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

FISCAL YEAR 2020-2021 QUARTERLY REPORT – QUARTER 3

April 1 – June 30, 2021

July 15, 2021

This publication was produced for review by the United States Agency for International Development. It was prepared by Chemonics International Inc.

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Prepared for USAID/Bosnia and Herzegovina
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ACRONYMS

APS	Annual Program Statement
ATTA	Adventure Travel Trade Association
BD	Brčko District
BiH	Bosnia and Herzegovina
CA	Collaboration Agreement
CBBiH	Central Bank of Bosnia and Herzegovina
COVID-19	Coronavirus Disease 2019
CPCD	Center for Promotion of Civil Society
CZZS	Center for Environmental protection
DMO	Destination marketing organization
EU	European Union
FBiH	Federation of BiH
FMoET	Federal Ministry of Environment and Tourism
FSA	BiH Food Safety Agency
GCAP	Green Cities Action Plan
GCC	Gulf Cooperation Council
GDP	Gross domestic product
GI	Geographic Indication Label
GESI	Gender Equality and Social Inclusion
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GoBiH	Government of BiH
GSTC	Global Sustainable Tourism Council
HWR	Herzegovina Wine Route
IPR	Institute for Intellectual Property (BiH)
ISO	International Organization for Standardization
LPVB	Les Plus Beaux Villages (FR)
MEL	Monitoring, evaluation, and learning
MOFTER	Ministry of Foreign Trade and Economic Relations
MOU	Memorandum of Understanding
MTT	Ministry of Trade and Tourism (RS)
NGO	Non-governmental organization

NP	National Park
PA	Protected Area
PIRS	Performance Indicator Reference Sheet
PDO	Protected Denomination of Origin
PGI	Protected Geographical Indication
PMU	Project Management Unit
PtP	Pathways to Professionalism
REDAH	Regional Development Agency for Herzegovina
REG	USAID Regional Economic Growth Project
RFP	Request for Proposals
RS	Republika Srpska
SBF	Sarajevo Business Forum
SFF	Sarajevo Film Festival
SME	Small and medium-sized enterprises
SoW	Statement of Work
STTA	Short-term technical assistance
TA	Technical Assistance
TEA	Tourism Entrepreneurs Association
TORS	Tourism Association of Republika Srpska
TCC	Tourism Competitiveness Coalition
TRP	Tactical Recovery Plan
TSA	Tourism Satellite Account
TSG	Traditional Specialty Guaranteed
TTCI	Travel and Tourism Competitiveness Index
Turizam	Developing Sustainable Tourism Activity in Bosnia and Herzegovina
UN FAO	United Nation Food and Agricultural Organization
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNWTO	United Nations World Tourism Organization
USAID	United States Agency for International Development
UTA	Association of Touristic Agencies
WEF	World Economic Forum
WTTC	World Travel and Tourism Council
WWF	World Wildlife Fund
Y1	Year One



SUCCESS STORY

The USAID Developing Sustainable Tourism in Bosnia and Herzegovina (Turizam) project has launched Turizam Academy, the first professional online learning platform for the tourism sector in BiH (<https://academy.turizambih.ba/>). The Turizam Academy has been created with the aim of developing human capital in the tourism sector in Bosnia and Herzegovina (BiH) in accordance with global standards and recommendations of international experts. This innovative learning platform revolutionizes the way training opportunities are offered to the local tourism industry in several ways. It circumvents the need for in-person trainings, an imperative during the COVID-19 pandemic, by offering online content available *whenever* and *wherever*. Its highly customized content that could be quickly deployed allows for timely response and support to the target audience. Finally, following the successful completion of one of the freely available courses on the Turizam Academy, each attendee receives an individual certificate, advancing their skills and employability and contributing to raising standards of the industry as a whole.

The first set of 24 custom-made courses has been developed on the basis of COVID-19 Guidelines and Protocols previously prepared by Turizam and adopted by BiH authorities. This led to BiH fulfilling the conditions to obtain the WTTC Safe Travel Stamp, developed to optimize the efforts of the global tourism sector to restore trust among travelers and ensure coordination of public and private sector actors in this industry, while enhancing safety of the local tourism workers. As of the end of June 2021, at the end of the three months period following the launch of the academy, a total of 685 individuals have completed 1,655 courses on the Turizam Academy.

Usvojite
globalne standarde
za zaštitu od
COVID-19 u turizmu!

Turizam Academy nudi vam besplatne kurseve za različite profile turističkih djelatnika. Registrujte se još danas i steknite Vaš lični certifikat!

Safe travels

Over the following period, Turizam intends to develop a whole series of online courses on the Turizam Academy to continue building on its value and appeal to the local tourism industry, raise the profile of USAID investment in this area, and expand course content based on the industry needs and global best practices. The target audiences will include government policymakers and bureaucrats at various levels, the hospitality sector, tourism marketing partners, investors, local community entrepreneurs, and youth.

EXECUTIVE SUMMARY

Chemonics International Inc. is pleased to submit to USAID/BiH the USAID Developing Sustainable Tourism in Bosnia and Herzegovina (Turizam) Quarterly Report covering the period between April 1, 2021 and June 30, 2021. At present, the project has completed recruitment for all currently planned full-time staff required for the implementation of Turizam activities. The following is a synopsis of Turizam's accomplishments organized 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 introduced a strategy for public-private partnership that represents a significant paradigm shift in how strategic planning is conducted and facilitated by the Republika Srpska (RS). Turizam initiated public-private industry dialogue in four locations in the RS to inform the official Tourism Strategy for 2021-2027. In total, 139 individual stakeholders representing public and private institutions, non-governmental organizations (NGOs), and academic institutions participated in formulating the future of the tourism sector in the RS. In addition, the *Plan to Increase Land Classified as Protected (based on valorization studies)* was submitted to the USAID Mission on May 6, 2021.

Objective 2: Tourism quality, services, and branding strengthened resulting in improved BiH tourism industry. Turizam conducted a systematic review of adventure products and experiences available on the BiH tourism market. This was carried out using a threefold approach of desk research, site inspections, and individual interviews with relevant stakeholders including travel agents, experience operators, sport associations, and guides. The goal was to develop a strategy specifically designed to address the needs of the outdoor and adventure tourism cluster strategy. During this quarter, the *Human Capital Needs Assessment and Forecast* report was completed and the *Human Capital Development Strategy* was advanced toward completion. In addition, the Pathways to Professionalism scheme was presented to the management of leading hotels in the regions of Sarajevo and Banja Luka to gauge interest in and appropriateness of the model for BiH. Initial endorsements were received for implementing the scheme. In terms of Contract Deliverables, the *Gender Assessment to Support Expanding Opportunities for Women in the Tourism Sector* was submitted to the Mission. Lastly, Turizam launched an awareness campaign highlighting the importance of quality standards and official certifications in the tourism value chain. This campaign included four webinars implemented under the series named "Certification to Success".

Objective 3: Tourism service providers, agriculture, and other tourism-related SMEs gain improved access to finance resulting in a substantial increase in investment. With the support of the Association of Banks of BiH, Turizam held a meeting on May 27th with representatives of ten commercial banks and the Investment-development bank of the RS. Representatives of Turizam presented research results on the needs and obstacles of SMEs in BiH's tourism sector, proposals for improving access to financial resources, and examples of best practice from a parallel USAID project previously implemented in Jordan.

Objective 4: Tourism and local agriculture products gain increased access to regional and global markets. In collaboration with the United Nations World Tourism Organization (UNWTO) Academy and sub-contractor Solimar International, Turizam presented the *UNWTO.QUEST Training and Certification Program* to BiH's tourism boards through a webinar

format. UNWTO.QUEST is designed to support excellence in leadership, execution, and governance capacities in Destination Marketing and Management Organizations. During this reporting period, Turizam submitted two Contract Deliverables: *Digital Revolution Marketing and Social Media Campaign Plans for Visit Sarajevo, Tourist Organization of Republika Srpska, Herzegovina Tourism Board, and Tuzla Tourism Board* (May 25) and *Learning by Doing Folklore and Handicrafts Rural Community Strategy* (April 27) to the USAID Mission. In further cooperation with BiH tourism boards, Turizam finalized the content of 15 modules describing the destination's tourism offerings for inclusion on the BiH Online Travel Agent Academy. During this quarter, cooperation between Turizam and the Foreign Trade Chamber (FTC) was organized for the purpose of launching the development of the Herzegovina Wine Route (HWR). Turizam identified and began partnership with several organizations to strengthen the branding, packaging, and promotion of vinicultural products.

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 natural resources. It will support the recovery of BiH’s tourism industry from the negative impacts of the COVID-19 pandemic and set it on a trajectory of robust growth and toward a more sustainable tourism economy.

Turizam aims to accelerate economic growth in the tourism sector with manifold benefits for BiH and its citizens. The activities of Turizam will lead to job growth, improve the sustainability of income for organizations and companies involved in or related to the tourism industry, and help shift the “BiH Brand.” These positive changes are not limited to the tourism sector but will spill-over into adjacent sectors including agriculture, transportation, and environmental protection.

USAID BiH expects the following objectives to be achieved:

- 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

To achieve the objectives outlined above, the Turizam staff structure was organized thematically by priority area. The organizational structure allows for the overlapping objectives (above) to be addressed in a holistic manner; this mirrors the integrated nature of the tourism opportunities available in BiH. The structure is comprised of one administrative team and three technical teams. The team composition and organization may be realigned to respond directly to implementation demands and to support efficacy of action. 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 levels; driving and building business acumen; enabling environmental development, gender integration, and sustainability; facilitating investments; and balancing interventions for economic development with conservation strategies.
- **The tourism products development team** engages and supports the beneficiaries of product development and strengthens and expands the inclusivity of the associated workforce. This team expertly guides the application of material resources to improve the quality of locally produced goods, such as those originating from BiH's agricultural sector, and other rural products, for the purpose of meeting the packaging and marketing expectations of international clients.
- **The experience development and destination marketing team** identifies established products, opportunities, and attractions in the tourism sector with the greatest potential, works jointly with stakeholders (e.g. tourism boards) to improve capacity and develop product marketing strategies at the destination and enterprise levels and leverages proven design approaches to enhance the value and attractiveness of BiH's tourism offer.
- **The program services team** supports each of the technical teams and Turizam stakeholders as needed to sustain the momentum of program activities at the national and international levels. The team provides logistical as well as technical support to ensure the implementation of well-organized activities focusing on procurement, financial management, communications, and reporting.

Turizam's staffing strategy is directly informed by its commitment to build local capacity through mentorship, skill transfer, and empowerment, thereby strengthening confidence, fostering independent achievement and excellence, and encouraging entrepreneurial ideals that support promotion into more senior roles when the opportunity presents itself. This team will be supported by qualified international experts and advisors providing both long term and periodic assistance in the implementation of activities for the duration of Turizam. Turizam is a dynamic response to BiH's burgeoning tourism industry and as such must continually adapt to ensure the successful implementation of activities at the local and regional scale, and which respond to the demands of a fast-paced global tourism market. The staffing configuration will be modified as needed to support the ongoing development of the tourism sector, its stakeholders, and the corresponding project objectives through refinements, additions, and reductions.

A3. CONTEXT UPDATE

According to Lonely Planet, Bosnia and Hercegovina is most intriguing for its East-meets-West atmosphere born of blended Ottoman and Austro-Hungarian histories filtered through a Southern Slavic lens...today's visitors are likely to remember the country for its deep,

unassuming human warmth, its beautiful mountains, numerous medieval castle ruins, raftable rivers, impressive waterfalls, and bargain-value skiing.¹

The Country Development Cooperation Strategy (CDCS) notes that BiH has not fully activated the tourism sector's potential to facilitate steady economic growth and job opportunities, especially in providing a benefit for the young adult demographic. This is the result of many factors including the lack of year-round tourism offers, limitations on environmentally protected areas, poor access to markets, and restricted digital visibility and branding.

The most significant challenge to be overcome by BiH and which has heavily impacted the country's tourism sector, is the COVID-19 pandemic. According to the current projection of the Central Bank of Bosnia and Herzegovina (CBBiH) "economic activity is expected to grow by 3.4% in 2021, which is 70 basis points higher than was projected [in November 2020]."² Although the effects of the COVID-19 crisis are still being felt, the CBBiH states that "a stronger-than-expected recovery in certain high-frequency indicators, such as industrial production and export of goods, in the first quarter, points to more dynamic economic activity in 2021."³

COVID-19 Pandemic Update

"Bosnia's gross domestic product (GDP) increased by a real 1.5% year-on-year in the first quarter of 2021 [in the same period in 2020, the country's GDP grew by 2% year-on-year in real terms], after contracting by an annual 3.8% in the preceding quarter."⁴ According to the Agency for Statistics, "on a quarterly comparison basis, seasonally adjusted GDP increased by 4.6% in the January-March period, after it grew by 3% in the three months through December."⁵ The UNWTO World Tourism Barometer and Statistical Annex published in May 2021 reported that globally "[i]nternational tourist arrivals (overnight visitors) dropped by 83% in the period January-March 2021 compared to the same period in 2020, as travel restrictions remained high and consumer confidence weakened due to the coronavirus pandemic. This follows an unprecedented drop of 73% in 2020, the worst year on record for international tourism."⁶

As of June 30, 2021, Bosnia and Herzegovina ranks 57th in the world regarding the number of confirmed cases (5,846 cases per 100,000 inhabitants), 29th globally in terms of the number of active cases (344 cases per 100,000 inhabitants), and 5th regarding fatalities (276 per 100,000 inhabitants)⁷. Active COVID-19 cases begun trending downward on April 20, 2021; however, authorities in both entities of BiH and the Brčko District (BD) continue to call for caution, asking citizens and visitors to respect the measures in force intended to prevent an

¹ [Bosnia & Hercegovina travel | Europe - Lonely Planet](#)

² [Projections of economic activity in BH for 2021 and 2022 revised upwards \(cbbh.ba\)](#)

³ [Projections of economic activity in BH for 2021 and 2022 revised upwards \(cbbh.ba\)](#)

⁴ [Bosnia's GDP rebounds to 1.5% growth in Q1 - flash estimate \(seenews.com\)](#)

⁵ [Bosnia's GDP rebounds to 1.5% growth in Q1 - flash estimate \(seenews.com\)](#)

⁶ [UNWTO World Tourism Barometer and Statistical Annex, May 2021: UNWTO World Tourism Barometer \(English version\): Vol 19, No 3 \(e-unwto.org\)](#)

⁷ [Bosnia and Herzegovina Coronavirus Statistic: day by day + latest \(georank.org\)](#)

increase in COVID-19 infections. In BiH, wearing of facemasks is mandatory in public settings and limitations have been placed on the number of persons present at social gatherings (numbers vary in the entities). The airports and the border are open. Citizens of BiH returning to the country are not required to present a negative PCR test or any alternative documentation before entering BiH. Those who do not hold a BiH passport must present one of three documents: a negative PCR test, proof of completed vaccination at least 14 days prior to entry into BiH, or medical certificate showing recovering from COVID-19 between 14 and 180 prior to entry into BiH. Exceptions to this rule are citizens of Croatia, Serbia, and Montenegro who travel from their respective countries. The PCR test for persons traveling from EU countries must be done within 48 hours of arrival in BiH, for locations outside of the EU, the PCR test must be done within 72 hours of arrival.⁸

The most recent figures from the Agency of Statistics show a 15,48%⁹ decrease in international arrivals for the period between January and May 2021 as compared to the same period of 2020.

Bosnia and Herzegovina Agency for Statistics						
Visitor Numbers					Change %	
Year	2019	2020	2020 Jan - May	2021 Jan - May	20/ 19	20/ 21 Jan -May
Domestic tourists	442,982	302,033	76,856	147,981	-31.82%	92.54%
Foreign tourists	1,198,219	196,057	109,382	92,452	-83.64%	-15.48%
Total	1,641,201	498,090	186,238	240,433	-69.65%	29.10%

Source: Bosnia and Herzegovina Agency for Statistics, June 2021

Most airlines providing service to BiH prior to the COVID-19 pandemic have now resumed flights; due to the incentives BiH airports provided to international airlines. New routes have been established between BiH and previously unserved locations. Although demand for international flights to BiH has improved from 2020 when air travel into the country was essentially grounded, the number of arrivals is still significantly below 2019 levels and all airlines continue to operate with reduced frequency¹⁰.

Bosnia and Herzegovina Passengers				Change %		
Year	2019	2020	2021	20/ 19	20/ 21	19/ 21
January-March	304,537	260,935	76,181	-14.32%	-70.80%	-74.98%
April	159,870	948	31,472	-99.41%	3,219.83%	-80.31%
May	141,808	732	52,468	-99.48%	7,067.76%	-63.00%
Total (Jan-May)	606,215	262,615	160,121	-56.68%	-39.03%	-73.59%

Source: Bosnia and Herzegovina Directorate of Civil Aviation, June 2021

⁸ granpol.gov.ba/Faq/Covid19?pagelId=76

⁹ https://bhas.gov.ba/data/Publikacije/Saopštenja/2021/TUR_01_2021_05_1_BS.pdf

¹⁰ <http://www.bhdca.gov.ba/index.php/bs/doc/statistika>

SECTION B

PROGRESS BY OBJECTIVE

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

If BiH is to reestablish itself as an attractive destination on the hyper-competitive international tourism marketplace following the COVID-19 pandemic, the industry needs to reconceptualize how BiH is represented. This requires the development of an integrated vision of the future of the country's tourism industry and improving competitiveness across the value chain. This will be achieved by working in partnership with the Ministry of Tourism and other public and private sector stakeholders from both the FBiH and the RS as well as the BD. Such a partnership needs to be based on continued dialogue among industry actors to ensure responsive policymaking, inclusive application, 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

- Initiated the Tourism Strategy Development Process for the RS by conducting four focus groups addressing the topic of sustainable tourism for the development of the RS Tourism Development Strategy 2021 – 2027; focus groups included representatives of the private and public sector, NGOs, and academia from throughout the RS
- Contract Deliverable – Plan to Increase Land Area Classified as Protected (based on available valorization studies) was submitted to the Mission.

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

ACTIVITY 1.1.1 Forge Tourism Competitiveness Coalition (TCC)

Based in the RS, the TCC is a collaboration between local business owners and the RS Ministry of Trade and Tourism (RS MTT). Membership is comprised of active private sector representatives from various facets of the tourism industry (e.g. tour operators, hotels, restaurants, and experience providers) as well as ministry officials. Turizam established working teams where members of the private sector serve in an advisory capacity to entity-level ministries to steer respective tourism strategies based upon their first-hand experience.

The TCC was utilized in the development of the RS's tourism strategy through the creation of thematic focus groups which revolved around four pillars: Enabling Environment for Competitiveness, Tourism Products and Experiences, Human Capital, and Destination Branding and Marketing. The RS Chamber of Commerce (which serves as the TCC anchor),

and representatives of the private sector, academic institutions, and NGOs participated in the above-mentioned working groups organized in several locations throughout the RS. The working groups provided industry-level perspective and valuable feedback to entity ministries spearheading the development of the RS tourism strategy.

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

Turizam supported the development of the RS Tourism Strategy development through the facilitation of private sector engagement through the RS TCC with other industry and NGO stakeholders. Aiming to support the four pillars identified within the work of the TCC, Turizam provided research on market trends, opportunities for market-product matching, guidance for sustainable destination management, and the promotion of workforce excellence. The Turizam team, supported by international short term technical assistance (STTA), facilitated consultative workshops with stakeholders, private sector representatives, and members of local communities across RS to foster inclusivity and ensure full engagement.

Focus groups for the RS Tourism Strategy development were conducted in four locations throughout the RS. Focus groups addressed the topic of sustainable tourism with representatives of the private and public sector, NGOs, and academia. The total number of participants was 139 (37 in Banja Luka; 27 in Teslić; 42 in Jahorina; and 33 in Trebinje). The RS MTT requested assistance from Turizam in the preparation of the RS Tourism Strategy for 2021-2027; the information gathered from focus groups was used to inform Turizam's contributions.

FBiH Ministry of Environment and Tourism (FMoET) appointed members for strategy development working groups. Although not yet formally adopted by the government, BD has created a 5-year plan to guide their tourism development strategy. BD has requested support to refine the plan using the same approach applied in the FBiH and the RS. The Turizam team is currently contributing to the development of BD's tourism strategy.

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

No actions were taken for this activity during this quarter.

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

Turizam was approached by the newly formed Tourism Entrepreneurs Association (TEA) for staffing support and business plan development. The association was founded at the state level by a diverse group of representatives from various tourism sectors including hoteliers, tourism agencies, guides, and transport companies. The TEA strives for inclusivity. To this end, the RS is represented in TEA's membership and the Association has recently signed a collaborative memorandum of understanding (MOU) with the new Banja Luka-based HORECA association. Turizam began discussions with TEA and HORECA to assess the potential for providing meaningful organizational support in effort to ensure the partnership's capacity for development.

ACTIVITY 1.1.5 Strengthen Data-driven Policy Formulation and Marketing

No actions were taken for this activity during this quarter.

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

During the reporting period, the *Plan to Increase Land Area Classified as Protected (based on available valorization studies)* was submitted. A four-pillar approach was presented to streamline activities previously initiated by various donors, government institutions, and conservation organizations. By the conclusion of the project, the goal is to have increased the protected area from the project baseline of 2.25% to a total land area of 4.5% in BiH.

Through partnership with the World Wildlife Fund (WWF) and United Nations Environment Program (UNEP), Turizam contributed to the improvement of the protection of valued natural resources. Turizam supported the celebration of EuroParc Day on May 24th, announcing a photo competition to coincide with the event. The competition targets youth and young adults aged between 15 and 29 years old; an announcement of the winners will be made on World Nature Conservation Day, celebrated on July 28th.

To promote destination sustainability and gain international recognition, Turizam is supporting the City of Trebinje's application to the prestigious Green Destination Top 100 List. With assistance from Turizam, the application was submitted on April 30. On May 26, Turizam and the City of Trebinje were informed that the competition application was advanced to the next phase of the evaluation process after successfully passing the Sustainability Check. The Green Destinations application process triggered cross-departmental collaboration within the Trebinje City administration, which promises to create a lasting impact on local tourism development by weaving in sustainability principles across municipal policymaking processes.

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

No actions were taken for this activity during this quarter.

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

The development and creation of a visitor management and community engagement plan for Una National Park was initiated during this reporting period; two meetings were held with United Nations Development Program (UNDP) Energy and Environment Sector in support of this objective. The aim of the meetings was to discuss the opportunity for joint collaboration between USAID Developing Sustainable Tourism in Bosnia and Herzegovina (Turizam) and UNDP-GEF 7 Project "Improved Financial Sustainability and Strengthened Resilience of Protected Areas through Development of Sustainable Recreation and Partnership with Private Sector." The focus is on the development of sustainable management plans for protected areas with a goal of promoting sustainable tourism development in BiH through the preservation of natural resources and responsible community-based tourism linked to these protected areas.

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

- Conducted adventure products and experiences review using a threefold approach of desk research, site inspections, and individual interviews with the travel agents, experience operators, sport associations, guides, and additional stakeholders to develop an outdoor cluster plan and adventure tourism strategy
- Human Capital Needs Assessment and Forecast report completed and the Human Capital Development Strategy developed
- Pathways to Professionalism scheme presented to the management of leading hotels in Sarajevo and Banja Luka regions; initial endorsements received for adopting the scheme
- Assessment of vocational training curricula conducted through multiple research methods and a draft plan devised
- Contract Deliverable - Gender Assessment to Support Expanding Opportunities for Women in the Tourism Sector was submitted to USAID Mission
- Over 680 tourism workers across the country have completed more than 1,600 courses made available through the Turizam Academy. Based upon participation, the top three courses are health and safety protocols for (1) tourist guides, (2) hotel management, and (3) hotel receptionists.
- Supported the participation of the Tourism Association of Canton Sarajevo, Tourism Organization of Republika Srpska, and five BiH trade suppliers (Funky Torus, Fortuna Tours, Holiday Bosnia, Bosnian Tour Operator, and Travel Centar) at the online New Deal Europe 2021 Marketplace and Forum on April 12, 2021
- Launched an awareness campaign about the importance of implementing quality standards and certifications in the tourism value chain; four webinars were held under the series name "Certification to Success".

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

ACTIVITY 2.1.1 Localize Canada's Signature Experiences for BiH

During the reporting period, the draft Signature Experience Model was finalized. The draft model was based upon local context and incorporated knowledge from successful models, including those implemented in Canada, Kenya, and Australia. The Signature Experience of Bosnia and Herzegovina packages and promotes BiH's outstanding tourism experiences within a variety of niche areas and special interest categories; the model is designed to grow visitation and attract high value tourists. During the next reporting period, Turizam will present the draft model to stakeholders for discussion and feedback prior to the finalization of the model and the presentation of suggested local Signature Experiences for BiH.

ACTIVITY 2.1.2. Support adoption of BiH Green brand

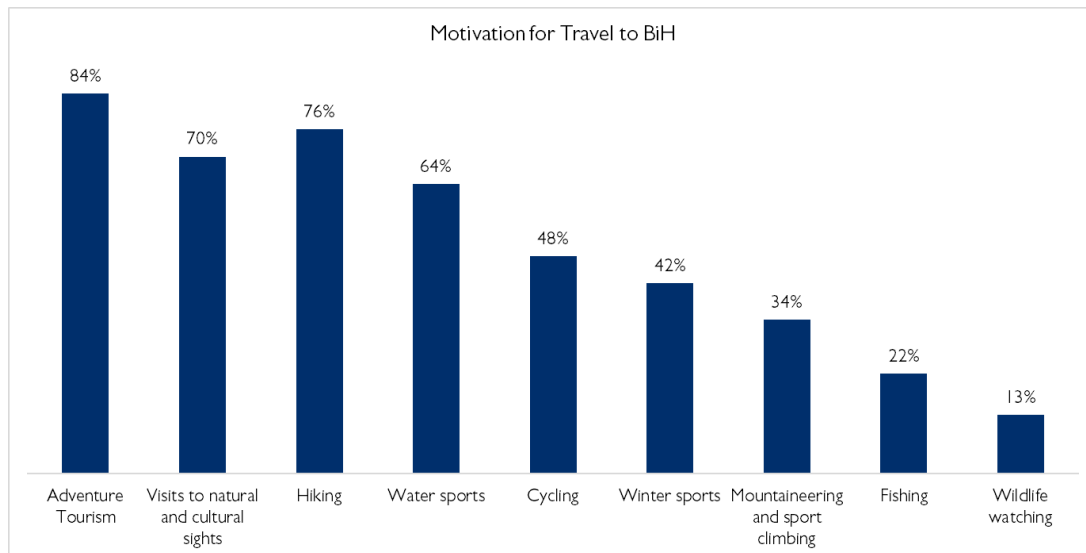
Turizam is in the process of defining potential areas where BiH actors (destinations and businesses) with the potential to be certified under the Green Scheme in BiH can be increased. As international experts, the German donor Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) together with GoodPlace, are involved in establishing a national model of sustainable tourism development in BiH. The BiH model follows the example of Slovenia's award-winning Green Scheme of Slovenian Tourism. The plan is to set up a system of certifications for tourism destinations and tourism businesses which will be standardized and adopted at the state level and administered locally by the FBiH, RS, and BD. The recommended certificates for implementation are:

- Green Destinations Standard for Destinations
- Good Travel Seal for Businesses

Turizam will create a shared BiH brand for certified stakeholders. Following the establishment of the certifications and branding, Turizam will develop and implement activities to support the adoption of the BiH Green Brand within the tourism industry. Guided by future consultations with representatives from the tourism industry, Turizam may support the introduction of pilot projects on the level of business and destination, onboarding local trainers and auditors, and hosting study tours and best practice visits abroad in effort to achieve this objective.

ACTIVITY 2.1.3. Develop an Outdoors cluster plan

Turizam conducted a selective evaluation of adventure products and experiences using a threefold approach of desk research, site inspections, and individual interviews with travel agents, experience operators, sport associations, guides, and associated stakeholders. The information gathered from this review will contribute to the development of an outdoor experience and adventure tourism strategy plan. In mid-April, Turizam organized an online adventure tourism conference with the participation of several international experts including representatives from the International Organization for Standardization (ISO) and international and local adventure tourism agencies and organizations. Following this event, Turizam implemented an online survey of adventure tourism service providers in May. In total, 107 contacts from across BiH responded to the survey. The majority of the individual respondents were involved in either accommodation services (35%) and guiding (34%), while tour operators/travel agencies and tourist attractions accounted for 30% each. More than one answer was allowed as many actors own accommodation and have tour operating business or work as guides at tourist attractions.



The survey results show that hiking is the main adventure tourism product at the destination (76%), followed by water sports, such as rafting, kayaking, and stand-up paddleboard (64%). The top ten consumers of adventure tourism products offered in BiH prior to the COVID-19 pandemic were: Croatia, Serbia, Germany, Slovenia, Austria, Italy, Poland, Switzerland, Sweden, and the USA. Survey results served to design in-person workshops with stakeholders at locations across BiH. Workshops were held in mid-June in Ljubuški, Sarajevo (2x), Vlačić, and Čardaklije; an online workshop was held for Banja Luka. A total of 77 participants attended workshops bringing together a mixture of tour operators and guides including those specializing in outdoor and adventure tourism, accommodation managers, and representatives of public tourism organizations and administration. The information collected will be used to shape an adventure tourism strategy proposal. The strategy is expected to be endorsed by all those active in the adventure tourism sector in BiH and will be implemented over the next several years. The strategy will identify a range of challenges to be addressed by relevant public sector offices with the goal of further refining this sector of BiH's tourism industry. Through stakeholder feedback collected through the survey, workshops, and over 25 meetings, Turizam has identified three primary and three secondary adventure tourism products or themed experiences for which a development plan will be produced. Examples of primary products include hiking, water activities, and cycling; secondary products include winter activities, wildlife watching, and skiing.

Turizam is developing an Annual Program Statement (APS) to expand opportunities for select adventure tourism activities, operators of which will receive support to further develop and promote visitor experience of adventure tourism in BiH. Possibilities of such activity development include traditional Dajak boating and wildlife watching; support may include the organization of relevant trainings needed for safer visitor experiences in outdoor activities.

Performance challenges during the reporting period:

Safety and operational standards for selected activities in adventure tourism were scheduled for distribution by the end of Q3. Due to obstacles preventing essential field consultations and

the additional collection of relevant information during the recent June workshops, the completion of this objective has been postponed to a later date in Q4.

ACTIVITY 2.1.4 Create Improved Operational and Safety Standards for Outdoors Cluster

Turizam completed a consultation process with stakeholders to identify the top four adventure activities for which safety standards are required. Based upon popularity, the most high-priority activities include hiking, rafting, water sports, and cycling; winter sports remain under consideration for inclusion on this list.

GoodPlace is providing guidance and support to Turizam to aid in the design and production of the operational and safety standards for selected outdoor activity products. The updated operational and safety standards will draw upon multiple resources including the regulations and rules currently in use within BiH (e.g., the RS rafting regulation, BiH mountaineering guide criteria, tourism guide regulations), relevant ISO standards, and best international practices. The BiH tourism industry has been consulted in the process to secure a wide adoption of standards once they are produced. In the interest of time and to have a more immediate impact on the quality of service offered by adventure tour guides in BiH, Turizam has partnered with the Adventure Travel Trade Association (ATTA) to have the most up to date edition of Adventure Travel Guide Standards translated into the local language. Turizam will make this document accessible to governments, destination managers, tour operators, and adventure travel guides in BiH so they can refer to it when evaluating the quality and performance of their own guides and determine appropriate training programs. The Adventure Travel Guide Standards will be published and heavily promoted by Turizam and through the communication channels of our partners in July.

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

Activities from this quarter included the planned field assessment with site visits to sample villages to determine potential challenges and opportunities in implementing the Les Plus Beaux Villages (LPBV) concept in BiH. Turizam's expert consultant (Lebanon) visited BiH in April and toured the country to evaluate the adaption of the LPBV concept for BiH as the Most Beautiful Villages (MBV) Program. Turizam also identified and met with appropriate local government partners and donors who could support the implementation of the MBV Program in the future, including the Ministry of Agriculture for the FBiH and the RS and Via Dinarica.

Following the field assessment, a detailed plan navigating the organization of the MBV Program, including the criteria for selection, implementation process, and formal launch was developed. Updates were made to the MBV concept, methodology, and quality charter; a MOU was drafted between Turizam and the local authorities. Turizam met with four potential promoters of the MBV program and will publicize an official call for an Expression of Interest (EOI) to identify additional eligible local organizations who could champion the MBV label. Once selected, the promoter will receive technical assistance and further guidance from Turizam.

Performance challenges during the reporting period:

The international consultant for the MBV program was originally scheduled to visit BiH in early April; however, this visit had to be postponed to the latter half of April due to the continued impact of COVID-19. In order to minimize the risk of the spread and transmission of the virus,

some planned activities were cancelled including regional presentations to interested stakeholders.

ACTIVITY 2.1.6 Develop Hub and Spokes model

During the reporting period, Turizam defined the first potential application of the Hub and Spokes Model for BiH with Sarajevo serving as the hub, given that it is the most visited tourism destination in the country. At the meeting with Sarajevo Destination Marketing Organization (Visit Sarajevo), it was agreed to develop the model collaboratively and identify the specific products and partners to be categorized as spokes. Desk research mapped around 30 potential locations and attractions that will be thematically categorized for the purpose of creating a collection of inspirational trips and excursions. When finalized, these itineraries will be published at Visit Sarajevo website for both advertising and commercial purposes.

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

During the reporting period, data required for the Human Capital Needs Assessment and Forecast (Year 1 Deliverable) was collected through multiple methods and from diverse sources. The focus was on the following activities, as envisioned in the work plan:

- Conduct a series of surveys and consultative focus groups with industry, academia, and government in various locations across the country
- Forecast provisional human capital needs based on anticipated recovery and growth and produce a 2021-2025 Human Capital Needs Assessment and Forecast
- Produce a 2021-2025 Human Capital Development Plan including identifying capacities, approaches, and institutions that can contribute to updating the plan and its implementation for long term sustainability

Over 370 responses were collected through an online survey from 11 categories of service-providers (e.g., hotels, restaurants, museums, travel agencies, and handicraft shops) and three groups of educators representing secondary vocational schools, higher education institutions, and centers for adult education. Nine focus groups were held with 80 representatives from industry and education sectors, and a series of in-depth interviews were conducted with key stakeholders ranging from government authorities to those working in public services and industry. The information and feedback collected from the engagement with this diverse group of stakeholders substantiated the research findings. Data analysis and reporting was guided by two consultants, local and international. The international consultant conducted a one-month field visit to BiH; under his lead, the 2021-2025 Human Capital Needs Assessment and Forecast was completed, and the Human Capital Development Strategy and Plan produced. Both documents will be reviewed and validated by government and industry counterparts after which they will be submitted to USAID BiH for approval.

Inputs from these two key deliverables are used for the (ongoing) preparation of entity-level tourism strategies.

Performance challenges during the reporting period:

Data collection required for the Human Capital Needs Assessment took longer than expected because the COVID-19 pandemic caused the temporary closure of businesses and a general sentiment of helplessness across the industry. To increase response rates, intensive direct communication and field visits were conducted across BiH.

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

To map out key stakeholders and interventions for vocational skills development, the following activities were implemented as outlined in the work plan:

- Identified hospitality and catering schools, private training institutes and other relevant knowledge providers for the tourism industry;
- Identified priority interventions required to upskill employees returning from COVID-19 layoffs and onboard new hires as demand for workers rises to support growth countrywide.

Responses collected through the Human Capital Needs Assessment were also utilized to assess vocational education dedication to tourism in more depth. Turizam identified over 50 secondary vocational schools, 12 higher education institutions, and 12 adult learning centers as providers of tourism and hospitality education programs. The supply and delivery of formal and non-formal tourism-related education programs were reviewed through meetings with education authorities, schools, adult learning centers, universities, and NGOs.

A prevalent conclusion from all meetings was the slow pace of change and innovation in the formal education system. Secondary education curricula are seldom upgraded and can remain unchanged for over a decade. On the other hand, the demand for skilled tourism labor was repeatedly voiced by industry, emphasizing the need for fast-tracked workforce development and training. Centers for adult learning are well positioned to provide shorter, more practical training. To respond to these needs, Turizam will explore opportunities to customize vocational training plans and booklets for distribution to adult training centers. In the next quarter, the Turizam team will complete the Vocational Training Curriculum Assessment, Plan, and Booklets (Year I Deliverable).

Regarding formal secondary education, Turizam will seek to provide contemporary teaching materials to supplement existing curricula. Schools own the discretionary right of 30% flexibility in curricular adaptations. Turizam will explore this window of opportunity to upgrade the quality of tourism and hospitality education programs starting in Year 2 of the project.

ACTIVITY 2.2.3 Launch industry-based 'Pathways to Professionalism' (PTP) training initiative

The Human Capital Needs Assessment (2.2.1) clearly illustrates that the tourism labor market in BiH is burdened by a substantial skills gap. The workforce demands are not being met effectively by the output capacity of BiH education centers, especially in terms of practical skills. To balance out the demand for and supply of skilled workforce, the Turizam project initiated the localization of a USAID-proven model 'Pathways to Professionalism' (PtP). By implementing the PtP Program in BiH, work-based training and qualifications will be significantly improved and current employees in operational positions within the tourism and hospitality sectors will be upskilled or retrained in adherence to elevated industry standards.

Following the workplan, the PtP concept was developed and industry feedback sought. The PtP Program was presented to the General and Human Resource Managers of the leading 4- and 5-star hotels in the Sarajevo and Banja Luka regions. Sixteen hotels were represented at the meetings including several belonging to international and domestic hotel chains such as Marriott, Ibis, Europe Group, and Hotels Ilidža. Feedback received by the hotel industry was overwhelmingly positive with commitment made to the PtP Program. A core group of hotels was identified as initial members of the PtP Steering Committee. The subsequent steps for this objective include the development of an Operations Manual for localizing the PtP schemes among clusters of hotels and restaurants in BiH, the establishment of a formalized PtP Work Plan, and outlining common minimal standards for selected professions included in the PtP Program. The roll out of industry-based trainings is expected in Year 2.

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

Currently, a dozen higher education institutions in BiH offer programs related to tourism. To date, no university or college level program in BiH has achieved international certification, of which the UNWTO.TedQual Certification System is the most relevant. To build excellence in degree programs specializing in tourism and hospitality in higher education, technical support will be provided for alignment and adoption of the TedQual Certification in BiH. The project is in process to subcontract Solimar International as the sole implementing partner for the UNWTO.TedQual Certification System on behalf of the UNWTO Academy.

BiH universities which took part in the Human Capital Needs Assessment (2.2.1) already voiced their interest in participating in the TedQual program. Commitment and feasibility of a university to pursue UNWTO.TedQual Certification was further evaluated at the introductory webinar on the topic held at the end of June. To test compliance and readiness of BiH institutions to meet certification standards, universities in BiH were asked to fill out an institutional self-assessment whereby the subcontractor – Solimar International – will provide technical support to those higher education institutions which decide to pursue quality advancement. MOUs will be signed with selected universities and serve as a model for other academic institutions in the future. By Q3 (April-June) in Year 2, it is expected that at least one degree program at each the Bachelor and Master's level will be ready to successfully apply for UNWTO.TedQual Certification for the selected higher education programs.

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

Turizam partnered with the BiH Food Safety Agency (FSA) to establish standards promoting safe food handling in the adventure and hospitality industry. Research on this topic was conducted and recognized documents outlining safe food handling for the tourism and hospitality industry from international and regional sources were consulted.

Based upon the projected workload, the FSA requested consultancy support to fulfill the objectives related to the development of a safe food handling and hygiene guide and associated educational tools and resources. The Statement of Work (SoW) for a Safe Food Handling and Hygiene Practices short term consultant was advertised and Turizam started the recruitment process that will be completed early in the next quarter. Activities to complete the safe food handling and hygiene guide and informative tools including an awareness campaign will be fully completed in Q4, by the end of September.

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

The Contract Deliverable Gender Assessment to Support Expanding Opportunities for Women in the Tourism Sector was submitted to USAID Mission on May 28. The assessment concluded that although strong gender equality and antidiscrimination laws are in place in BiH, their implementation is often weak. The findings presented in the assessment are based on a literature review and data gathered from a total of 33 individual and group consultations, focusing on steps Turizam can take in its work with the government and the project beneficiaries.

ACTIVITY 2.2.7 Promoting Excellence Awards in the Industry

Turizam attended the Star of Tourism Award Ceremony organized in Neum on May 19, 2021, by the Federal Chamber of Economy. The ceremony had limited attendance due to COVID-19 restrictions. Award recipients were the organizations, businesses, and persons across the country with representatives from the FBiH, RS, and BD. The criteria for the Star of Tourism Awards, however, is limited and not clearly defined or measurable. In addition, criteria and awards fail to take cross cutting issues (i.e. women-owned businesses, accessible tourism) into consideration. The Turizam team and the Federal Chamber of Economy discussed future cooperation on developing the criteria and upgrading the award process to recognize champions of the industry based on measurable results and merits. The Federal Chamber of Economy stated that Turizam's support for the 2022 Star of Tourism Awards is welcome. Initial plans for support of this process are being drafted and existing documents reviewed.

ACTIVITY 2.2.8 Launch Turizam Academy

The online learning platform, *Turizam Academy*, was officially launched at the end of March 2021. The Turizam Academy offers 23 free certification courses on practical implementation of COVID-19 Health and Safety Guidelines and Protocols as adopted by both entities and BD governments and endorsed by WTTC for the Safe Travels stamp. Within the reporting period, over 680 tourism workers across the country have completed more than 1,600 courses on the Turizam Academy platform. Based upon participation, the top three courses are health and safety protocols for (1) tourist guides, (2) hotel management, and (3) hotel receptionists.

Endorsements of the Turizam Academy were provided by a wide range of stakeholders through video testimonials promoting the benefits of available courses. Proponents of the Turizam Academy include the Tourism Association of Canton Sarajevo (Visit Sarajevo), the Tourism Organization of the RS (TORS), the Chamber of Commerce of the RS, hotel managers, and more.

The Turizam Academy also features an archive of webinars and informational resources produced through Turizam's ongoing activities. Continual upgrade of the online learning platform is planned throughout the project life cycle through new online courses and a repository of learning materials.

ACTIVITY 2.2.9 Other quality related initiatives

Recommendations were provided to RS MTT on adjusting the criteria and standards within the new Guidebook for Categorization of Hotels in RS, with the ultimate purpose of harmonizing RS criteria with those of the European Union Hotelstars System for hotel

classification. The recommended changes were accepted by the RS MTT and the updated hotel classification will be initiated following the official adoption of the Guidebook by the RS Government.

Additional work is planned to support the improvement of a standardized classification systems for hotels, spas, and guesthouses in both entities, further aligning the BiH hospitality sector with relevant European and international standards.

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

ACTIVITY 2.3.1 Formulate harmonized brand approach with stakeholders

Turizam sent a request for USAID to facilitate a meeting with MOFTER to discuss their views and propensity to support single brand formulation among both entities. It was agreed that Turizam will await USAID's update on the meeting and further guidance before commencing work on this deliverable. Until a collaborative effort can be initiated, and an official brand can be agreed upon, Turizam will continue to introduce and utilize creative alternative approaches that can contribute to enhancing BiH's international reputation in support of future country branding within the tourism industry.

During the reporting period, Turizam supported the participation of Visit Sarajevo, TORS, and five BiH trade suppliers (Funky Torus, Fortuna Tours, Holiday Bosnia, Bosnian Tour Operator, and Travel Centar) at the online New Deal Europe 2021 Marketplace and Forum on April 12, 2021. The event brought together tour operators and tourism organizations with a focus on the Greater Balkan region of Europe and is the only travel market platform dedicated to generating business to this growing tourism destination. During the event, Turizam and the two Destination Marketing Organizations (DMOs) (Visit Sarajevo and TORS) delivered a presentation on the BiH's tourism assets and products revealing the attractiveness of the country to international buyers. The presentation was attended by 158 delegates – the best attended destination presentation out of the three destinations that were featured during the event (Slovenia, Moldova, and Bosnia and Herzegovina). In total, the BiH trade delegation engaged in 109 meetings with international buyers.

ACTIVITY 2.3.2 Develop digital brand communication plans for key assets

During the reporting period, Turizam initiated talks with Outdooractive, a leading adventure travel booking platform utilized for Via Dinarica. This engagement explored the potential for Turizam to capitalize on Outdooractive's extensive network of adventure enthusiasts to further promote Via Dinarica and BiH as an outdoor and adventure destination. Turizam and Outdooractive discussed how other adventure travel selling platforms can log in to access data and resources about Via Dinarica, thereby increasing the reach of the promotion and marketing of the Via Dinarica.

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

Cooperation mechanisms to support securing certification and quality marks with the relevant state level institutions were agreed upon during the previous quarter. In effort to provide support for achieving quality-related standards, Turizam continued regular consultations with the FSA, the BiH Institute for Intellectual Property (IPR), the Ministry of Agriculture for each of the entities, and other donors such as UN FAO and UNDP. Collaboration was established with the Agency for Halal Certification and two existing accredited Organic Certification bodies (Organska kontrola based in Sarajevo and Organic Control System from Laktaši). BiH products that received a Geographical Indication (GI) Label as well as other certifications, such as quality certification marks, halal, and/or organic were identified. These producers shared their success stories and the lessons learned with other organizations, stressing the challenges and impediments they encountered in the certification and quality marks process as well as opportunities that may impact other products or organizations.

Turizam published an RFP for the provision of technical assistance in fields related to the certifications and specified quality marks. The information garnered contributed to a database of local service providers and STTA experts (details below).

ACTIVITY 2.3.4 Support attainment of quality marks, geographic indications or certifications

To encourage the attainment of quality standard labels, Turizam launched a campaign to promote awareness about the importance of the incorporation of quality standards and certifications in the tourism value chain. Four webinars were implemented under the series named "Certification to Success":

1. A conference on *Achieving Geographical Indications for Agricultural Products of Bosnia and Herzegovina* in partnership with the FSA was organized on April 7, 2021. A total of 100 participants from the private and public sector attended the virtual conference.
2. On April 28, Turizam organized a second webinar, *Organic Production in the Function of Economic Development of BiH*, aiming to raise awareness of agricultural producer organizations about the process of introducing organic certification, present the benefits and challenges of the certification, exchange information and share experiences and knowledge in the field of organic production, and communicate the importance of certification in the tourism value chain. The live event broadcasted on Zoom was attended by 64 people. Key speakers were representatives of accredited certification bodies from BiH, Serbia, and Croatia.
3. On June 9, a webinar on *Halal Quality* was held. The webinar was organized by Turizam in partnership with the BiH Agency for Halal Quality Certification and featured speakers from BiH, the United Kingdom, and Singapore. A workshop presented paths to acquire halal certificates for BiH food producers and HORECA tourism value chain organizations as well as the advantages of this process for the development of tourism. In total, 78 participants attended the event on Zoom.
4. On June 29, Turizam, in partnership with the IPR, hosted a webinar related to *Branding and Certification Marks*. This event was attended by 32 participants.

At these events, Turizam brought together relevant stakeholders. Representatives of the Ministry of Agriculture for each entity presented available support mechanisms for the introduction of GI, organic, and halal standards as well as the aid from local government and resources available through donor funded projects. Event participants presented requirements and challenges of the certification process, regional best practices, and key benefits and advantages for holders of standards; these topics were discussed further during

the panel session. BiH organizations which successfully attained quality standards were promoted and representatives from these organizations had the opportunity to share their experience, lessons learned, and their certified products.

The aim of these events was to raise awareness and increase Turizam's efforts to support attainment of quality marks, improve market access of tourism value chain organizations, and increase sales. In addition to the online Zoom platform, events were broadcasted directly through Turizam's official YouTube and Facebook accounts. The recording of each workshop has been made available through the Turizam Academy learning platform.

Turizam published an RFP in May to engage a subcontractor for supporting selected organizations with TA related to attainment of quality marks, geographic indications, organic, and halal certifications. A proposal conference (information session) for interested organizations was held on June 2 and Turizam is now evaluating four proposals. Early in Q4, Turizam will select the most qualified applicant, sign a contract, and start with the provision of TA to interested producers and organizations.

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 and 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, causing lenders to be resistant 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 creative loan products or credit guarantee solutions. Turizam's general approach to 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 \$3 million in credit.

Objective 3. is divided into two Sub-Objectives:

1. Bridge Finance Gap for Tourism SMEs and Local Agriculture Producers
2. Fuel Tourism-Driven Investment and Public-Private Partnerships

Quarterly Highlights

- An online meeting was conducted with banks in BiH on the topic of "Expanding Access to Finance for Tourism Sector and Tourism-connected Industries" on May 27th. The meeting was attended by representatives of ten commercial banks and the Investment-development bank of the RS.

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 will develop and launch an online finance directory to serve as one stop shop for SMEs; the directory will present all relevant sources of financing for BiH's tourism sector such as existing bank loans/credits options as well as grants, subsidies, and incentives from international donors and public sector institutions in BiH.

Turizam conducted two online surveys: one with the SMEs from the tourism sector and one with banks in BiH. The aim of the demand-side survey was to identify the main obstacles and needs of the SMEs from the tourism sector when in need of finance. The second survey was to identify existing lending products offered to the tourism sector SMEs.

The demand-side survey collected data from 314 respondents. Findings show that women owned and managed businesses are in the minority. The main obstacles businesses encounter when securing business credit are high interest rates, complicated banking processes, and more significantly, high collateral requirements. The main source of business financing is personal resources; this is followed by bank loans, grants, and subsidies.

Responses to the supply-side survey were received from 8 banks in BiH. This data illustrated that banks do finance the tourist sector, but that this sector in particular represents a much higher risk compared to others. As a result, banks remain cautious when considering applications from tourism-based SMEs requesting finance. The conclusion is that Turizam needs to engage directly with individual banks to better assess their interest and needs in targeting the tourism sector with their financing options.

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

This is the next phase of the previous activity and will be included in the next reporting period.

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

Bosnia Bank International (BBI bank), the organizers of Sarajevo Business Forum (SBF), remain interested in partnering with Turizam in leading a panel on tourism and investment at the annual International Business and Investment Conference. This event has been postponed from April to September 2021. Turizam is in process of identifying an expert who will conduct a deep analysis of the public assets available for private investors and provide recommendations on how to attract investors.

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 countries and has the lowest 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 shortage of qualified human resources, inadequate infrastructure, and poor promotion. The country lacks a national tourism board, marketing channels and tour operators are weak, and internationally, the country's image is misrepresented. Turizam will help BiH quickly recover from the COVID-19 downturn and set it on a trajectory for growth.

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

- Through a collaboration with the UNWTO Academy and subcontractor Solimar International, the UNWTO.QUEST Training and Certification Program was presented to BiH tourism boards through a webinar. UNWTO.QUEST Certification is designed to support excellence in leadership, execution, and governance capacities in Destination Marketing and Management Organizations.
- In cooperation with BiH tourism boards, Turizam finalized the content of 15 modules on the destination's tourism offerings for the BiH Online Travel Agent Academy.
- Contract Deliverable - Digital Revolution Marketing and Social Media Campaign Plans for Visit Sarajevo, TORS, the Herzegovina Tourism Board, and the Tuzla Tourism Board was submitted on May 25 to the USAID Mission
- Contract Deliverable - Learning by Doing was resubmitted to USAID for approval on June 30
- The development of the Herzegovina Wine Route (HWR) was launched by setting up cooperation between Turizam and the Foreign Trade Chamber (FTC).
- Identified and initiated engagement with several organizations focused on development and improvement of branding, packaging, and promotion of products

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

COVID-19 Health and Safety Guidelines and Protocols were adopted by governments of the RS and BD (previously adopted by FBiH at the end of 2020) and BiH was awarded the Safe Travels Stamp by the WTTC. Turizam developed 23 courses for the tourism industry based upon these official guidelines and protocols. The courses are available online and are a part of the Tourism Academy.

ACTIVITY 4.1.2 Develop Market Engagement Tactical Recovery Plan

The Tactical Recovery Plan (TRP) was developed and submitted to USAID on February 3, 2021 and approved by USAID on February 19, 2021.

During the reporting period, as steps taken by Turizam to enact some of the recommendations included in the plan, Turizam worked with Tuzla International Airport to support a proposal to Pegasus Airlines, a leading Turkish LCC with an expansive network. The proposal advocated for the establishment of a new route to/from Tuzla Airport serving both tourism and business passengers connecting through Istanbul from different origin markets. In addition, Turizam approached Flydubai and Flynas to discuss potential areas for collaboration to increase aviation traffic to and from BiH. Both airlines expressed interest in cooperating with Turizam. It was agreed to pursue further discussion, list potential activities, and a sign Collaboration Agreement (CA) between the parties.

During the reporting period, Turizam drafted and submitted a CA to the new management of the Tourism Association of Canton Sarajevo (Visit Sarajevo). The CA is a joint implementation plan detailing activities, roles, and responsibilities of both parties in achieving common tourism development objectives over the next 18 months. After the agreement is finalized, Visit Sarajevo and Turizam will organize a signing ceremony to announce the collaboration. It is expected that the CA will be signed in July 2021.

ACTIVITY 4.1.3 Raise international appeal of BiH as a tourism destination

Turizam planned to recruit international influencers for content creation and coverage of the outdoor and adventure-based products and experiences available in BiH; however, this activity had to be postponed given the impact of the second wave of COVID-19 on the country.

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

During the reporting period, Turizam, in collaboration with the UNWTO Academy and subcontractor Solimar International, presented the UNWTO.QUEST Training and Certification Program during a webinar for tourism boards in the country. UNWTO.QUEST is designed to support excellence in leadership, execution, and governance capacities in Destination Marketing and Management Organizations. Turizam presented how tourism boards and their staff can transform into globally recognized institutions with international best practices and invited the tourism boards to apply for trainings. Those tourism boards who successfully complete the trainings will be able to pursue the prestigious UNWTO.QUEST Certification. The webinar event was organized on Zoom, had 29 attendees, and was broadcast live on the Turizam social media channels. In total, 21 tourism boards from the country applied for the training, completed the self-assessment survey, and have provided written commitment for the 24-week training. The training is to start in mid-July 2021.

ACTIVITY 4.1.5 Increase tourism trade capacity and diversify international sales channels

During the reporting period, Turizam, in cooperation with BiH tourism boards, finalized the content of 15 modules describing the destination's tourism offerings for the BiH Online Travel

Agent Academy. The aim of the Academy is to reach, inform, and educate thousands of international tour operators and travel agents in key source markets around the world about BiH's diverse, captivating tourism offerings. Additionally, Turizam developed the BETA version of the Academy that is currently being tested for functionality. The Academy is planned for official launch in July 2021.

Turizam contracted an international consultant to work with the rural accommodation providers across the country. Turizam and DMOs located throughout BiH agreed to collaborate on a series of training and capacity building programs targeting the current or future owners of homestay accommodations and experience providers in rural BiH (hosts). The training aims at improving their capacity to manage, operate, and market a more successful rural homestay business. Turizam developed SOWs and identified two trainers from Croatia, experts in the field of rural tourism development. The two-day training will be held at ten different locations throughout BiH, including Banja Luka, Šipovo, East Sarajevo, Sarajevo, Trebinje, Konjic, Mostar, Posušje, Tuzla, and Bihać on different dates starting on July 19.

ACTIVITY 4.1.6 Launch "Know Your Market" Series

Because the TRP activation is pending due to delay in budget allocations from tourism boards, Turizam planned educational seminars with Flydubai and Flynas in improving the awareness and understanding of trade in source markets in the UAE, Saudi Arabia, and other Gulf Cooperation Council (GCC) countries about the tourism opportunities that exist in BiH and the most impactful way to convert these opportunities into business deals. To realize this, Turizam will organize a series of up to five half-day webinars organized thematically to introduce the variety of products and experiences available in BiH such as nature, adventure, rural, water, and winter activities.

ACTIVITY 4.1.7 Catalyze digital transformation of the tourism sector

During the reporting period, Turizam finalized a country-wide assessment of the destination marketing performance on digital and social media channels and platforms and presented the findings during an online event which was attended by 25 individuals representing Visit Sarajevo, TORS, Tourism Association of Herzegovina-Neretva Canton, Tourism Association of Tuzla Canton, and Tourism Organization of the City of Trebinje, as well as Ministry of Foreign Trade and Economic Relations and Ministry of Trade and Tourism of Republika Srpska. The findings revealed that BiH is invisible in the digital sphere and Turizam emphasized the need for an overarching destination brand for any future destination promotional efforts to be successful. The assessment also looked at the specific performance of five tourism boards and developed recommendations to help them transform into more digitally driven organizations. Turizam presented findings and plans to the targeted tourist boards and organized training workshops with each to aid in the implementation of necessary changes. The training sessions were conducted face-to-face as follows: two sessions for TORS and Visit Sarajevo; and one session each for Tuzla, Trebinje, and Herzegovina-Neretva tourism boards. In total, the sessions were attended by 39 participants from the five tourism boards.

On May 25, the Year 1 Deliverable Digital Revolution Marketing and Social Media Campaign Plans for Visit Sarajevo, TORS, Herzegovina Tourism Board, and Tuzla Tourism Board was submitted to the USAID Mission.

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

During the reporting period, Turizam initiated the process of contracting the Smithsonian Institution to deliver experience design and implementation related to cultural heritage-themed experiences, including festivals and events. The program is expected to start towards the end of July 2021 and will be delivered face-to-face. Also, during the reporting period, Turizam and TORS agreed to collaborate on a series of training and capacity building programs. Turizam agreed on the development of a training program targeted at the current or future owners of homestay accommodations and experience providers in rural BiH (hosts). The specific objective of this specialized training program was to introduce business models and concepts that will help hosts improve their capacity to manage, operate, and market a more successful rural homestay business. Contracting for the two trainers from Croatia, experts in the field of rural tourism development, is being finalized. Turizam will provide trainings in 10 cities and municipalities around the country and partner with other local DMOs.

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

ACTIVITY 4.2.1 Develop Slow Food travel destination in Trebinje

Activities continued with Slow Food Trebinje Association to help the association prepare information about producers and products from the region to be promoted through a newly developed website with interactive maps, photos, videos, and stories. In preparation for developing Trebinje region as a Slow Food Travel Destination, Turizam has been visiting and interviewing producers from six East-Herzegovina municipalities (Ljubinje, Gacko, Bileća, Nevesinje, Berkovići, and Trebinje). Photos and videos of agricultural products, producers, production facilities, and landscapes will be made and included on a map, which will be added to the newly developed Trebinje Slow Food Association website.

In support of this work, Turizam conducted a rapid assessment to identify both the challenges and the opportunities present for the further development of Trebinje as a Slow Food Travel Destination. In addition to the Slow Food Trebinje Association, meetings were organized with the Trebinje City Authorities, the Municipal Agrarian Fund that operates the “Herzeg House,” and other relevant local stakeholders. These meetings shaped the development of a plan for the delivery of TA and workshops to be organized for the next quarter.

ACTIVITY 4.2.2 Introduce the updated "Learning by Doing" approach

The Contract Deliverable Learning by Doing Folklore and Handicrafts Rural Community Strategy was submitted to USAID for approval. The document was returned with commentary and the deliverable was resubmitted for technical approval on June 30, 2021.

ACTIVITY 4.2.3 Launch the Herzegovina wine route

The development of the HWR was launched by setting up cooperation between Turizam and the FTC and outlining mutual support on this project. The activities supporting HWR development launched with a webinar featuring speakers from seven countries: the United

States, Israel, Spain, France, Moldova, Great Britain, and BiH. The development of the HWR is fully supported by the European Cultural Route of the Vine and Wine “Iter Vitis – Les Chemins de la Vigne” and membership inscription is expected in early 2022. Iter Vitis Network president Emanuela Panke shared Iter Vitis criteria for both the associated private sector actors and the route and committed to the process of accreditation for BiH private sector actors to Iter Vitis (e.g. wineries, hotels).

Turizam identified two main events on the HWR hosted by two winemakers: Vukoje (Trebinje) and Vasilj (Međugorje) at Žilavka Salon and BLAŽ, respectively. Turizam was invited to support and aid in the organization these events. The SOWs for the HWR specialists were outlined and four candidates were interviewed. Finalization of the contracting process is expected in the next quarter (Q4) and the HWR development plan is expected in the first quarter of fiscal year 2022 (Q1 FY2022).

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

After the assessment of their needs, Turizam has identified and started work with several organization focused on development and improvement of branding, packaging, and promotion of products. Turizam is assisting Slow Food Association Trebinje with ongoing activities in the preparation of informational content (e.g. maps, photos, videos, and stories) about products and producers from the East Herzegovina region, which will be promoted online. The women’s association “Priroda” from Bratunac and their traditional handicraft products will also be supported in effort to refine their product design for broader consumer appeal.

Turizam began on the development of a promotional plan for the *Budi zdrav ko dren* association from Drvar, which is currently in the process of obtaining a GI mark for their Cornelian Cherry Jam (mućeni pekmez od drenjine). Turizam assisted with the preparation of the graphic design for the producers and contributed to the promotional messages supporting the award of the GI Label to reap the benefits from the investment made during this process.



Before



After

A request was received from the West Herzegovina Canton for the delivery of workshops to agricultural producers, family farms, and makers of handicrafts and traditional products

interested in selling their products in the tourism value chain. The topics to be covered in these workshops include marketing, graphic design, and promotion. An additional request was received from the West Herzegovina Canton to support the introduction of a new GI mark and linked promotional activities for a local potato variety (Poluranjka). These activities may also include developing new dishes and menus featuring this potato variety, organizing gastronomic workshops with chefs, and organizing a promotional event. These requests are being reviewed and the plan is to deliver the workshops in the next quarter.

In order to identify the products and business models that are most successful for women, Turizam has started working on the identification of best opportunities in tourism for women's agribusinesses. Upon completion of the assignment early next quarter, information will be disseminated throughout the country.

ACTIVITY 4.2.5 Launch folkloric, crafts, culinary experiences, festivals linked to seasonal crops/harvesting traditions

In cooperation with BiH FTC and through desk research, Turizam has completed an inventory of the 90+ existing festivals around the country including the smaller events that are of potential interest to tourists. Since most of these events lack a true festival character, a SOW has been developed and Turizam will engage Smithsonian Institute to deliver training and TA to improve them.

SECTION C

ACTIVITY ADMINISTRATION

C. 1 ADMINISTRATIVE UPDATES

The effects of COVID-19 have continued to impact the timing, mode, and type of activities implemented by Turizam. During this reporting period, the team continued to work from home and in the office as needed depending on the COVID-19 situation in country.

In this reporting period, the Turizam grants manual was approved by USAID and now the team is working to finalize set up of the Innovation in Marketing, Partnerships, Capacities, and Sustainability (IMPACTS) Fund.

Through the reporting period, Turizam signed one international subcontract with OTT Group Limited, who will develop the online travel agent academy. Turizam is also in process of awarding several local subcontracts, to be executed in the next quarter.

Turizam had four international consultants providing technical assistance during the reporting period with all four of the consultants completing at least part of their work while in country.

ANNEX B. PERFORMANCE MONITORING, EVALUATION, AND LEARNING PROGRESS AGAINST TARGETS

During this quarter, the Monitoring, Evaluation, and Learning (MEL) component of the Turizam Activity included the continued drafting of the MEL Plan as well as the Activity LogFrame, Performance Indicator Summary Worksheet, and Performance Indicator Reference Sheet (PIRS) documentation. The Turizam team had several consultations with the USAID/BiH Mission and based upon the feedback received, revised the Performance Indicator Summary Worksheet, and proposed additional modifications in the Contract. In the next quarter, Turizam expects to receive comments and approval from the Mission on the proposed modifications and the Turizam team will revise and finalize the MEL Plan accordingly. The progress against targets for three quarters are presented in the table below; we are awaiting the Mission’s approval to finalize the table.

The table below reflects the proposed changes in the Turizam Activity Monitoring, Evaluation and Learning Plan (AMELP).

No.	Indicator	Unit of Measure	Disaggregation	Frequency	Data Source	Overall Activity Baseline/Year	Target Year 1 2021	Cumulative Actual (Q1 + Q2 + Q3)	Life of Activity Cumulative Target*
Activity Goal: Private sector growth increased									
1	Share of tourism in nominal GDP (%)	Percentage	None	Annual	World Travel and Tourism Council	9.3%/2020	N/A	-	5
2	Number of new full-time equivalent (FTE) jobs created in the tourism market economy	Integer Number	None	Annual	FIA and APIF (for official data) cross-referenced with World Travel and Tourism council reports	0/2020	0	-	2,985
3	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	Integer Number	Sex	Annual	Activity records-survey	0/2020	0 F: 0 M: 0	-	250 F: 125 M: 125
Activity Purpose: Economic growth in tourism sector enhanced (contributes to the CDCS Sub-IR 2.2.1. Competitiveness of targeted industries and SMEs enhanced)									
4	Travel and Tourism Competitiveness Index Rank	Integer Number	None	Bi-annually (Every Two Years)	WEF Travel and Tourism Competitiveness Report	#105/2019	#105	-	#95
5	Change in amount of tourism receipts (in mil \$)	Decimal Number	None	Annual	United Nations World Tourism Organization	\$1.08 billion/2019	\$40 mil	-	\$820 mil
6	CBLD-9: Percent of Turizam-assisted organizations with improved performance	Integer Number	Type of organization	Annual	Activity records	0%/2020	0%	-	90%
7	Number of firms receiving Turizam-funded technical assistance for improving business performance	Integer Number	None	Annual	Activity records	0/2020	60	69	1,390

No.	Indicator	Unit of Measure	Disaggregation	Frequency	Data Source	Overall Activity Baseline/Year	Target Year 1 2021	Cumulative Actual (Q1 + Q2 + Q3)	Life of Activity Cumulative Target*
8	GNDR-2 Percentage of female participants in Turizam - assisted programs designed to increase access to productive economic resources (assets, credit, income, or employment)	Percentage	None	Annual	Activity records	0%/2020	50%	47.50%	50%
9	Youth -3: Percentage of participants in Turizam-assisted programs designed to increase access to productive economic resources who are youth (15-29)	Percentage	Sex	Annual	Activity records	0/2020	15% F: 50% M: 50%	26.51% F: 48% M: 52%	25% F: 50% M: 50%
10	STIR-10 Number of innovations supported through Turizam assistance	Integer Number	None	Annual	Activity records	0/2020	1	2	15
11	STIR-14 Number of investments in the digital ecosystem	Integer Number	None	Annual	Activity records	0/2020	1	2	5
12	Number of tourism products, experiences, and/or enterprises launched or improved	Integer Number	None	Annual	Activity records	0/2020	0	0	260
Activity Sub-Purpose 1: An enabling environment with the harmonized policies and regulations necessary for noticeable growth in the tourism sector established									
13	Number of strategies, policies, and regulations necessary for the tourism sector growth adopted with Turizam assistance	Integer Number	None	Annual	Activity records	0/2020	2	7	10
14	Percent change in size of land area classified as protected	Percentage	None	Annual	UNEP-WCMC World Database on Protected Areas	2.64%/2020	0%	0	2.25%
Activity Outcome/Output 1.1.: Harmonized tourism competitiveness strategies, policies, and regulations supported									
15	Number of strategies, policies, and regulations necessary for the tourism sector growth recommended with Turizam assistance	Integer Number	None	Annual	Activity records	0/2020	1	7	25
Activity Outcome/Output 1.2.: Environmental protection and nature conservation and sustainability supported									
16	Percent change in income in protected areas from tourism activities	Percentage	None	Annual	Activity records	0%/2020	0%	0	80%
17	EG3.2-28 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	Cadastral information/ Activity records	0/2020	0	0	160
Activity Sub-Purpose 2: Tourism quality, services, and branding strengthened									
18	Percent change in sales of firms receiving Turizam-funded assistance	Percentage	None	Annual	FIA and APIF (for official data) in the cases FIA/APIF data is not available and beneficiary surveys conducted	0/2020	0%	-	20%
19	Change in number of tourism nights recorded (in 000)	Integer Number	None	Annual	BiH Agency for Statistics	1.24 mil/2020	50	-678.30	1,528.7

No.	Indicator	Unit of Measure	Disaggregation	Frequency	Data Source	Overall Activity Baseline/Year	Target Year 1 2021	Cumulative Actual (Q1 + Q2 + Q3)	Life of Activity Cumulative Target*
Activity Outcome/Output 2. 1.: Quality of tourism products and services across the value chain improved									
20	Change in the percent of hotels/spas/guesthouses classified per new standards	Percentage	None	Annual	Official government certification records	0%/2020	0%	0	70%
Activity Outcome/Output 2. 2.: Quality and professionalism of tourism and hospitality human capital enhanced									
21	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	661 F: 309 M: 352	13,900 F: 6,950 M: 6,950
22	Number of service employees, entrepreneurs and operators training activities held	Integer Number	None	Annual	Activity Records	0/2020	10	36	305
Activity Outcome/Output 2. 3.: BiH destination branding revolutionized and geographic indications or certification secured									
23	BiH Country Brand rank	Integer Number	None	Annual	WEF Tourism Country Brand Report/Bloom Consulting	Rank 116/2019	116	-	105
24	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	0	100
Activity Sub-Purpose 3: Access to finance for tourism service-providers, agriculture, and other tourism-related SMEs improved									
25	EG 2-12. Number of private sector enterprises with increased access to finance due to the Turizam assistance	Integer Number	None	Annual	Activity Records	0/2020	0	0	30
26	Amount of investments in the tourism sector facilitated (000\$)	Decimal Number	None	Annual	Activity records, FIPA records, bank records	\$0/2020	0	0	\$25,000
Activity Outcome/Output 3. 1.: Finance gap for tourism SMEs and local agriculture producers bridged									
27	Amount of finance secured by enterprises (in 000 US\$)	Integer Number	None	Annual	Bank and Activity records	\$0/2020	\$0	0	\$3,000
28	Number of SMEs financial applications approved for financing	Integer Number	None	Annual	Bank and Activity records	0/2020	0	0	12
Activity Outcome/Output 3. 2.: Tourism-driven investment and public-private partnerships strengthened									
29	Number of public-private partnerships facilitated	Integer Number	None	Annual	Activity Records	0/2020	0	0	7
Activity Sub-Purpose 4: Access to regional and global markets for tourism and local agriculture products increased									
30	Number of international travel agents selling BiH itineraries	Integer Number	None	Annual	Activity Records	0/2020	0	0	230
31	Online reach and engagement statistics index	Integer Number	None	Annual	Google Analytics, Buffer	0/2020	TBD	-	TBD
Activity Outcome/Output 4. 1.: High-yield visitors attracted year-round									
32	Number of local entrepreneurs, travel agents and tour operators trained on new/better destination and product marketing, digital media tools and strategies	Integer Number	Sex	Annual	Activity Records	0/2020	50 F: 15 M: 35	69 F: 28 M: 41	1,700

No.	Indicator	Unit of Measure	Disaggregation	Frequency	Data Source	Overall Activity Baseline/Year	Target Year 1 2021	Cumulative Actual (Q1 + Q2 + Q3)	Life of Activity Cumulative Target*
Activity Outcome/Output 4. 2.: Local agriculture and handicrafts products placed for sale at local and international markets									
33	Number of local agriculture/culinary/gastro/rural tourism events and experiences promoted	Integer Number	None	Annual	Activity Records	0/2020	0	0	15

ANNEX E. LIST OF MAJOR ACTIVITIES PLANNED FOR NEXT QUARTER

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

- Federal Tourism Strategy Kick-off meeting is confirmed for July 7, 2021, in Hotel Hills, Sarajevo. The event will announce the start of strategy development for the period 2021-2027 and aims to foster and promote public-public and public-private partnerships and cooperation between all federation actors in charge of tourism development. To reinforce this message, the event will include a panel discussion led by Edita Đapo, Federal Minister of Environment and Tourism, and include Cantonal Prime ministers and/or ministers of tourism, and representatives of the Federal Chamber of Economy.
- Focus groups will be organized and conducted in at least six locations throughout the FBiH, including Sarajevo, Mostar, Široki Brijeg, Tuzla, Bihać, and Vlačić.
- RS Tourism Development Strategy developed and shared with the RS MTT.

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

- Formalize collaboration between Turizam and UNDP-GEF 7 Project “Improved Financial Sustainability and Strengthened Resilience of Protected Areas Through Development of Sustainable Recreation and Partnership with Private Sector” by signing an MOU and defining joint activities.
- Develop a SOW for TA regarding the Nature Parks Adaptive Tourism Planning and Management Model, and work towards forming a steering committee/advisory group comprised of the different entity stakeholders who will be involved in this management model development.

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

- Turizam will select the MBV sponsor and launch the MBV-BiH national competition and promote the MBV label in BiH.
- Turizam will finalize a SOW for its support of the Green Scheme in BiH and engage GoodPlace, aiming for the Institute to commence activities in Q4.
- Upon finalization of the draft strategy, Turizam will implement the next round of consultations and review sessions with adventure tourism stakeholders to secure their commitment to the strategy.
- Turizam will finalize the proposed safety and operational standards in close cooperation with relevant industry organizations, including mountaineering, biking, and rafting associations in BiH. Following the industry endorsement of the standards, Turizam will organize a series of public sector consultations to introduce the standards and explore possible areas of public sector involvement as needed.

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

- Turizam will complete the safe food handling and hygiene guide, develop informative tools, and launch an awareness campaign to promote this within the tourism industry.
- The Human Capital Needs Assessment and Forecast and Human Capital Development Strategy will be validated by relevant public authorities, industry, and education institution. Reports will be shared for review and comment and validation meetings will be held. Upon completion of the validation process, the reports will be submitted to USAID for review, feedback, and final approval.
- Vocational Training Curriculum Assessment and Plan will be completed and undergo validation from relevant counterparts. Booklets will be developed based on models developed through a parallel USAID project in Jordan.
- PtP scheme will be locally established; activities include the creation of the Employer Pathways Committee, drafting of workplans, and support in development of minimal standards for selected professions.
- Comparative analysis of RS and FBiH standards and systems for accommodation categorization will be conducted against international best practices and criteria; recommendations will be submitted to RS and FBiH authorities for harmonization.
- Technical support will be provided to select higher education institutions in advancing their tourism education delivery in line with UNWTO.TedQual standards.

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

- Turizam will begin to provide technical assistance to organizations interested in introducing certificates and quality marks to their products and continue with the promotion of the organizations that were successfully awarded the certificates and quality marks.

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

- Assessment to be conducted by two consultants (international and local) who will engage in face-to-face meetings with the banks in BiH to explore available products targeting the tourism sector and assess banks interest in creating more targeted financial packages for relevant businesses.
- Prepare an online financial directory that will be published on the Turizam website; this is expected to be finalized by end of year one.

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

- Private-public expert will conduct in-depth research on available opportunities for companies and investors to implement PPP and will analyze all obstacles and legal framework for PPP.
- Preparation for a panel presentation on tourism and investment at the Sarajevo Business Forum scheduled for September 2021.

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

- Launch of the Online Travel Agent Academy
- Launch of UNWTO.QUEST training and certification program for BiH DMO's
- Launch of Smithsonian Institution training program on experience design and implementation related to cultural heritage-themed experiences

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

- To promote the development of the Slow Food Travel Destination in Trebinje, Turizam deliver awareness and visioning (vision for the future) workshops to the local community and local partners.
- Organize training workshops and webinars for the local community and partners on marketing, product development and quality, branding, packaging, and promotion as well as provide direct STTA support in this field.
- Identify best opportunities in tourism for women's agribusinesses and upon completion of the assignment disseminate information throughout the country.
- Support online presentations of the products and organize B2B meetings with the relevant distributors and trade.
- Conduct research to identify key agricultural products and crops according to region, harvest season, and tourism potential; develop and brand a 12-month BiH Harvest Festivals Calendar of Events
- Deliver workshops on festival planning, management, and marketing.

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