

Task Area / Component	Activities	Activity Period	Expected Results	Status
				progress
	2.4 Western Balkans Geotourism Map Guide	Aug 13 – Jan 14	<ul style="list-style-type: none"> <li>Active BiH presence at the portal – at least 80 nominations</li> </ul>	<ul style="list-style-type: none"> <li>Completed</li> </ul>
	2.5 BH Brand Tool Kit	Aug 13 – Sep 13	<ul style="list-style-type: none"> <li>Tool kit published and distributed among industry</li> </ul>	<ul style="list-style-type: none"> <li>Completed</li> </ul>
	2.6 Archeology and Tourism Conference	Oct 13 – Jun 14	<ul style="list-style-type: none"> <li>Raised awareness of archeology and tourism link among academic, administrative and business audiences</li> <li>Regional and international linkages established</li> </ul>	<ul style="list-style-type: none"> <li>Conference terminated due to extreme flooding situation</li> </ul>
	2.7 Scandinavian Market	Aug 13 – Nov 13	<ul style="list-style-type: none"> <li>At least 5 potential partnerships</li> </ul>	<ul style="list-style-type: none"> <li>Completed</li> </ul>
	2.8 Turkish Market – Adventure/Outdoor	Aug 13 – Sep 13	<ul style="list-style-type: none"> <li>Adventure programs on offer</li> <li>At least 5 potential packages in development for sales within first year</li> </ul>	<ul style="list-style-type: none"> <li>Completed</li> </ul>
	2.9 UK Market	Aug 13 – Dec 13	<ul style="list-style-type: none"> <li>Increased awareness in UK market through published articles (at least 10)</li> <li>5 new programs developed and released with target markets</li> </ul>	<ul style="list-style-type: none"> <li>Completed</li> <li>Final media visit delivered in April 2014</li> </ul>
	2.10 ATTA Regional Workshop	Nov 13 – Jun 14	<ul style="list-style-type: none"> <li>New regional connections and partnerships</li> <li>Improved knowledge of latest market trends for adventure travel</li> </ul>	<ul style="list-style-type: none"> <li>Abandoned due to change in nature (workshop only for Macedonia, not regional)</li> </ul>

FIRMA Year 5 Work plan – Tourism

Task Area / Component	Activities	Activity Period	Expected Results	Status
				<ul style="list-style-type: none"> <li>Continued consultations on planned upcoming regional actions with ATTA</li> </ul>
3. Business Environment	3.1 Tourism Statistics	Oct 13 – Jul 14	<ul style="list-style-type: none"> <li>Established platform for cooperation under MOFTER coordination</li> <li>Initiated tourism statistics improvement processes</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing Cooperation with Central Bank of BiH and Agency for Statistics established. Consultations with Zagreb Institute for Tourism under way.</li> </ul>
	3.2 Craft Certification Program	Aug 13 - May 14	<ul style="list-style-type: none"> <li>Certification completed for 21 craftsmen;</li> <li>Certification model established and promoted</li> </ul>	Completed Promotional event held in April, 09-10 2014; 18 craftsmen from 6 crafts promoted
	3.3 Rural Accommodation	Aug 13 – May 14	<ul style="list-style-type: none"> <li>Gap analysis of current models and regulations completed</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing, GAP analysis and survey completed. Workshops with rural service providers and tour operators held. Contract signing planned for mid June</li> </ul>
	3.4 Sarajevo Destination	Aug 13 – Jun 14	<ul style="list-style-type: none"> <li>Core coordination platform defined and established</li> <li>Access to 2014 allocated international funding</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> <li>Joint application from Stari Grad Municipality, ZUP Bašćaršija and Sarajevo Navigator received funding from EU Sarajevo2014 CfP</li> </ul>

FIRMA Year 5 Work plan – Tourism

Task Area / Component	Activities	Activity Period	Expected Results	Status
	3.5 Seasonal Employment in Tourism	Sept 13 – Jun 14	<ul style="list-style-type: none"> <li>• Gap analysis</li> <li>• Targeted programs in development</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing – see Cross Cutting 1.1.</li> </ul>
	3.6 Donor Coordination	Sep 13 – Jul 14	<ul style="list-style-type: none"> <li>• Improved coordination among tourism focused projects for bigger impact</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing - Continuous</li> </ul>
	3.7 Sarajevo Philharmonic Orchestra	Sep 13 – Jul 14	<ul style="list-style-type: none"> <li>• Open air concert with donor events</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing Open Air concert held on May 9, 2014 Technical assistance continues</li> </ul>

FIRMA Year 5 Workplan – Cross Cutting

<b>Area:</b>	<b>ACCESS TO FINANCE</b>
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Task Area / Component	Activities	Activity Period	Expected Results	Status
Financial Sources & Products	1.1 Current sources of SME access to finance workshops Sarajevo Mostar and Zenica	Oct 13 - Nov 13	<ul style="list-style-type: none"> <li>Workshops held, 45 companies familiarized with current A2F sources</li> </ul>	<ul style="list-style-type: none"> <li>Completed</li> </ul>
	1.2 QBFC program	Oct 13 - Aug 14	<ul style="list-style-type: none"> <li>10 companies supported</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing -</li> </ul>
	1.3 Investment case study for pellet production	Oct 13 - Jan 14	<ul style="list-style-type: none"> <li>Investment study prepared</li> </ul>	<ul style="list-style-type: none"> <li>Completed</li> </ul>
	1.4 Workshop on financial management in companies (liquidity management, managing receivables, management of investment projects)	Feb 14 - Mar 14	<ul style="list-style-type: none"> <li>Workshops held, 45 companies improved financial management skills</li> </ul>	<ul style="list-style-type: none"> <li>Completed</li> </ul>
	1.5 Direct technical support to improved financial management in VC companies	Oct 13-Jun 14	<ul style="list-style-type: none"> <li>5 companies supported</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing; Three companies supported so far: Mivico doo Posušje, Budo doo and Sofić szr. Additional two companies currently supported.</li> </ul>

FIRMA Year 5 Workplan – Cross Cutting

<b>Area:</b>	<b>GENDER &amp; SOCIAL INCLUSION</b>
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Task Area / Component	Activities	Activity Period	Expected Results	Status
1. Gender Mainstreaming	1.1 Support to International women entrepreneurship day.	Jun-Jul 14	<ul style="list-style-type: none"> <li>• Recommendation prepared</li> </ul>	Cancelled – resources directed to another activity.

<b>Area:</b>	<b>WORKFORCE DEVELOPMENT</b>
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Task Area / Component	Activities	Activity Period	Expected Results	Status
1. Workforce Skills Needs – the Demand Side	1.1 Seasonal employment in tourism industry implementation will go through the three phases (crosscutting and tourism)	Oct 13 –Jul 14	<ul style="list-style-type: none"> <li>• Employment of min. 200 seasonal workers</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing – analysis is completed and will be presented to the Management of the Sarajevo Cantonal Employment Bureau on July 10</li> </ul>
	1.2 Srebrenica Employment	Oct 13 – Jul 14	<ul style="list-style-type: none"> <li>• 72 workers employed and 95 people trained</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing – Implementation of the project is finalized and MoU is ready for signing.</li> </ul>
2. Institutions of	2.1 Establishment of the Quick impact fund/or direct	Nov 13 - Jul 14	<ul style="list-style-type: none"> <li>• Fund established, 100</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing</li> </ul>

FIRMA Year 5 Workplan – Cross Cutting

Task Area / Component	Activities	Activity Period	Expected Results	Status
Workforce Development – the Supply Side	implementation of training activities and employment of at least 100 people (crosscutting together with sectors)		people employed and 150 improved their skills	
	2.2 Establishment of training centre in Prijedor (metal and crosscutting)	Oct 13 –Jul 14	<ul style="list-style-type: none"> <li>• Training center established, 60 people employed</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing</li> </ul>