USAID DEVELOPING SUSTAINABLE TOURISM ACTIVITY IN BOSNIA AND HERZEGOVINA (TURIZAM)

FISCAL YEAR 2020 -2021 QUARTERLY REPORT – QUARTER I

October 1 – December 31, 2020
(including start up period of September 11-30)

Prepared for USAID/Bosnia and Herzegovina
C/O American Embassy
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Crimson Capital
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>BiH</td>
<td>Bosnia and Herzegovina</td>
</tr>
<tr>
<td>COVID-19</td>
<td>Coronavirus Disease 2019</td>
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<tr>
<td>CPCD</td>
<td>Center for Promotion of Civil Society</td>
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<tr>
<td>CZZZS</td>
<td>Center for Environmental protection</td>
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<tr>
<td>DMO</td>
<td>Destination marketing organization</td>
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<td>EU</td>
<td>European Union</td>
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<td>FBiH</td>
<td>Federation of BiH</td>
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<td>FMoET</td>
<td>Federal Ministry of Environment and Tourism</td>
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<td>FSA</td>
<td>BiH Food Safety Agency</td>
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<tr>
<td>GCAP</td>
<td>Green Cities Action Plan</td>
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<tr>
<td>GDP</td>
<td>Gross domestic product</td>
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<tr>
<td>GESI</td>
<td>Gender Equality and Social Inclusion</td>
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<tr>
<td>GIZ</td>
<td>Deutsche Gesellschaft für Internationale Zusammenarbeit</td>
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<tr>
<td>GoBiH</td>
<td>Government of BiH</td>
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<td>GSTC</td>
<td>Global Sustainable Tourism Council</td>
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<tr>
<td>IPR</td>
<td>Intellectual Property Rights</td>
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<tr>
<td>MEL</td>
<td>Monitoring, evaluation, and learning</td>
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<tr>
<td>MOFTER</td>
<td>Ministry of Foreign Trade and Economic Relations</td>
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<tr>
<td>MTT</td>
<td>Ministry of Trade and Tourism (RS)</td>
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<tr>
<td>NGO</td>
<td>Non-governmental organization</td>
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<td>NP</td>
<td>National Park</td>
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<tr>
<td>PA</td>
<td>Protected Area</td>
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<td>PDO</td>
<td>Protected Denomination of Origin</td>
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<td>PGI</td>
<td>Protected Geographical Indication</td>
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<td>PTP</td>
<td>Pathways to Professionalism</td>
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<td>REDAH</td>
<td>Regional Development Agency for Herzegovina</td>
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<td>REG</td>
<td>USAID Regional Economic Growth Project</td>
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<tr>
<td>RS</td>
<td>Republika Srpska</td>
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<td>SFF</td>
<td>Sarajevo Film Festival</td>
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<tr>
<td>SME</td>
<td>Small and medium-sized enterprises</td>
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<tr>
<td>STTA</td>
<td>Short-term technical assistance</td>
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<tr>
<td>TORS</td>
<td>Tourism Association of Republika Srpska</td>
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<tr>
<td>TCC</td>
<td>Tourism Competitiveness Coalition</td>
</tr>
<tr>
<td>TSA</td>
<td>Tourism Satellite Account</td>
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<tr>
<td>TSG</td>
<td>Traditional Specialty Guaranteed</td>
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EXECUTIVE SUMMARY

Chemonics International Inc. is pleased to submit to USAID/BiH the USAID Developing Sustainable Tourism Activity in Bosnia and Herzegovina (Turizam) Quarterly Report covering the period of September 11, 2020 through December 31, 2020.

This quarter witnessed the startup of the project and beginning deployment of technical assistance. A main office in Sarajevo was established, along with two regional representatives in Banja Luka and Mostar. The majority of project staff have been mobilized and chief of party deployed to the country and conducted stakeholder introductions to ministries, business associations and private sector stakeholders. Following is a synopsis of accomplishment by objective.

Objective 1: Enabling environment with harmonized policies and regulations necessary for noticeable growth in the tourism sector established. During this reporting period, Turizam engaged with public and private sector partners to define the most politically acceptable and technically impactful composition for the proposed Tourism Competitiveness Coalition (TCC), along with envisioned role and operating concept to inform the development of entity tourism strategies. Turizam received a written request from both entities and Brcko District (BD) for assistance in the development of their tourism strategies. COVID-19 Guidelines and Protocol were developed and approved by the FBiH Government, and progress is being made to secure endorsement of Republika Srpska (RS) and BD governments. Turizam held meetings and consultations with relevant institutions and organizations across Bosnia and Herzegovina (BiH) to analyze and seek greater information and understanding of industry challenges and opportunities, as well as current initiatives and projects related to environment protection in BiH. The project also received interest from National Park Una to develop a sustainable tourism management plan.

Objective 2: Tourism quality, services, and branding strengthened resulting in improved BiH tourism industry. Turizam began developing a database, of BiH Outdoor Tourism providers that will be consulted in developing the Outdoors tourism strategy. Also during Q1, the team identified two team members as gender and disability inclusion champions, shared relevant training resources and involved them in the development of Gender Equality and Social Inclusion (GESI) concept and related project activities. In addition, Turizam organized several consultation meetings with the BiH Food Safety Agency (FSA) and the BiH Institute for Intellectual Property Rights (IPR) regarding the Geographic Indication marks, launched an online survey to gauge the interest of food and handcraft organizations in pursuing the certification of geographic indication, organic or halal, as well as general needs related to marketing, including branding and packaging.

Objective 3: Tourism service providers, agriculture, and other tourism-related SMEs gain improved access to finance resulting in a substantial increase in investment. Turizam prepared a survey to begin a rapid review and consultations of finance sources in Q 2 to identify available financing options from the public and private sector.
Objective 4: Tourism and local agriculture products gain increased access to regional and global markets. Turizam held industry focus group and one-on-one consultations with tour operators, hotels, restaurants and café owners and managers, tourism activities suppliers and business associations to identify status of the industry and findings to inform the recovery. The team produced a communication-oriented market engagement tactical recovery plan to fast track market recovery from the impacts of the pandemic and initiated the work on assessment of capacities and needs of the tourism boards and tour operators. In addition, Turizam identified capacity building needs of tourism boards across the country in digital marketing, budgeting, adoption of new technology. Support to the tourism board of Sarajevo Canton in digital transformation was provided.

SECTION A
INTRODUCTION

A1. BACKGROUND

USAID's Developing Sustainable Tourism in Bosnia and Herzegovina (Turizam) will fuel broad-based tourism-driven economic growth and promote social harmony by capitalizing on its rich cultural heritage and distinctive nature. It will support the Bosnia and Herzegovina (BiH) tourism industry to recover from the negative impacts of the COVID-19 pandemic and set it on a robust growth trajectory toward a sustainable tourism economy.

Turizam aims to accelerate economic growth in the tourism sector, which will lead to more jobs, provide sustainable income for producer organizations and tourism-related companies, help to change the “BiH brand”, and have a positive spill-over effect to other sectors; such as agriculture, transportation, and environmental protection.

USAID Bosnia and Herzegovina expects the activity will result in:

- **Objective 1**: An enabling environment with the harmonized policies and regulations necessary for noticeable growth in the tourism sector established.
- **Objective 2**: Tourism quality, services, and branding strengthened resulting in an improved BiH tourism industry.
- **Objective 3**: Tourism service-providers, agriculture, and other tourism-related SMEs gain improved access to finance resulting in a substantial increase in investment.
- **Objective 4**: Tourism and local agriculture products gain increased access to regional and global markets.

A2. ORGANIZATIONAL STRUCTURE AND CHART

To achieve the objectives of Turizam, the Activity’s startup structure organizes staff in thematic priorities that address the overlap in objectives and interlinked nature of tourism opportunities in BiH. It is comprised of three technical and one administrative teams, which may be realigned per implementation demands with the most effective team composition and organization. The teams are organized as follows:
• **The destination competitiveness team** focuses on the foundational needs of the activity, facilitating coordination for strategies and policies at the state, entity, canton, and municipal level driving business enabling environment development, gender integration, and sustainability; facilitating investments; building business acumen; and balancing interventions for economic development with conservation strategies.

• **The tourism products development team** engages and supports beneficiaries in product development, workforce development with an inclusive lens and expertly steers tourism inputs, such as agricultural and other rural products, toward exceptional quality to meet the packaging and marketing expectations of international clients.

• **The experience development and destination marketing team** identifies opportunities and tourism products with the most potential impact, works with stakeholders (i.e. tourism boards) to improve capacity and develop product marketing strategies at the destination and enterprise levels and leverage experience design approaches to enhance value and attractiveness of BiH tourism offer.

• **The program services team** supports the technical teams as well as the Activity stakeholders, as needed, to ensure program activities are flexible, and have a national and global outreach. The team provides logistical as well as technical support to implementation through the well-organized activities focusing on procurement, financial management, Activity communications, and reporting.

The Activity’s staffing strategy is directly informed by its commitment to build local capacity through mentorship, skill transfer and empowerment to confidently and independently achieve excellence and ‘entrepreneurship’ as well as ascend into more senior roles, when the opportunity presents itself. This team will be supported by senior qualified international experts and advisors providing both long term and intermittent assistance to all components through the life of Turizam. As Turizam is a dynamic activity that must continually adapt to needs of implementation and demands for a fast-moving tourism local and global environment, staffing configuration will be adapted to meet stakeholder development needs and Activity targets through refinements, additions, or reductions.

**A3. CONTEXT UPDATE**

BiH has unique layers of history with fascinating heritage and is endowed with one of Europe’s most distinguished natural landscapes. Yet, prosperity is hampered by fractious governance, a tainted image and high unemployment, low participation of women in the labor force, an aging population, and outward migration of youthful talent. The economy is mostly agrarian with a persistent trade deficit and anemic foreign direct investment. Properly conserved, developed with innovation and effectively marketed, sustainable tourism can fuel broad-based economic growth across the tourism and related value chains, including agriculture. Post COVID-19 traveler motivations will strongly align with healthier travel options, including nature and adventure, all strengths for BiH. As a multi-sectoral industry, tourism success depends on active collaboration among diverse public and private stakeholders to serve as a powerful force for creating a single economic space, robust job growth and social cohesion.
COVID-19 Pandemic Update

The impact of COVID-19 on tourism has been unprecedented. Latest UNWTO Barometer report estimates there will be a more than a 70% fall in international tourist arrivals globally in 2020, with the Southern Mediterranean Europe region estimated to show a fall of 72% year on year.

According to UNWTO’s seventh report on travel restrictions as of 1 September 2020 a total of 115 destinations (53% of all destinations worldwide) had eased COVID-19 related travel restrictions for international tourism. This is an increase of 28 destinations compared to 19 July 2020. The situation is unclear with new lockdowns and travel restrictions possible in the first quarter of 2021. Despite the introduction of different vaccines, recovery in leisure travel is unlikely to be linear and depends upon limiting the development and spread of the pandemic before there is significant improvement in traveler confidence and major lifting of travel restrictions. The situation remains uncertain.

COVID-19 pandemic brought havoc to the tourism industry all around the world and remains a significant challenge for Bosnia and Herzegovina. According to the UNWTO World Tourism Barometer, Bosnia and Herzegovina’s international tourism receipts amounted to $1.03 billion, a 12.6% increase in comparison to 2018. Revenue for 2020 is expected to be slashed by around 70%.¹ Latest figures from the Agency of Statistics shows 84.03% decrease in international arrivals for the period January to November 2020 compared to the same period of 2019.

<table>
<thead>
<tr>
<th>Bosnia and Herzegovina Agency for Statistics</th>
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<tbody>
<tr>
<td>Visitor Numbers</td>
</tr>
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<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2019 Jan - Nov</th>
<th>2020 Jan - Nov</th>
<th>19/18</th>
<th>19/20 Jan - Nov</th>
</tr>
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<tbody>
<tr>
<td>Domestic tourists</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>2018</td>
<td>412,514</td>
<td>442,658</td>
<td>403,547</td>
<td>274,722</td>
<td>7.31%</td>
<td>-31.92%</td>
</tr>
<tr>
<td>Foreign tourists</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>1,052,898</td>
<td>1,198,059</td>
<td>1,141,328</td>
<td>183,783</td>
<td>13.79%</td>
<td>-83.90%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>1,465,412</td>
<td>1,640,717</td>
<td>1,544,875</td>
<td>458,505</td>
<td>11.96%</td>
<td>-70.32%</td>
</tr>
</tbody>
</table>

Source: Bosnia and Herzegovina Agency for Statistics, January 2021

SECTION B

Turizam team conducted extensive countrywide meetings and consultations with different stakeholders to present Activity’s objectives, the 4-pillar approach methodology for strategy

¹ This projection is based on available revenue data as reported by UNWTO and arrivals and overnight data available for the BiH Agency for Statistics. Accuracy of this figure can only be supported in the presence of a Tourism Satellite Account (TSA) adopted by many developed tourism economies, including most European countries. In absence of TSA, the projections are illustrative, yet indicative.
development and to gather feedback to inform implementation. The meetings and consultations included two entity ministers and Ministry of Foreign Trade and Economic Relations (MOFTER), 115 tourism stakeholders during five regional focus groups (Sarajevo, Mostar, Banja Luka, Trebinje and Muđugorje), and meetings with nine tourism boards. Additionally, a survey of 160 tourism businesses was conducted, showing deep decline in their business. Consultations and meetings also included nature park representatives from Una and Sutjeska.

B.1 OBJECTIVE 1: ENABLING ENVIRONMENT WITH HARMONIZED POLICIES AND REGULATIONS NECESSARY FOR NOTICEABLE GROWTH IN THE TOURISM SECTOR ESTABLISHED

If Bosnia and Herzegovina is to succeed in the post COVID-19 international tourism marketplace, which is anticipated to be extremely competitive, the industry needs to begin a process of ‘reinvention’ by developing a clearer vision of the future and improving competitiveness across the value chain. This will be achieved by working in partnership with the ministries of tourism and other public and private sector stakeholders from both Entities and the Brcko District (BD). Such a partnership needs to be based on continued dialogue among industry actors to ensure dynamic policymaking and effective execution.

Objective 1. is divided into two Sub-Objectives:

1. Support Harmonized Tourism Competitiveness Strategies, Policies, and Regulations
2. Protect the Environment, Conserve Nature, and Promote Sustainability

Quarterly Highlights

- Developed a draft Tourism Competitiveness Coalition Terms of Reference based on consultations with the Federal Chamber of Economy and RS Chamber of Commerce and Industry, following introduction of the concept to both entity ministers. The document will be finalized in the early part of the second quarter and will describe the role and operating concept for public-private collaboration for the development of entity tourism strategies.
- Secured buy-in from Federal Chamber of Economy and RS Chamber of Commerce and Industry to serve as anchor organizations to facilitate the engagement of the Tourism Competitiveness Coalition (TCC). The concept of involving an anchor organization in each entity is design to lay foundations for sustainability of the TCC approach and to strengthen the public-private partnership dynamics.
- Received the written request from both entities and BD for strategy development support. Turizam confirmed its support to the ministries and BD, which will begin in the second quarter.
- Developed the COVID-19 operational guidelines and protocols incorporating international best practices. Received approval from the Government on these protocols, and approvals from RS and BD are expected in January 2020. Once received, Turizam will initiate the process of acquiring the World Travel and Tourism Council (WTTC) Safe Travels stamp which will position the destination as COVID-19 safe and help with international promotion.
• Began field research to identify existing NGO/Business Associations for needs assessment in terms of receiving Turizam activity support (building capacities, creation and revision of business plan and similar). The business association landscape in BiH is weak and fragmented and no single strong association emerged as a clear contender for support, however the traditional chambers present an opportunity for reform and development, as evidenced by their expressed interest to partner with Turizam. This area requires further investigation.

• Held meetings with relevant institutions and organizations (UNEP, ENOVA, UNDP, Center for Protection of Environment, etc.) and gathered information about current initiatives and projects related to the environment protection in BiH. The information will aid Turizam’s efforts towards increasing of the land area classified as protected, specifically in developing a plan to increase the percentage of PA in BiH.

• Held consultations with representatives of ENOVA and the Ministry of Spatial Planning, Construction and Environment Protection, and representatives of Center for the Environmental Protection from Banja Luka regarding the Green City Action Plan (GCAP) for Banja Luka and Sarajevo. Turizam identified that Banja Luka had adopted GCAP in October and Sarajevo was to adopt its GCAP imminently, therefore making Turizam engagement in this area unnecessary.

• Initiated internal collection and analysis of all available data about nature parks in BiH. This will result in better understanding of current state of the management and the needs of the two main parks in BiH. Sources of data and reports were received and gathered from the UN Environment Program (UNEP), and World Wildlife Fund (WWF).

SUB-OBJECTIVE 1.1: Support Harmonized Tourism Competitiveness Strategies, Policies, and Regulations

ACTIVITY 1.1.1 Forge Tourism Competitiveness Coalition (TCC)

During the reporting period, Turizam developed a concept that describes the Tourism Competitiveness Coalition (TCC) role and operating concept to advise the development of entity tourism strategies. The TCC is envisioned to include members from the government, private sector, local stakeholders, academia, tourism boards, development agencies, etc. Their primary role is envisioned to work in a public-private partnership manner to provide industry view and advice to the process spearheaded by entity ministries in their quest to develop respective tourism strategies.

Consequently, Turizam conducted 10 meetings with public and private RS and Federation BiH to explore the (TCC) model. The meeting with BD is still pending due to the illness of the responsible person for tourism within the BD Government. Turizam team secured interest from private sector representatives to serve as the anchor organizations of the TCC work (Federal Chamber of Economy and RS Chamber of Commerce and Industry). Both entity Chambers expressed their interest to be involved in as many Turizam activities as possible, being a participant or an implementer of some activities.

The RS Ministry has already appointed its three-member team and Turizam Activity continued to work with the Federal ministry partners to do the same.
Performance challenges during the reporting period:

Due to the relatively small size of BD’s private sector, the approach for the TCC model for BD may differ. The project requested the official meeting with representatives of the department in charge of tourism and anticipates it to take place in Q2 to explore the best approach for the composition of working group from private and public sector representatives that will work together to produce/revise the BD’s strategy.

Another challenge experienced during this reporting period was with the Federal Ministry of Environment and Tourism (FMoET) as they were not able to assign staff members for the TCC due to the lack of availability. The Turizam team aims to resolve this in early 2021.

ACTIVITY 1.1.2 Facilitate the development of Entity-level Tourism Development Strategies

In this quarter, Turizam received a written request from the Federal Ministry, RS Ministry and BD to support tourism strategies development support for both entities. For this purpose, the RS Ministry of Trade and Tourism appointed members for strategy development working groups. We provided research on market trends and opportunities for market-product matching and destination sustainability. Finally, Turizam held a presentation on recommended future steps (methodology, TCC model, etc.) and secured agreement on timeline and responsibilities between Turizam and the RS Strategy as well as the Minister’s consent with the plan. Turizam presented partners a more ambitious timeline than may be realistic to serve as a motivator for quick action.

In addition, the Turizam team reviewed an existing draft tourism development strategy for Brcko District 2020-2025, which has not been adopted yet. Brcko District representative requested the project’s support in revising and refining the existing approach to tourism.

Performance challenges during the reporting period:

Developing a national tourism strategy at the state-level must articulate a shared vision and political will of both Entities and the BD to jointly develop the tourism industry in a singular fashion. Currently, the limited coordination among them is mostly focused on information sharing but learning derived from extensive consultations in the start-up phase revealed that there is no interest in pursuing a state-level strategy.

As a state level strategy is not achievable since constitutional responsibilities for tourism lay on entity level (state having a role in coordination of joint activities), Turizam team decided to adapt the approach and create two coordinated entity strategies. With USAID’s facilitation, Turizam generated interest and official request from both Entity ministries and BD to support entity-specific tourism strategies, which is also an official requirement for each to have its own tourism strategy. Turizam is also engaging with the BD to assess their needs on the scope of the support for their own, already drafted, tourism strategy.

The complex procedure required for the Federal strategy foresees coordination and agreement of all cantons. This process can take indefinite time to obtain 10 consents from all
cantons and further can delay the development and adoption of a single Federal tourism strategy document.

**ACTIVITY 1.1.3 Develop White Paper Policy/Regulatory Reform Agenda to support Policy, Regulatory and Institutional Enhancements**

Turizam began immediately upon startup to formulate COVID-19 Health and Safety Guidelines and Protocols by building on health and safety guidelines set by relevant institutions of BiH and adapting them to meet international best practice from global industry leaders.

<table>
<thead>
<tr>
<th>Relevant local institutions consulted include:</th>
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<tbody>
<tr>
<td>• Institute for Public Health FBiH</td>
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<tr>
<td>• Institute for Public Health RS</td>
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<tr>
<td>• Ministry of Health FBiH</td>
</tr>
<tr>
<td>• Ministry of Trade and Tourism of Republika Srpska</td>
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<tr>
<td>• Ministry of Environment and Tourism of Federation of B&amp;H</td>
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<tr>
<td>• Tourism Department of Government of Brcko Distrikt</td>
</tr>
<tr>
<td>• Association of hoteliers Sarajevo</td>
</tr>
<tr>
<td>• Institute for public health and food safety Zenica Doboj Canton</td>
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</table>

Following a detailed analysis of existing documents prepared and adopted by BiH institutions in response to the COVID-19 pandemic, Turizam held private sector consultations, that included more than 150 stakeholders from accommodation facilities, restaurants, adventure services and many others in order to explore their needs and capacities to introduce new measures or point out shortcomings. The project presented and discussed final guidelines with key government and private sector stakeholders to ensure their buy-in and ownership, and to facilitate their adoption as a first step for the BIH in obtaining the #SafeTravel label.

These guidelines and protocols target eight groups of service providers and over nine types of activity providers within the tourism industry. The document was prepared in cooperation with BiH Ministry of Foreign Trade and Economic Relations (MOFTER) and entity ministries, including the Federal Ministry of Environment and Tourism and the Ministry of Trade and Tourism of Republika Srpska. Respective entity governments and BD-state level ministry have yet to approve COVID-19 Guidelines and Protocols.
BiH Tourism COVID-19 Health and Safety Guidelines and Protocols

COVID Protocols target the following service providers:

1. Hotel Establishments and Tourist Accommodation Services (hotels, lodges, guesthouses, camps)
2. Transport Services
3. Tourist Restaurants
4. Visitor Centers
5. Diving Centers
6. Boats
7. Water Games
8. Tour Guides
9. Bazars and Handicrafts Shops
10. Cycling
11. Rafting
12. Trekking
13. Cultural Tours and Sightseeing
14. Culinary Experience

These protocols, adopted as official instruments for public adoption constitute policies, therefore contributing to Activity Monitoring, Evaluation and Learning Plan targets.

Activity 1.1.4 Strengthen Industry Development and Advocacy Capacity of Specialized NGOs and Business Associations

During this reporting period, Turizam conducted field research to identify existing NGO/Business Associations’ capacity building and organizational development needs. The team held meetings with Horeca, Association of Touristic Agencies (UTA), Association of Hoteliers and Restaurateurs, Association of Entrepreneurs in Tourism Sector, Associations of Tourism of Federal Chamber of Economy and RS Chamber of Commerce and Industry, Herzegovina Tourism Cluster, cycling association, etc. The outcomes of these meetings will inform types of support the project will provide.

ACTIVITY 1.1.5 Strengthen Data-driven Policy Formulation and Marketing

Turizam conducted extensive market research of the tourism industry performance in BiH, including analysis of data pertaining to source markets, distribution of room nights and nationalities. This analysis will be shared in the second quarter with tourism boards and members of the tourism industry. The aim is to improve marketing planning by tourism boards and companies.

SUB-OBJECTIVE 1.2: Protect the Environment, Conserve Nature, and Promote Sustainability

ACTIVITY 1.2.1 Support Increase of Land Area Classified as Protected and Improve Management of Existing Nature Parks

The Turizam team has conducted meetings with relevant institutions and organizations in order to gather additional information about current initiatives and projects related to the environment in BiH regarding the increasing of the land area classified as protected. In total 12 meetings were held, with national and international organizations including Accelerator Lab (UNDP), Center for Environmental protection (CZZS), Center for Promotion of Civil Society
Besides meetings held, an in-depth desk research was held assessing impediments to advancing the conservation agenda and identifying opportunities to advance nature conservation initiatives. As a result, the following focus areas have been identified:

1. **Community** - most important is cooperation with local community and to be transparent and cooperative. Local community needs to recognize this as their opportunity and people need to benefit from PA, they need opportunities and to learn how and why they need to help establishing and protecting the nature areas.

2. **Many areas planned to be protected lay in more than one municipality or canton**. A single mayor can stop the entire plan to declare an area as protected.

3. **Sustainability of the PA** - how to provide management of PA to be sustainable, what kind of the projects and project activities could and should be developed?

At the moment it is a UNEP priority that 10 PAs are planned in the procedure of getting valorization studies approved by relevant ministries in both entities (Vjetrenica, Livanjsko polje, Zvijezda, Bjelansica, Mediterranetum, Tišina, Orijen, Prača river Canyon and Govještica, Mokranjska Miljacka and Tara River Canyon). If the local community agree on this then the percentage of PAs will significantly increase. Turizam Activity will include this in its plan and recommendations how to raise awareness of local communities and the importance of PA.

**Performance challenges during the reporting period:**

No performance challenges have been recorded during the reporting period. However, Turizam team is aware and knows there is lack of political will and, in some cases, resistance towards the establishment of new PAs among local communities due to lack of awareness about the values of PA. Municipalities are especially relevant for protected areas (they can put veto to any suggestion, so PA cannot be established in the area).

**ACTIVITY 1.2.2 Develop Advisory Plan to Support Sarajevo and Banja Luka to Implement Green Cities Action Plan**

During this reporting period, Turizam held consultations with representatives of ENOVA and Ministry of Spatial Planning, Construction and Environment Protection, as well as meetings with representatives of Center for the Environmental Protection from Banja Luka were held. These meetings aimed at gathering additional and relevant information regarding the Green Cities Action Plan (GCAP) for Banja Luka and Sarajevo. Banja Luka City have already adopted the plan in October, so there would be no need for the Turizam advisory plan to be developed. Same goes for Sarajevo City, which anticipates to imminently adopt its plan yet.

**ACTIVITY 1.2.3 Develop enhanced Nature Park Visitor Management and Community Engagement Plan with National Park Una**

Field visits and meetings with National Park Una and Sutjeska were held, including additional meetings with the Center for Environmental protection-CZZS, ENOVA, Federal Ministry
of Environment and Tourism, Republic Institute for Protection of cultural, historical and nature heritage of Republic of Srpska, UNEP BiH, WWF Adria, etc. The project gathered data and information on previous, current, and planned activities related to the improvement of the Nature Parks visitor management and community engagement plan.

During the meeting with Mr. Amarildo Mulići, director of the Una NP, he expressed his interest and willingness to cooperate. Turizam team conducted initial desk research and met with the FMoET to discuss the development of a new management plan for the NP Una and learn about the ministry’s plan regarding the NP Una, environment and cooperation with Turizam.

Furthermore, Turizam team initiated investigation of potential new opportunities for introducing a new Nature Park by conducting desk research regarding the Blidinje Nature Park and meeting with FMoET to learn more about plans of having this PA under Federal Funding. Unfortunately, there is still no political will of having the Blidinje management under Federal level. Blidinje Nature Park still runs as a private company and has insufficient revenue to conduct any nature conservation activities whatsoever. Turizam Activity will explore other nature parks potentials in a future phase.

Performance challenges during the reporting period:

Turizam team met with the Sutjeska National park (the most recognized national park in RS) deputy director, who had shown will for the cooperation. However, in a follow up meeting with the director of the park, such interest was rescinded and Turizam will not pursue work with Sutjeska in the immediate term.

B.2 OBJECTIVE 2: TOURISM QUALITY, SERVICES, AND BRANDING STRENGTHENED RESULTING IN IMPROVED BIH TOURISM INDUSTRY

Objective 2. is divided into three Sub-Objectives:

1. Improve Quality of Tourism Products and Services Across the Value Chain
2. Enhance Quality and Professionalism of Tourism and Hospitality Human Capital
3. Revolutionize Destination Branding and Secure Geographic Indications/Certification

Quarterly Highlights

- Finalized the scope of work for an international expert from Lebanon to lead the development the Most Beautiful Villages of Bosnia and Herzegovina program, which USAID approved and the activity will begin in the second quarter.
- Began initial assessment of the tourism and hospitality human capital landscape in order to properly define the SOWs for local and international experts to conduct the Human Capital Needs Assessment and subsequent Development Strategy. An international consultant was approved by USAID and will begin in the second quarter, while a local consultant (or more) is still being identified.
- Appointed two existing team members as gender and disability inclusion champions and introduced to Gender Equality and Social Inclusion (GESI) concept and training materials.
- Secured consent from Tourism Organization of Republika Srpska and Tourism Association of Canton Sarajevo (Visit Sarajevo) in the development of their digital...
brand communication plans, and helped Visit Sarajevo with procuring its technology package which included website upgrade, development of a mobile application for routes and museum tours.

- Organized several consultation meetings with the BiH Food Safety Agency (FSA) and the BiH Institute for Intellectual Property Rights (IPR) regarding the Geographic Indication (GI) marks and agreed on having an online conference in Q2 to promote the benefits of certification to wider audiences.
- Launched an online survey and so far received 70+ responses from food and handicrafts organizations around the country, identifying their interest in pursuing the certification of geographic indication, organic or halal, as well as general needs related to marketing, including branding and packaging.
- Explored the available opportunities with other donors: EU4AGRI, an UNDP led project, and with UN Food and Agriculture Organization – UN FAO, since these two organizations are also planning to provide support related to the adoption of GI marks. Agreed on synergies and a joint event in Q2.

SUB-OBJECTIVE 2.1: Improve Quality of Tourism Products and Services Across the Value Chain

ACTIVITY 2.1.2. Support adoption of BiH Green brand

GIZ is working on this initiative and Turizam is in communication to see what additional input is needed. For now, all planned activities are on hold, to avoid duplication.

Note: Outdoor tourism cluster plan – Bosnia Green was a contract deliverable expected in March 2020. Due to the above developments with GIZ, Turizam is proposing to replace this deliverable or modify it.

ACTIVITY 2.1.3. Develop an Outdoors cluster plan

Turizam began developing a database targeted to include approximately 300 BiH outdoor tourism providers. This database will be used to inform formulation of the first BiH outdoor tourism survey during Q2. Among its objectives is to demarcate those service providers that provide commercial services versus providers from the NGO sector (some outdoor tourism services are offered by NGOs instead of the tourism agencies). The survey will also seek to identify current capacities, subsectors and development needs, and glean insights into adoption of health and safety guidelines.

To ensure private sector guidance to Turizam activities, five meetings with BiH outdoor tourism providers were held (Green Visions, Una Aquarius, Extreme Climbing Club, Dayak Club, and Guideline Agency) and collected initial information about current projects, their potential networks and opinion on required interventions. According to the interviewees, there is an urgent need to establish a more coherent and efficient coordination and cooperation amongst growing BiH outdoor tourism community as well as put more effort into upgrading certain skills.
ACTIVITY 2.1.4 Create Improved Operational and Safety Standards for Outdoors Cluster

See section 1.13 discussing the COVID-19 health and safety guidelines and protocols, which include the outdoors cluster.

ACTIVITY 2.1.5 Develop **Most Beautiful Villages of Bosnia and Herzegovina** program

During this reporting period, Turizam identified an international expert from Lebanon (president of the Most Beautiful Villages of Lebanon Association) for this position and this expert was approved by USAID. Activities are scheduled to begin in Q2 with methodology development, and the in-country field visit is planned for March. Meanwhile, Turizam is working on identifying the local partner(s) for this initiative (such as Alterural) and to engage a local expert to assist in the process of development of the draft methodology and coordination with the relevant local stakeholders.

ACTIVITY 2.1.6 Develop Hub and Spokes model

During this quarter, Turizam team defined the first potential hub and spokes with Sarajevo as a hub, given that this is most visited tourism destination in the country. The goal of this initiative is to support the strategic linking of anchor destinations with nearby towns and villages. Due to its economic viability and potential to act as a catalyst for cross-entity collaboration, a preliminary list of potential spokes around Sarajevo as a hub was drafted. These include Pale and Jahorina in the RS, Travnik, Konjic, Kraljeva Sutjeska, Fojnica and Visoko in FBiH. Once the methodology is drafted in Q2, it will be shared with the relevant local counterparts to further develop the model collaboratively and identify the specific products and partners related to the selected hub and spokes.

Performance challenges during the reporting period:

Activities related to developing the Hub and Spokes Model have been somewhat delayed due to the change of the Experience Development and Destination Marketing Team Leader and the approval process for the new Key Person.

SUB-OBJECTIVE 2.2: Enhance Quality and Professionalism of Tourism and Hospitality Human Capital

ACTIVITY 2.2.1 Prepare Workforce Needs Assessment and Human Capital Development Strategy

To inform the planned activities related to the workforce needs assessment and human capital development strategy, market consultations were conducted by engaging with private sector investors and market scan of available research. This led to identification of two important resource documents expected to help Turizam limit the required time and resources investment in the planned assessment. The identified studies are: Situation Analysis for Tourism in Sarajevo Canton (May 2019, available in local language only) and the Preliminary Tourism Sector Analysis (GiZ, November 2020). Turizam also developed the methodology
for this activity and prepared the SOWs for an international expert and a draft for identifying one or more local experts to begin work in Q2.

Performance challenges during the reporting period:

Challenges were experienced in identifying suitable local experts for this activity, as the number of people with the relevant experience is limited. Also, statistics\(^2\) show that the number of employees in the sector has fallen by at least 15.5% between December 2019 and October 2020 caused by the COVID-19 pandemic (certain businesses suffered a significantly larger drop). This required Turizam to reconsider its original approach to the human capital assessment. A refined methodology will be finalized in early Q2 and deployed for execution.

**ACTIVITY 2.2.2 Professionalize hospitality services by improving workplace skills and strengthening vocational training**

There are no activities to report under this line item.

**ACTIVITY 2.2.3 Launch industry-based ‘Pathways to Professionalism’ (PTP) training initiative**

There are no activities to report under this line item.

**ACTIVITY 2.2.4 Building excellence in tourism higher education by achieving TedQual certification**

There are no activities to report under this line item.

**ACTIVITY 2.2.5 Promote safe food handling in the adventure and hospitality sector**

During this reporting period, a consultative meeting was held with the BiH Food Safety Agency (FSA) and it was agreed that Turizam and FSA will work together on developing the relevant materials (leaflets available in print or online format, videos, webinars and social media messaging). Until now, BiH FSA did not prepare technical materials that would address the safe food handling in the adventure and hospitality sector, but they are interested to do so but lack capacity. Turizam is formulating an approach that will most effectively help develop the relevant content, including considering materials created by the Croatian Food Safety Agency.

**ACTIVITY 2.2.6 Conduct gender assessment to support expanding opportunities for women in the tourism sector**

To maximize gender, social and disability inclusion within and throughout Turizam activities, two team members were appointed as gender and disability inclusion champions and introduced to Gender Equality and Social Inclusion (GESI) concept and training materials.

\(^2\) According to the BiH Agency for Statistics (Persons in paid employment by activity), the number of people employed in the Accommodation and Food Service Activities dropped by around 6,700. More [here](http://www.bih-agency.statistics).
Additionally, both GESI champions have been conducting desk research, and learning more about GESI in the context of Bosnia and Herzegovina.

In addition, to produce the disabilities inclusion plan that will help identify inclusion opportunities in Activity tasks, but also in the labor market, GESI team will closely cooperate with STTA and Cultural practice (IDIQ subcontractor) to connect them to information source and local stakeholders. The SOW for the local GESI consultant/STTA has been defined and is now in the process of getting reviewed and approved. Furthermore, the SOW for the Cultural practice has been drafted and will be completed and sent for the approval early in the second quarter.

**ACTIVITY 2.2.7 Promoting Excellence Awards in the Industry**

Preliminary assessment was made of the FBiH Chamber of Economy’s award called “Tourism Star (Zvijezda turizma)”, which is traditionally awarded in five categories. The next award is tentatively planned for September 2021. Turizam will focus on this activity in Q3.

**ACTIVITY 2.2.8 Launch Turizam Academy**

During this quarter the focus was on developing the concept for the Turizam Academy, preparing the visual solutions and conducting the needs assessment to inform the future work. Turizam plans numerous training programs throughout the year and life of project. Some of these can be branded as USAID Turizam Academy courses to enhance their appeal, raise the profile of USAID investment in this area, and to give course content the worth it deserves. This activity will formally be opened by the Driving Tourism Recovery and Resilience in Bosnia and Herzegovina two-day webinar associated with the project launch.

**SUB-OBJECTIVE 2.3: Revolutionize Destination Branding and Secure Geographic Indications/Certification**

**ACTIVITY 2.3.1 Formulate harmonized brand approach with stakeholders**

There are no activities to report under this line item.

**ACTIVITY 2.3.2 Develop digital brand communication plans for key assets**

During the reporting period, Turizam has secured consent from Tourism Organization of Republika Srpska and Tourism Association of Canton Sarajevo in the development of their digital brand communication plans. Support will be extended in Q2. Additionally, Turizam provided support to Visit Sarajevo in procuring digital assets, including website upgrade, mobile application for digital map of museum tours.

**ACTIVITY 2.3.3 Conduct an analysis and develop cooperation mechanisms to support securing quality marks, geographic indications, or certification for BiH agricultural and rural products and processes**

Turizam organized four consultation meetings with the BiH Food Safety Agency (FSA) and the BiH Institute for Intellectual Property Rights (IPR), as they were both involved in issuing
Product Denomination Origin (PDO) and Product Geographic Indication (PGI) quality marks\(^3\) in the past. There are still some disputes when it comes to the jurisdiction of these institutions, although the rulebook on quality systems for food products, published and adopted in BiH Official Gazette no 90/18 in November 2018, states that BiH FSA is in charge for the procedure for registration of a designation of origin and a geographical indication of a food product and that process shall be initiated by a request submitted to the Food Safety Agency of Bosnia and Herzegovina. However, IPR is challenging FSA authority and claim this area as their mandate, as was defined with the relevant law and in their legal opinion the situation does not change as a result of the adoption of a rulebook. Due to all the above, Turizam has established cooperation with both institutions, but the general plan is to focus on handicrafts and certification marks with IPR, and GI marks with FSA.

Turizam also consulted with the representatives from Project Coordination Units (PCUs) of both entity Ministries of Agriculture that are implementing International Fund for Agriculture Development (IFAD) that funded agriculture related projects in BiH. PCUs shared their contact list including the clusters around the country and Turizam included these organizations in the ongoing research, detecting the interest in GI marks in the field.

Specifically, Turizam launched an online survey and so far received 70+ responses from food and handicrafts organizations around the country, identifying their interest in pursuing the certification of geographic indication, organic or halal, as well as general needs related to marketing, including branding and packaging. Existing and potential linkages with tourism sites are also examined with this survey identifying available products, quantities produced and the possible connection with the local or regional tourism products.

Turizam analysis conducted in Q1 has shown that to date, both FSA and IPR certified four organizations from the agriculture and food sectors in BiH, hence eight products are so far protected and have obtained geographical indications and/or protections of origin. These include two beekeepers’ associations, two associations dealing with production of Livno cheese, two potato producer associations, milk producer association involved in production of Romanija cream cheese and Association of meat processors from Visoko for their dried meat. On the other side, through BiH IPR two handicrafts organizations also attain the certification marks, first one is Gračaničko keranje Association, while another one was related to the original Sarajevo quality seal that includes 17 holders of geographical indications for 16 different products (Sarajevo filigree, slipper makers, coppersmiths, goldsmiths, and similar).

Based on the experience to date with both institutions, Turizam discussed what were the main challenges that prevented larger number of agricultural and food producer organizations as well as handicraft organizations to get involved in this process. Turizam also engaged existing certified organizations to learn from their perspective main issues and impediments of this process. It was noted that in addition to a lengthy process of preparation of technical

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\(^3\) Often simply called Geographic Indication (GI) marks.
specifications, key problems include financial issues and high associated costs\textsuperscript{4} that discourage individual producers to obtain and use the mark and promote their products on the market. Worth noting is that most of these certified organizations received support either from the local community or obtained support from different donor and international organizations or received support from both sides.

Furthermore, Turizam explored the available opportunities with other donors and consultations were undertaken with EU4AGRI, an UNDP led project, and with UN Food and Agriculture Organization – UN FAO, since these two organizations are also planning to provide support related to the adoption of GI marks.

- UN FAO in BiH allocated $60k upon the request of BiH FSA to commission a study about the potential for geographic indications for BiH agri-food products, expecting to yield a list of 200-300 products that may be relevant for geographic certification. Additional analysis will show how many of them have the economic potential to pursue GI marks. Pool of international and local experts will be engaged in January 2021 and BiH FSA will be their main counterpart. It is expected that the study will be completed by the end of 2021 (the first draft is expected mid-year).
- UNDP led EU4AGRI project also plans to issue a public call worth BAM 300,000-400,000 for supporting the BiH organizations.

Turizam will work with both organizations to maximize support and achieve planned goals. For example, we will work with EU4Agri to align their grant program with Turizam approach to helping producers and firms in obtaining GI marks. We agreed on synergy and close cooperation in the future and complementing the activities to better support the interested organizations.

\textbf{B.3 OBJECTIVE 3: TOURISM SERVICE PROVIDERS, AGRICULTURE, AND OTHER TOURISM-RELATED SMES GAIN IMPROVED ACCESS TO FINANCE RESULTING IN A SUBSTANTIAL INCREASE IN INVESTMENT}

The banking sector in BiH is liquid, but risk averse. According to a 2018 World Bank study, the service and agricultural sectors disproportionately face borrowing impediments and women-owned/managed enterprises suffer from weaker networks and management skills and face discrimination. The tourism industry is viewed by lenders as cyclical, seasonal and highly risky, leading to lenders to be averse to extending credit to tourism enterprises. Compounding the challenge for tourism enterprises is the fact that many tourism enterprises do not possess sufficient physical collateral, requiring new, creative loan product or credit guarantee solutions. Turizam’s general approach by facilitating credit is to promote a demand-side pull for finance and increase “bankable” demand for capital through matchmaking, improved business management, and preparedness to access millions in credit.

Objective 3. is divided into two Sub-Objectives:

\begin{enumerate}
\item Bridge Finance Gap for Tourism SMEs and Local Agriculture Producers
\end{enumerate}

\textsuperscript{4} Between BAM 4,000 and 10,000 for preparing the technical specifications, around BAM 1,000 for the certification process with relevant authorities, and again up to BAM 10,000 for control and assigning the marks to individual producers in the field.
2. Fuel Tourism-Driven Investment and Public-Private Partnerships

Quarterly Highlights

- Began collection of information on available loans, grants and incentives from other sources, such as ministries, municipalities.
- Held a meeting with the Foreign Investment Promotion Agency (FIPA) to learn more what they do, their previous experience, PPP cases.

SUB-OBJECTIVE 3.1: Bridge Finance Gap for Tourism SMEs and Local Agriculture Producers

ACTIVITY 3.1.1 Develop and Launch Online Finance Directory

Turizam has undertaken a rapid review and consultations with finance institutions to understand available financing options from the tourism sector. It was discovered that banks do not specifically target MSMSE’s from the tourism sector, rather offer general loan programs, although the sector is viewed as being risky. There also appears to be a limited understanding of the breadth of the tourism industry beyond hotels and tour operators. Next steps for the assessment in Q2 will be to conduct face-to-face meetings with a sample of banks and the association banks in order to present Turizam and explore possible cooperation.

Performance challenges during the reporting period:

Generally, banks are not interested to develop specialized credit programs for the tourism sector due to seasonality of the sector and lack of available collateral. The banks are facing many risks with this sector. This could be seen from the number of banks who responded to the questionnaire sent to them about their programs and products targeting the tourism sector (only 6 banks sent their responses, and none are targeting tourism sector per se).

Due to the COVID-19 pandemic, some banks reported major losses in the ATM withdrawals from the international visitors and tourists. Turizam sees an opportunity to work with banks and encourage them realize the importance of the tourism sector for their business performance. For example, our team learned that the Sparkasse Bank recorded a loss of approximately 2 million BAM due to a decline in the ATM international withdrawals.

ACTIVITY 3.1.2 Publicize Lending/Incentive Programs, and facilitate matchmaking between Lenders and Entrepreneurs

The activity is scheduled to begin in Q4.

SUB-OBJECTIVE 3.2: Fuel Tourism-Driven Investment and Public-Private Partnerships

ACTIVITY 3.2.1. Coordinate with relevant Stakeholders to provide Technical Assistance in Investment and Seize on Areas of Opportunity

During this reporting period, Turizam held a meeting with the Foreign Investment Promotion Agency (FIPA) to learn more what they do, their previous experience, PPP cases, etc. FIPA expressed their interest in collaboration with our team. During the meeting, their representative suggested co-organizing a conference targeted at local officials on modes for
PPPs and other contracting mechanisms. The Turizam team will do a follow up meeting with FIPA to define the further actions and collaboration.

Performance challenges during the reporting period:

The two primary challenge include a) various holidays in the month of December disrupted work, and the months of November and December are considered yearend closing months that forced delays in Turizam accessibility to banks; abd b) banks’ lack of understanding of the scope, needs and potentials, of the breadth of the tourism industry, thereby limiting credit options offered.

B.4 OBJECTIVE 4: TOURISM AND LOCAL AGRICULTURE PRODUCTS GAIN INCREASED ACCESS TO REGIONAL AND GLOBAL MARKETS

The World Economic Forum’s 2019 “Travel & Tourism Competitiveness Report” ranks BiH 105th out of 140 analyzed countries and has the poorest ranking in Europe. Both private and public sector stakeholders acknowledge that the tourism sector is fragmented and underdeveloped due to mismanagement and lack of capacity. The industry suffers from several constraints to growth, including fragmented offerings, a lack of qualified human resources, inadequate infrastructure, and poor promotion. The country lacks a national tourism board; marketing channels and tour operators are weak; and international country image is misrepresented. Turizam will help BiH quickly recover from the COVID-19 downturn and set it on a growth trajectory.

Objective 4 is divided into two Sub-Objectives:

1. Attract High-Yield Visitors Year Round
2. Market Local Agriculture and Handicrafts Products domestically and Internationally

Quarterly Highlights

- Held industry focus groups and one-on-one consultations with tour operators, hotels, restaurants and café owners and managers, tourism activities suppliers and business associations to identify status of the industry and findings to inform the recovery.
- Developed and disseminated an online survey to gather information from members of the tourism industry in the country.
- Produced a communication-oriented market engagement tactical recovery plan and started working with the lead tourism boards (Visit Sarajevo and TORS) on developing their digital strategies in line with this plan.
- Initiated the work on assessment of capacities and needs of the tourism boards and tour operators.
- Secured support from Turkish Airlines in dissemination of the Online Travel Agent Academy (OTAA) to their travel agent network.
- Produced SOW for an expert on content creation, in order to produce content for the Online Travel Agent Academy (OTAA) that aims to expand the distribution channels promoting and selling the destination.
- RFP has been launched in order to identify an international entity to host and promote Online Travel Agent Academy.
• Provided advisory assistance to Tourism Association of Canton Sarajevo in the development of an RFP for their new website.
• Identified the needs of tourism boards across the country on trainings in digital marketing, budgeting, adoption of new technology.
• Visited Trebinje region and met with the local Slow Food Convivium, to learn about the product and the needs of the involved food producers, restaurants, and accommodation providers; findings of this visit will inform the planned workshops. Visited Trebinje market that features some of the Slow Food producers and had an online meeting with City authorities, to discuss the possible support to designing the stands and the market space.
• Analyzed the strengths of the regional product, Herzegovina Wine Route to determine the development status and local stakeholder interest in further development of the Herzegovina Wine Route.
• Met with Balkantina from Sarajevo, which offers gastro tours in Sarajevo and is currently working on a project to promote 100 rural businesses on www.rural.ba platform. These businesses were invited to complete Turizam’s survey and will be invited to attend the online launch and learn more about the planned training activities and other support mechanisms. Balkantina is considering introducing an appropriate certification scheme for these producers and Turizam offered assistance in that process.

SUB-OBJECTIVE 4.1: Attract High-Yield Visitors Year Round

ACTIVITY 4.1.1 Develop and promote tourism COVID-19 health and safety guidelines and protocols

Turizam developed a detailed tourism COVID-19 health and safety protocols per international best practice based on guidelines formulated by the Pacific Asia Travel Association, Adventure Travel Trade Association, and World Travel and Tourism Council (WTTC). The protocols have been presented to the Ministries in both Entities. The government of FBIH has adopted the protocols, and the decision is pending with the RS counterparts. A more detailed discussion of the protocols can be found in section 1.1.3 above.

ACTIVITY 4.1.2 Develop Market Engagement Tactical Recovery Plan

Turizam held industry focus group and one-on-one consultations with tour operators, hotels, restaurants and café owners and managers, tourism activities suppliers and business associations to identify status of the industry and findings to inform the recovery. The aim to develop a Tactical Recovery Plan was presented to the tourism ministries in both entities. Subsequently, the project received their support for its development.

Furthermore, in order to gather information on the status of the tourism industry and information needed to inform the recovery plan, Turizam developed and disseminated an online survey to members of the tourism industry in the country. The team also engaged tourism boards from both entities in tactical recovery planning through consultations.
Together with the support of ministries and tourism boards in both entities, Turizam produced a communication-oriented market engagement tactical recovery plan and got consent from the Tourism Association of Canton Sarajevo and the Tourism Organization of RS for the development of their marketing plans according to the produced plan. Turizam plans to work separately with each organization on the development of campaign plans for their respective markets that will help in bringing back tourist to the market. Through consultations and surveys, over 115 individuals representing the breadth of the tourism value chain contributed with inputs and ideas that helped with this plan.

**ACTIVITY 4.1.3 Raise international appeal of BiH as a tourism destination**

This activity is scheduled to start in Q3.

**ACTIVITY 4.1.4 Improve capacity of tourism boards and operators to implement international destination promotion campaigns**

Turizam began assessing capacities and needs of the tourism boards and tour operators. An extensive questionnaire will be developed in Q2 to identify which tourism boards have the highest chance in pursuing the UNWTO Quest certification.

**ACTIVITY 4.1.5 Increase tourism trade capacity and diversify international sales channels**

Turizam is in the final stages of securing support from Turkish Airlines in dissemination of the Online Travel Agent Academy (OTAA) to their travel agent network. Turkish Airlines is one of the largest carriers in the World with more than 250 offices worldwide in more than 100 countries. Through Turkish Airlines network, Turizam aims to reach thousands of travel agents worldwide, including all important source markets for Bosnia and Herzegovina.

During this reporting period, Turizam has produced SOW for an expert on content creation for the Online Travel Agent Academy (OTAA). RFP has been launched in order to identify an international entity to host and promote Online Travel Agent Academy. This global RFP generated interest from 22 firms. and proposals are due by January 11, 2021.

**ACTIVITY 4.1.6 Launch “Know Your Market” series**

There are no activities to report under this line item.

**ACTIVITY 4.1.7 Catalyze digital transformation of the tourism sector**

Upon the request from the Tourism Association of Canton Sarajevo, Turizam provided advisory assistance in the development of an RFP for their new website and secured their commitment to the development of their digital transformation plan. As part of this effort, Turizam will support the development of the association’s digital marketing plan for 2021. In addition, Turizam identified needs of tourism boards across the country in trainings in digital marketing, budgeting, adoption of new technology, and is working with an expert in digital marketing on development and delivery of the trainings (planned to be delivered in January 2021).
These trainings will help them with understanding new market realities, improving their resource management, data collection, data-driven customer insights, etc.

**ACTIVITY 4.1.8 Drive business to attractions, enterprises, and community experiences**

This activity is scheduled to start in Q3.

**SUB-OBJECTIVE 4.2: Market Local Agriculture and Handicrafts Products domestically and Internationally**

**ACTIVITY 4.2.1 Develop Slow Food travel destination in Trebinje**

During this reporting period, Turizam team visited Trebinje region and met with the local Slow Food Convivium, which is the most active of the three similar groups in BiH with 21 products registered in the Slow Food Ark of Taste. The visit revealed multiple opportunities for improvement of the overall product related to Slow Food, as well as the general lack of capacity for rural tourism development. Given the proximity of Dubrovnik and Herceg Novi, which are the major tourist hubs in Croatia and Montenegro, Trebinje is a very popular destination that should offer more to attract tourists.

The local Slow Food champions are currently in the process of registering a formal association and will serve as the local partners in the organization of relevant trainings for food producers and accommodation providers. Trebinje is one of the top destinations in BiH and the Slow Food activities to date have attracted attention of tourists. There is more room to further develop this initiative, integrate it with the overall approach to tourism development in Trebinje, resulting in increased spending and longer stay of the guests.

In addition, a connection was also established with the Trebinje City authorities, which requested Turizam’s support in developing the visual solutions for the renovated Trebinje City Market, situated in the center. Based on the figures from 2019, Trebinje is the second largest destination in Republika Srpska in terms of arrivals (21%) and fourth in terms of overnight stays (13%). Turizam team will visit Trebinje again in Q2 to build on initial discussions. Turizam also offered support with the design of the new market and further branding and marketing activities. This may include designing of relevant materials (tables, banners, possibly city lights and flyers), but also work with the local producers and developing online promotion of those that can host guests in their homes and production sites. In addition, Turizam will explore the opportunities to involve the students from the local Academy of Fine Arts in this process.

**ACTIVITY 4.2.2 Introduce the updated "Learning by Doing" approach**

There are no activities to report under this line item.

**ACTIVITY 4.2.3 Launch the Herzegovina wine route**

In this quarter, Turizam began identifying active local stakeholders in Herzegovina involved in the wine sector. This activity will be advanced in Q2.

**Performance challenges during the reporting period:**
The Covid-19 crisis made consultations and field visits challenging, slowing the process down.

**ACTIVITY 4.2.4 Accelerate growth of agripreneurship to grow domestic and export sales**

During this reporting period, Turizam met with Balkantina from Sarajevo, which offers gastro tours in Sarajevo and is currently working on a project to promote 100 rural businesses on [www.rural.ba](http://www.rural.ba) platform (with funding from Market Makers project). Quality certification opportunities were discussed and Balkantina is interested to take this further, either through a certification mark of their own, or by pursuing some of the international standards relevant for this area, such as EUROGITES. Turizam is likely to help them with additional information on the subject and seek to support the certification process. Balkantina will share information about Turizam’s events and training activities with their network of small food producers and accommodation providers.

Turizam team also met with the representative of Mostar based “Okusi Hercegovinu” (Taste Herzegovina) Association and at the same time director of the Agriculture Cooperative Eko life from Stolac, to discuss the cooperation modality relevant for product development, promotion of indigenous products and opportunities for certification that could serve the tourism value chain. Eko Life established a connection with a buyer in Austria (Bio Balkan), interested in purchasing organic and local products, and were satisfied with initial cooperation and may look for other product opportunities. Turizam will consider the mechanisms to support the organic certification, for products with export potential or targeting tourists.

Furthermore, Turizam organized several meetings with the NGO “Centar za razvoj Hercegovine” (Center for Herzegovina Development) from Trebinje City. The purpose of the meetings was to hear and clarify all previous, current, and future related activities in promotion of tourism and agriculture and learn where are the opportunities and possibility for Turizam support. This NGO will be included in the planned trainings and promotional activities in Trebinje region, as they are very active and strongly engaged in the local tourism initiatives.
SECTION C

ACTIVITY ADMINISTRATION

C.1 ADMINISTRATIVE UPDATES

The project has onboarded three key personnel and is in the process of onboarding the fourth key personnel position, Experience Development and Destination Marketing Team Leader. The majority of positions have been filled and onboarded with Tourism Marketing Specialist, a Technical Assistant, and Logistician/Driver remaining to be filled. The project will continue recruiting for these positions to fill them as soon as possible with exceptional candidates. In October, the Chief of Party fielded to Sarajevo, but returned to his home of record to work remotely while COVID-19 cases increased in Bosnia and Herzegovina and the project office was not open.

At the time of this report, the project has selected a permanent office space in Sarajevo, which is ready to be opened once staff are able to go into the office. Additionally, the team is in negotiations for a regional office space in Mostar and looking into options for a regional office in Banja Luka. The project has completed a procurement for IT equipment and are finalizing distribution to staff while they are working remote to ensure that staff are able to successfully complete their work. The team has been preparing administrative documents for project implementation including completing the policy manual and will be working on updating the office opening plan to ensure the safety of staff once they are able to work from the office.

In terms of grants and subcontracts, the project grants manual has been submitted as of October 8, 2020 and is undergoing review and updates to finalize the document. Once the document is approved, the project will complete set up of the IMPACTS (Innovation in Marketing, Partnerships, Capacities, and Sustainability) Fund. Local subcontractor partner, Enova doo Sarajevo, has been fully onboarded and is working with the project. Additionally, the project is in the process of onboarding SEGURA Consulting LLC, Cultural Practice LLC, Good Place, and Horwath I Horwath Consulting Zagreb doo.

Regarding project registration, the team has received registration confirmation from the Taxation office of Federation BiH. Furthermore, the project has secured a bank account with Sparkasse bank.
ANNEX B. PERFORMANCE MONITORING, EVALUATION, AND LEARNING PROGRESS AGAINST TARGETS

In terms of the Monitoring, Evaluation, and Learning (MEL) part of the Turizam Activity, during this quarter we initiated developing the MEL Plan, along with the Activity LogFrame, Performance Indicator Summary Worksheet, and PIRS documentation. Turizam team had several consultations with the USAID/BiH Mission and based on their feedback proposed the following Summary Worksheet. In the next quarter, we expect to receive comments from the Mission on this Worksheet, the Turizam team will revise and finalize the document accordingly. After the finalization of the MEL Plan, the progress against targets will be included in the following Quarterly Report.

<table>
<thead>
<tr>
<th>No.</th>
<th>Indicator</th>
<th>Unit of Measure</th>
<th>Disaggregation</th>
<th>Frequency</th>
<th>Data Source</th>
<th>Overall Activity Baseline/Year</th>
<th>Target Year 1 2021</th>
<th>Target Year 2 2022</th>
<th>Target Year 3 2023</th>
<th>Target Year 4 2024</th>
<th>Target Year 5 2025</th>
<th>Life of Activity Cumulative Target*</th>
</tr>
</thead>
<tbody>
<tr>
<td>C1</td>
<td>Real GDP growth (%), [context indicator]</td>
<td>Percentage</td>
<td>None</td>
<td>Annual</td>
<td>BiH Agency for Statistics</td>
<td>2.7%/2019</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>C2</td>
<td>Share of tourism in nominal GDP (%), [context indicator]</td>
<td>Percentage</td>
<td>None</td>
<td>Annual</td>
<td>World Travel and Tourism Council</td>
<td>9.3%/2019</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>1</td>
<td>Number of firms receiving Turizam-funded technical assistance for improving business performance</td>
<td>Integer Number</td>
<td>None</td>
<td>Annual</td>
<td>Activity records</td>
<td>0/2020</td>
<td>60</td>
<td>130</td>
<td>250</td>
<td>450</td>
<td>500</td>
<td>1,390</td>
</tr>
<tr>
<td>2</td>
<td>Number of new full time officially registered jobs in Turizam-assisted enterprises and other private sector partners/beneficiaries</td>
<td>Integer Number</td>
<td>None</td>
<td>Annual</td>
<td>FIA/APIF</td>
<td>0/2020</td>
<td>150</td>
<td>450</td>
<td>550</td>
<td>900</td>
<td>935</td>
<td>2,985</td>
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<td></td>
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</tr>
<tr>
<td>3</td>
<td>Number of part-time, seasonal and other types of jobs not considered full time officially registered jobs in Turizam-assisted enterprises and other private sector partners/beneficiaries</td>
<td>Integer Number</td>
<td>Sex</td>
<td>Annual</td>
<td>Activity records-survey</td>
<td>0/2020</td>
<td>0</td>
<td>F: 0</td>
<td>M: 0</td>
<td>25</td>
<td>F: 12</td>
<td>M: 13</td>
</tr>
<tr>
<td>4</td>
<td>GNDR-2: Percentage of female participants in Turizam-assisted programs designed to increase access to productive economic resources (assets, credit, income, or employment)</td>
<td>Percentage Sex Annual Activity records 0%/2020</td>
<td>50%</td>
<td>50%</td>
<td>50%</td>
<td>50%</td>
<td>50%</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>5</td>
<td>Youth-3: Percentage of participants in Turizam-assisted programs designed to increase access to productive economic resources who are youth (15-29)</td>
<td>Percentage Sex Annual Activity records 0/2020</td>
<td>15%</td>
<td>F: 50%</td>
<td>M: 50%</td>
<td>20%</td>
<td>F: 50%</td>
<td>M: 50%</td>
<td>25%</td>
<td>F: 50%</td>
<td>M: 50%</td>
<td>25%</td>
</tr>
</tbody>
</table>

**Activity Purpose:** Economic growth in tourism sector enhanced (corresponding to I.R. 2.2. Private sector growth increased)

<p>| | | | | | | | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>Travel and Tourism Competitiveness Index (TTCI) Score</td>
<td>Integer Number</td>
<td>None</td>
<td>Bi-annually (Every Two Years)</td>
<td>WEF Travel and Tourism Competitiveness Report</td>
<td>#105/2019</td>
<td>#105</td>
<td>N/A</td>
<td>#96</td>
<td>N/A</td>
<td>#85</td>
</tr>
<tr>
<td>7</td>
<td>Amount of tourism receipts (in US$)</td>
<td>Decimal Number</td>
<td>None</td>
<td>Annual</td>
<td>United Nations World Tourism Organization</td>
<td>$1.08 billion/2019</td>
<td>$352.8 mil</td>
<td>$554.4 mil</td>
<td>$756 mil</td>
<td>$907.2 mil</td>
<td>$1.108 bil</td>
</tr>
<tr>
<td>8</td>
<td>CBLD-9: Percent of Turizam-assisted organizations with improved performance</td>
<td>Integer Number</td>
<td>None</td>
<td>Annual</td>
<td>Activity records 0%/2020</td>
<td>0%</td>
<td>50%</td>
<td>60%</td>
<td>80%</td>
<td>90%</td>
<td>90%</td>
</tr>
</tbody>
</table>
### Activity Sub-Purpose 1: An enabling environment with the harmonized policies and regulations necessary for noticeable growth in the tourism sector established

<table>
<thead>
<tr>
<th>Activity</th>
<th>Number of strategies, policies, regulatory and administrative reforms proposed, adopted or implemented with Turizam assistance</th>
<th>Integer Number</th>
<th>Phase</th>
<th>Annual</th>
<th>Activity records</th>
<th>0/2020</th>
<th>1</th>
<th>8</th>
<th>5</th>
<th>7</th>
<th>4</th>
<th>25</th>
</tr>
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<tbody>
<tr>
<td>9</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Size of land area classified as protected</td>
<td>Percentage</td>
<td>None</td>
<td>Annual</td>
<td>Activity records</td>
<td>2.61%/2019</td>
<td>2.61%</td>
<td>2.61%</td>
<td>2.61%</td>
<td>3.0%</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td>11</td>
<td>Number of tourism products, experiences, and/or enterprises launched or improved</td>
<td>Integer Number</td>
<td>None</td>
<td>Annual</td>
<td>Activity Records</td>
<td>0/2020</td>
<td>5</td>
<td>30</td>
<td>100</td>
<td>135</td>
<td>35</td>
<td>305</td>
</tr>
<tr>
<td>12</td>
<td>Percent change in income in protected areas from tourism activities</td>
<td>Percentage</td>
<td>None</td>
<td>Annual</td>
<td>Activity records</td>
<td>0%/2020</td>
<td>0%</td>
<td>5%</td>
<td>15%</td>
<td>25%</td>
<td>35%</td>
<td>80%</td>
</tr>
<tr>
<td>13</td>
<td>EG.3.2-28: Number of hectares under improved management practices or technologies that promote improved climate risk reduction and/or natural resources management with Turizam assistance</td>
<td>Integer Number</td>
<td>None</td>
<td>Annual</td>
<td>Activity records</td>
<td>0/2020</td>
<td>0</td>
<td>10</td>
<td>25</td>
<td>50</td>
<td>75</td>
<td>160</td>
</tr>
</tbody>
</table>

### Activity Outcome/Output 1.1.: Adoption of harmonized tourism competitiveness strategies, policies, and regulations supported

<table>
<thead>
<tr>
<th>Activity</th>
<th>Number of tourism products, experiences, and/or enterprises launched or improved</th>
<th>Integer Number</th>
<th>None</th>
<th>Annual</th>
<th>Activity Records</th>
<th>0/2020</th>
<th>5</th>
<th>30</th>
<th>100</th>
<th>135</th>
<th>35</th>
<th>305</th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
<td>Number of tourism products, experiences, and/or enterprises launched or improved</td>
<td>Integer Number</td>
<td>None</td>
<td>Annual</td>
<td>Activity Records</td>
<td>0/2020</td>
<td>5</td>
<td>30</td>
<td>100</td>
<td>135</td>
<td>35</td>
<td>305</td>
</tr>
<tr>
<td>12</td>
<td>Percent change in income in protected areas from tourism activities</td>
<td>Percentage</td>
<td>None</td>
<td>Annual</td>
<td>Activity records</td>
<td>0%/2020</td>
<td>0%</td>
<td>5%</td>
<td>15%</td>
<td>25%</td>
<td>35%</td>
<td>80%</td>
</tr>
<tr>
<td>13</td>
<td>EG.3.2-28: Number of hectares under improved management practices or technologies that promote improved climate risk reduction and/or natural resources management with Turizam assistance</td>
<td>Integer Number</td>
<td>None</td>
<td>Annual</td>
<td>Activity records</td>
<td>0/2020</td>
<td>0</td>
<td>10</td>
<td>25</td>
<td>50</td>
<td>75</td>
<td>160</td>
</tr>
</tbody>
</table>

### Activity Outcome/Output 1.2.: Environment protected, nature conserved and sustainability, biodiversity, and habitat protection promoted

| Activity | Percent change in income in protected areas from tourism activities                                                          | Percentage     | None  | Annual | Activity records | 0%/2020 | 0% | 5% | 15% | 25% | 35% | 80% |
|----------|---------------------------------------------------------------------------------------------------------------------------------| Percentage     | None  | Annual | Activity records | 0%/2020 | 0% | 5% | 15% | 25% | 35% | 80% |
| 12       | Percent change in income in protected areas from tourism activities                                                          | Percentage     | None  | Annual | Activity records | 0%/2020 | 0% | 5% | 15% | 25% | 35% | 80% |
| 13       | EG.3.2-28: Number of hectares under improved management practices or technologies that promote improved climate risk reduction and/or natural resources management with Turizam assistance | Integer Number | None  | Annual | Activity records | 0/2020 | 0 | 10 | 25 | 50 | 75 | 160 |

### Activity Sub-Purpose 2: Tourism quality, services, and branding strengthened

| Activity | Percent change in sales of firms receiving Turizam-funded assistance                                                      | Percentage     | None  | Annual | FIA/APIF  | 0%/2020 | 0% | 5% | 10% | 15% | 20% | 20% |
|----------|---------------------------------------------------------------------------------------------------------------------------------| Percentage     | None  | Annual | FIA/APIF  | 0%/2020 | 0% | 5% | 10% | 15% | 20% | 20% |
| Activity Outcome/Output 2.1: Quality of tourism products and services across the value chain improved |
|-------------------------------------------------|---|---|---|---|---|---|---|---|

| Activity Outcome/Output 2.2: Quality and professionalism of tourism and hospitality human capital enhanced |
|-------------------------------------------------|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number of tourism, hospitality, and related value-chains entrepreneurs, operators, and employees trained in technical, quality, safety, supervisory and managerial disciplines as a result of Turizam assistance | Integer Number | Sex | Annual | Activity Records | 0/2020 | 600 F: 300 M: 300 | 1,300 F: 650 M: 650 | 2,500 F: 1,250 M: 1,250 | 4,500 F: 2,250 M: 2,250 | 5,000 F: 2,500 M: 2,500 | 13,900 F: 6,950 M: 6,950 |

| Number of service employees training activities held | Integer Number | None | Annual | Activity Records; Beneficiaries | 0/2020 | 10 | 50 | 110 | 25 | 100 |

| Number of new local traditional products, processes and businesses that have achieved protected status or brand certifications | Integer Number | None | Annual | Activity Records | 0/2020 | 1 | 10 | 30 | 54 | 5 |

---

5 http://bhas.gov.ba/data/Publikacije/Soapstenja/2020/TUR_02_2019_12_0_BS.pdf
### Activity Sub-Purpose 3: Tourism service-providers, agriculture, and other tourism-related SMEs gained improved access to finance resulting in substantial increase in investment

<table>
<thead>
<tr>
<th>Activity Sub-Purpose 3: Tourism service-providers, agriculture, and other tourism-related SMEs gained improved access to finance resulting in substantial increase in investment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EG 2-12. Number of private sector enterprises with increased access to finance due to the Turizam assistance</strong></td>
</tr>
<tr>
<td><strong>Number of public-private partnerships facilitated</strong></td>
</tr>
</tbody>
</table>

### Activity Outcome/Output 3. 1.: Finance gap for tourism MSMEs and local agriculture producers bridged

<table>
<thead>
<tr>
<th>Activity Outcome/Output 3. 1.: Finance gap for tourism MSMEs and local agriculture producers bridged</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Amount of finance secured by enterprises (in US$)</strong></td>
</tr>
</tbody>
</table>

### Activity Outcome/Output 3. 2.: Tourism-driven investment and public-private partnerships fueled

<table>
<thead>
<tr>
<th>Activity Outcome/Output 3. 2.: Tourism-driven investment and public-private partnerships fueled</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Amount of investments in the tourism sector facilitated</strong></td>
</tr>
</tbody>
</table>

### Activity Sub-Purpose 4: Tourism and local agriculture products gained increased access to regional and global markets

<table>
<thead>
<tr>
<th>Activity Sub-Purpose 4: Tourism and local agriculture products gained increased access to regional and global markets</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number of international travel agents selling BiH itineraries</strong></td>
</tr>
<tr>
<td><strong>Online reach and engagement statistics index</strong></td>
</tr>
</tbody>
</table>

### Activity Outcome/Output 4. 1.: High-yield visitors attracted year-round

<table>
<thead>
<tr>
<th>Activity Outcome/Output 4. 1.: High-yield visitors attracted year-round</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activity Outcome/Output</td>
</tr>
<tr>
<td>-------------------------</td>
</tr>
<tr>
<td>29</td>
</tr>
</tbody>
</table>
ANNEX D. LIST OF MAJOR ACTIVITIES PLANNED FOR NEXT QUARTER

B.I OBJECTIVE 1: ENABLING ENVIRONMENT WITH HARMONIZED POLICIES AND REGULATIONS NECESSARY FOR NOTICEABLE GROWTH IN THE TOURISM SECTOR ESTABLISHED

SUB-OBJECTIVE 1.1: Support Harmonized Tourism Competitiveness Strategies, Policies, and Regulations

- Facilitating TCC meetings and workshops across the country that engage public, private, and local community stakeholders to inform development of the value chain-based strategy for each Entity and BD.
- Facilitating consultative workshops with stakeholders, private sector, and local communities across the country to ensure full engagement and buy-in.
- Providing research on market trends and opportunities for market-product matching, destination sustainability, workforce excellence, and others as relates to the four pillars.
- Supporting media launch and promotion of different strategies when completed.
- Conducting needs assessment for selected NGO/business associations.
- Depending on willingness and demonstrated commitment of identified associations/NGOs, initiating developing association business plans or identify new partners.

Accomplishment of these activities/tasks will contribute to the indicator ‘Number of strategies, policies, regulatory, and administrative reforms proposed, adopted, and implemented with Turizam assistance.’ The target for FY2021 that we need to achieve is 1.

SUB-OBJECTIVE 1.2: Protect the Environment, Conserve Nature, and Promote Sustainability

- Collaborating with the partners and developing the plan to increase land area classified as protected.
- Supporting partners in implementing communications messaging and initiating supporting advocacy efforts (public awareness messaging, position papers, other communication tools and activities) aimed at advancing nature conservation.
- Discussing with NP Una management the formulation of a strategy development working group/advisory committee to include public, community, tourism industry and conservation stakeholders.
- Investigating potential areas of support from the Federal Ministry of Environment and Tourism for NP Una management plan development.
- Engaging with Park Management to assess the current visitor services available, management protocols and determine development gaps.
- Identifying opportunities for introduction of new or improve existing visitor experiences.
- Facilitating focus group discussions, onsite visits and remote consultations to identify sustainable tourism product development opportunities that may be introduced in NP Una, such as wildlife watching (bear, lynx, wolf, deer, boar), voluntary conservation activities, and themed trails (traditional medicine, hiking, biking).
The above-mentioned activities will affect the indicators:

1. Percent change in the size of land classified as protected (target for FY2021 is 0%).
2. Percent change in income in protected areas from tourism activities (targets for FY2021 is 0%).
3. Number of hectares under improved management practices or technologies that promote improved climate risk reduction and/or natural resources management with Turizam assistance (target for FY2021 is 0).

B.2 OBJECTIVE 2: TOURISM QUALITY, SERVICES, AND BRANDING STRENGTHENED RESULTING IN IMPROVED BIH TOURISM INDUSTRY

SUB-OBJECTIVE 2.1: Improve Quality of Tourism Products and Services Across the Value Chain

- Finalizing the engagement of the relevant experts for the Localize Canada’s Signature Experiences for Bosnia and Herzegovina.
- Identifying local partners, public and private, which can pursue this initiative further and continue implementing it beyond the life of the Activity.
- Finalizing the database development for the Outdoors cluster plan.
- Conducting the first BiH outdoor tourism survey to demarcate service providers that provide commercial services from purely NGO sector.
- Identifying current capacities, scope of business operation and needs as well as potential for improvement among BiH outdoor tourism providers.
- Identifying the situation on current standards and protocols that any of BiH outdoor tourism service providers adhere to in order to identify the four activities for which the first health and safety guides will be produced.
- Organizing the first BiH outdoor tourism convention either live or online depending on COVID 19–related situation to conduct further consultations as to next steps in upgrading BiH outdoor services and products.
- Engaging the international expert on drafting the methodology remotely and in coordination with the local Turizam team. Organize the field visit in March to selected locations and include meetings with relevant organizations.
- Engaging the local expert to participate in methodology development and facilitate coordination with the local stakeholders.
- Identifying the local organization(s) to champion this initiative across the country.
- Completing the procedure for engaging the international expert, which will work on the development of the model with the local Turizam team.
- Presenting the model to the tourism boards and industry representatives and support the development of itineraries around the model.

Accomplishment of these activities/tasks will contribute to the indicator ‘Percent of hotels/spas/guesthouses classified per new standards with 0 as a FY2021 target to achieve.’

SUB-OBJECTIVE 2.2: Enhance Quality and Professionalism of Tourism and Hospitality Human Capital
• Sending the CVs of potential experts for approval, finalizing the research instruments (14 questionnaires) and preparing the files for data entry, and defining the topics and methodology for focus groups for the Workforce Needs Assessment and Human Capital Development Strategy.
• Deploying the research and preparing the draft assessment and the human capital development strategy.
• Adding relevant entity and BD authorities in developing the relevant materials for promoting safe food handling in the adventure and hospitality sector.
• Coordinating with the BiH State Veterinary Office, to properly address the requirements related to the products of animal origin.
• Preparing the timeline of activities and define roles together with the FSA to guide this activity further.
• Collaborating with Cultural Practice (as a subcontractor), as well as with the selected local consultant on preparing a gender assessment, which will help identify opportunities to increase female participation in the workforce and expand entrepreneurial opportunities for women in tourism and agriculture value chains.
• Assisting the STTA in the research process for conducting the gender assessment.
• Engaging with Cultural Practice to monitor STTA research methodology and to enable the environment for the gender assessment and DI assessment to be conducted smoothly.
• Opening the Digital Revolution trainings for the selected tourism organizations (TORS and Visit Sarajevo), which requested Turizam’s assistance in this area and offering the same training to other tourism boards across the country.
• Developing a list of priority trainings.

The above-mentioned activities will affect the indicators:

1. Number of tourism, hospitality, and related value-chains entrepreneurs, operators, and employees trained in technical, quality, safety, supervisory and managerial disciplines as a result of Turizam assistance (target for FY2021 is 600).
2. Number of service employees training activities held (targets for FY2021 is 10).

**SUB-OBJECTIVE 2.3: Revolutionize Destination Branding and Secure Geographic Indications/Certification**

• Organizing a joint online workshop/conference to initiate the process, announce the available support, feature the successful examples from the field, and promote the benefits for the private sector.
• Preparing a series of similar events (possibly under the name Certify for success!), covering the topics such as halal, organic certification as well as handicrafts related certification.
• Investigating the group certification mark schemes to promote regional branding and marketing, to use the group certification mark and promote the mark towards the key stakeholders in the tourism value chain.
Accomplishment of these activities/tasks will contribute to the indicator Number of new local traditional products, processes and businesses that have achieved protected status or brand certifications with 1 as a FY2021 target to achieve.

**OBJECTIVE 3: TOURISM SERVICE PROVIDERS, AGRICULTURE, AND OTHER TOURISM-RELATED SMES GAIN IMPROVED ACCESS TO FINANCE RESULTING IN A SUBSTANTIAL INCREASE IN INVESTMENT**

**SUB-OBJECTIVE 3.1: Bridge Finance Gap for Tourism SMEs and Local Agriculture Producers**

- Conduct an online survey of SME tourism finance needs
- Depending on results of the online survey, hold individual consultations or focus groups of tourism enterprises’ access to capital needs
- Produce a report of survey findings of constraints, challenges and gaps facing tourism sector in accessing credit
- Launch an online finance directory of available lending products and subsidies/grants
- Identify local partners to run the finance directory (one-stop-shop)

The above-mentioned activities will affect the indicators:

1. Amount of finance secured by enterprises with 0 as a FY2021 target to achieve.
2. Number of SMEs financial applications approved for financing with 0 as a FY2021 target to achieve.

**SUB-OBJECTIVE 3.2: Fuel Tourism-Driven Investment and Public-Private Partnerships**

- Engage with Foreign Investment Promotion Agency, BiH and local government units at the entity or municipal levels as well as other investment-oriented organizations to assess potential opportunities for Turizam support, should credible investment promotion opportunities be identified.

Accomplishment of these activities/tasks will contribute to the indicator ‘Amount of investments in the tourism sector facilitated with 0 as a FY2021 target to achieve.’

**OBJECTIVE 4: TOURISM AND LOCAL AGRICULTURE PRODUCTS GAIN INCREASED ACCESS TO REGIONAL AND GLOBAL MARKETS**

**SUB-OBJECTIVE 4.1: Attract High-Yield Visitors Year Round**

- Receiving formal adoption of the COVID-19 health and safety guidelines and protocols by both Entities
- Facilitating the WTTC endorsement of the protocols and issuance of the Safe Travel stamp for Bosnia and Herzegovina.
- Supporting stakeholders in promoting the protocols to local tourism activities suppliers and operators.
- Working with tourism boards and private sector stakeholders in promoting the stamp to domestic, regional and international audiences by supporting them to utilize their digital platforms and other communication channels.
• Continuing providing technical assistance to tourism stakeholders in recovery plan implementation.
• Capitalizing on existing networks to feature BiH in international travel and social media channels of influencers.
• Identifying influencers with the willingness to visit BiH to produce media messages that would generate international attention.
• Initiating capacity building of tourism boards and operators through training, remote webinars, and assistance in marketing planning (topics to be determined per the assessment).

Accomplishment of these activities/tasks will contribute to the indicator ‘Number of local entrepreneurs, travel agents and tour operators trained on new/better destination and product marketing, digital media tools and strategies with 50 as a FY2021 target to achieve.’

SUB-OBJECTIVE 4.2: Market Local Agriculture and Handicrafts Products domestically and Internationally

• Continuing assessing the situation to identify challenges and potential to develop Trebinje as a Slow Food region.
• Delivering awareness and visioning workshops to the local community to ensure buy-in and support.
• Promoting the products related to Slow Food, which are being sold in the Trebinje market.
• Supporting the development of a visual identity for the Trebinje market. Exploring the opportunities to involve the students from the local Academy of Fine Arts in this process.
• Collecting feedback, analyzing the collected data and meeting with organizations.
• Working on identifying potential products and organizations to be supported in new product development, branding, packaging and promotion.

Accomplishment of these activities/tasks will contribute to the indicator ‘Number of local agriculture/culinary/gastro/rural tourism events and experiences promoted with 0 as a FY2021 target to achieve.’