

COOPERATION AGREEMENT
BETWEEN THE
USAID-Sida FIRMA Project and the CITY OF SARAJEVO

The Fostering Interventions for Rapid Market Advancement (FIRMA) project, sponsored by the US Agency for International Development (USAID) and the Swedish International Development Cooperation Agency (Sida), is a five-year project that began in September 2009 to support economic growth, employment expansion, and increased household incomes in Bosnia & Herzegovina.

FIRMA's overall goal is to help BiH improve "the capacity to cope with competitive pressure and market forces within the European Union". To reach this goal, FIRMA focuses on three sectors of the BiH economy – wood processing, tourism, and metal processing – to develop and improve their productivity, connections to markets, access to finance, and workforce competencies, as well as the broader business and policy environment within which they operate.

City of Sarajevo and USAID-Sida FIRMA project share the common goals of development and promotion of Sarajevo as tourist destination. USAID-Sida FIRMA and the City of Sarajevo seek to leverage each other's respective strengths, experience, methodologies, and resources in order to pursue joint objectives to increase growth, employment, and exports in the FIRMA-supported tourism sector, and ensure sustainability of results.

In accordance with above, Mayor of Sarajevo and Chief of Party of FIRMA Project agree to the following:

Article 1.

Signing parties have the following responsibilities:

FIRMA and the City of Sarajevo will meet regularly to compare workplans and identify areas of joint collaboration to address obstacles to export competitiveness of the BiH tourism sector. Tourism sector meetings will take place periodically and will include tourism sector coordinators (currently Linden - Sarajevo Navigator and Citizens' Association Zona unapredcnog poslovanja Bašćaršija), and other relevant collaborators and stakeholders. Once activities are identified timelines, responsibilities, and accompanying activity budgets will be determined. Budgets will indicate the resources to be invested by both the City of Sarajevo and FIRMA to implement the activities. Resources shall include technical assistance, direct reimbursement for costs or in-kind contributions, and grants, both from the FIRMA Small Grants Fund and from other sources.

Article 2.

FIRMA and The City of Sarajevo express their readiness to:

1. Work together with FIRMA's tourism sector coordinators Linden - Sarajevo Navigator and Citizens' Association Zona unapređenog poslovanja Baščaršija on the development of the capacities and offer of Sarajevo, related to city-break and cultural tourism
2. Facilitate, promote and support each other's activities which contribute to increase in tourism arrivals to Sarajevo and/or extended length of stay in Sarajevo area
3. Promote and support other tourism-related initiatives, which contribute to better positioning of Sarajevo at international tourism markets
4. Coordinate efforts with other institutions and donors active in tourism sector of Bosnia and Herzegovina, in order to maximize the impact of interventions.

Article 3.

FIRMA and the City of Sarajevo general areas of joint collaboration may include:

1. Product quality and productivity training and technical assistance
2. Workforce development
3. Trade shows, business-to-business events, and other activities supporting connection to tourism generating markets
4. Provision of FIRMA technical assistance to the City of Sarajevo as requested by the City of Sarajevo
5. Activities advancing the policy, legal, and regulatory environment for doing business and investment attractiveness in BiH

All activities supported by FIRMA must be consistent with its overall objectives and with its performance targets, including: growth in sales, employment, exports, and finance, plus qualitative objectives: sustainability, environment, EU alignment, workforce development, and gender / inclusion.

Article 4.

FIRMA and the City of Sarajevo will share and exchange data in order to support development of activities. This will include:

- FIRMA sector baseline assessment results
- Results of other FIRMA sector surveys and assessments
- The City of Sarajevo sector specific available data including export, revenues, employment and any other data relevant to the sectors.

Article 5.

The purpose of this Agreement is to set forth the understandings and intentions of FIRMA and the City of Sarajevo with regard to these shared and complementary goals.

FIRMA and the City of Sarajevo are entering into this Agreement while wishing to maintain their own separate and unique missions and mandates, and their own accountabilities.

FIRMA and the City of Sarajevo specifically acknowledge that this agreement is not an obligation of funds, nor does it constitute a legally binding commitment by either FIRMA or the City of Sarajevo.

This Agreement may be terminated at any time upon the written notice of either FIRMA or the City of Sarajevo.

Article 6.

This Agreement is concluded for indefinite period and enters into force on the signing date. Based on that, programs with concrete activities can be prepared.

Article 7.

This Agreement shall be completed in Bosnian and English, in two copies each, and both languages versions are credible.

This Agreement is signed in Sarajevo, 21.01.2011.

USAID – Sida FIRMA Project

Chief of Party

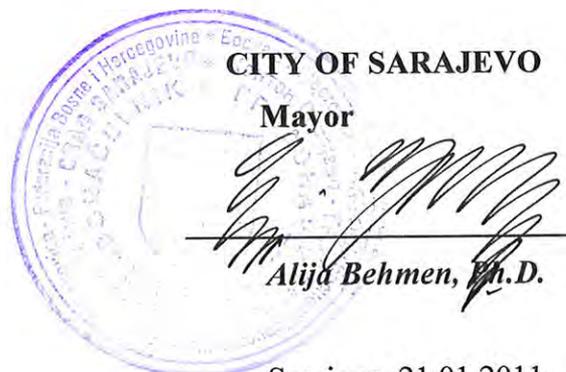


David T. King, Ph.D.

Sarajevo, 21.01.2011.

CITY OF SARAJEVO

Mayor



Alija Behmen, Ph.D.

Sarajevo, 21.01.2011.

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