

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



Project Progress Report December 1st, 2018 – December 31st, 2019



Project Number: BIH10/00107611
Project Duration: December 1, 2018 - May 31,
2021

Submitted by:
United Nations Development Programme
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I. PROJECT OVERVIEW/SUMMARY

Project Name:	Via Dinarica: A Platform for Sustainable Tourism Development and Local Economic
Project Duration:	December 1, 2018 – May 31, 2021
Name of Prime Implementing Partner:	United Nations Development Programme Country Office Bosnia and Herzegovina (BiH)
[Contract/Agreement] Number:	BIH10/00107611
Name of Subcontractors/Sub awardees:	Terra Dinarica (Non-Governmental Organization - NGO)
Major Counterpart Organizations	USAID, United States Agency for International Development; BiH Ministry of Foreign Trade and Economic Relations; FBiH Ministry of Environment and Tourism Republika Srpska; RS Ministry of Trade and Tourism
Geographic Coverage (cities and or countries)	Bosnia and Herzegovina (BiH)
Reporting Period:	December 1, 2018 – December 31, 2019

I.1 Project Description/Introduction

The mountain range of the Dinaric Alps or the Via Dinarica Trail stretches in Southeast Europe through Albania, Bosnia and Herzegovina, Croatia, Kosovo*¹, Montenegro, Slovenia and Serbia. Bosnia and Herzegovina is at the core of the Via Dinarica Trail and offers extraordinary beauty and value in terms of natural and cultural heritage and it is a great destination for outdoor sports such as hiking, climbing, cycling, skiing, fly-fishing, kayaking, rafting, caving. Despite the facts, majority of natural and cultural resources and plenty of outdoor sports opportunities are not integrated into tourism offers due to the fact that country lacks coherent strategy for connecting all mentioned potentials with small local enterprises along the three Via Dinarica trails.

Success of the Via Dinarica initiative has contributed to placing Bosnia and Herzegovina on the world tourism map as a nature-based tourism hotspot, changing the war-related negative image of the country. Via Dinarica has gained global attraction through publications such as National Geographic, The Guardian, Lonely Planet, Outside Magazine, The Vogue, The Independent and others glorifying its beauty and uniqueness. The number of both domestic and international visitors to Via Dinarica destinations grew from 4,500 in 2015 to 90,000 visitors in 2017.

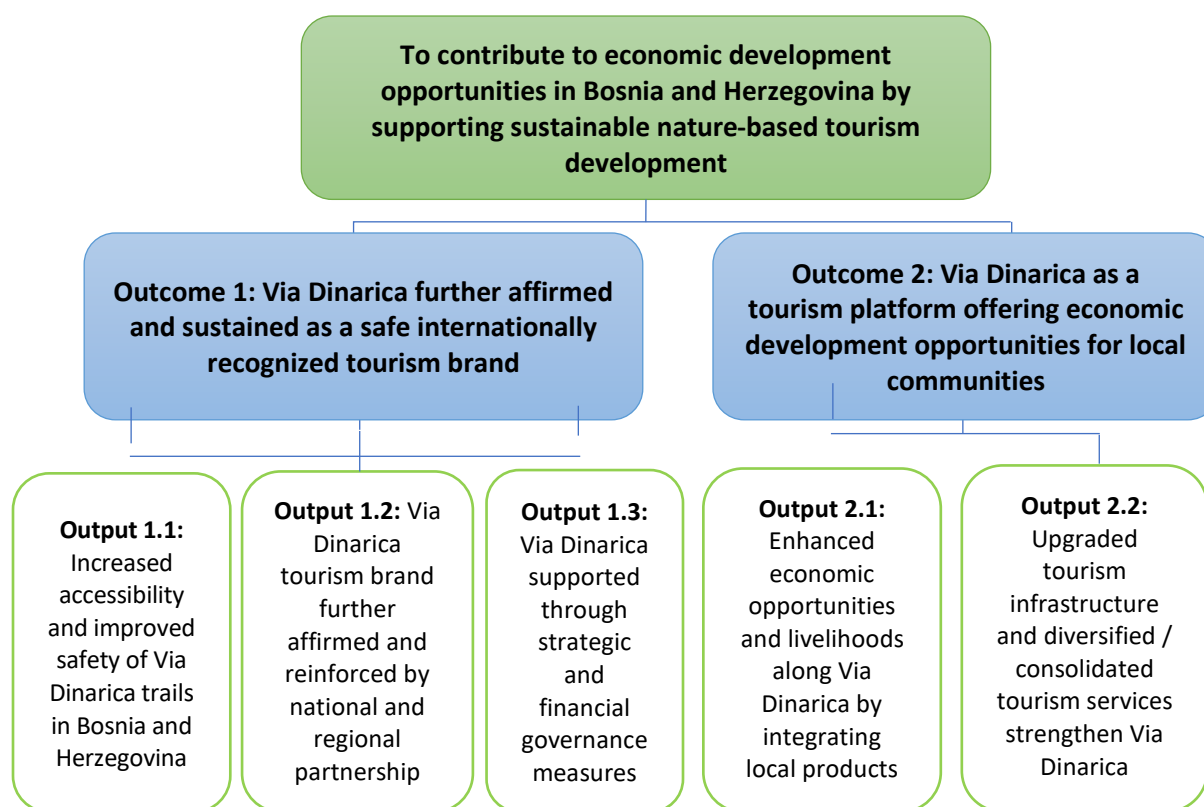
There is a lot of work to be done in the project Via Dinarica: A Platform for Sustainable Tourism Development and Local Economic Growth, to ensure the Via Dinarica is affirmed as a regional long-distance trail that is sustainable and community owned, providing economic opportunities for a broad range of stakeholders.

* References to Kosovo* shall be understood to be in the context of Security Council resolution 1244 (1999). Throughout this report, Kosovo* will be marked with asterisk, which will represent a reference to this declaration.

1.2 Project Objectives

The project seeks to further economic development opportunities in Bosnia and Herzegovina by supporting sustainable nature-based tourism development. To this end, the Project intends to advance the Via Dinarica concept as a mechanism connecting cultural, historical, and natural resources, working in partnership with relevant institutions and other stakeholders, and contributing to improved livelihoods and economic growth, particularly for rural communities along the trails in Bosnia and Herzegovina. This will be achieved through the following outcomes:

- **Outcome 1: Via Dinarica further affirmed and sustained as a safe internationally recognized tourism brand**
- **Outcome 2: Via Dinarica as a tourism platform offering economic development opportunities for local communities**



A visual snapshot of the Via Dinarica Project, including its outcomes and outputs.

While working with a wide range of institutional stakeholders, main Project partners are the Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina, Ministry of Environment and Tourism of the Federation of Bosnia and Herzegovina, Ministry of Trade and Tourism of Republika Srpska, as well as the 10 partner local governments to be selected based on the open call, out of the Local Governments listed under 1.2.

The Project structure includes the Project Board as one of the main steering mechanisms and the decision-making authority, responsible for the Project management oversight. The Project Board

reviews and endorses annual work plans, supervises the implementation progress and authorizes any major deviation therefrom. It provides strategic guidance, as well as gives final approval to selected strategic and operational issues.

Members of the Project Board are senior representatives of the Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina, the Ministry of Environment and Tourism of Federation of Bosnia and Herzegovina, the Ministry of Trade and Tourism of Republika Srpska, ACIS and UNDP. UNDP serves as the secretariat to the Project Board, responsible for sending out invitation for Project Board meetings, preparing meeting agenda and materials, as well as meeting minutes.

Prior to the start of the project implementation, during the preparation of the second phase of the project, the Local Project Appraisal Committee (LPAC) meeting was held on January 31st, 2018 where UNDP consulted relevant ministries before formal negotiation with potential donors. The members of the LPAC were informed that the interest for financing the new phase of the project was expressed by the Italian Agency for Development Cooperation (AICS), for which a project proposal worth EUR 1.2 million was prepared.

Following this initial Project Board meeting, the first Project Board meeting of the Via Dinarica Second Phase Project was held on February 19th, 2019. This first meeting was an introductory meeting where representatives of AICS and USAID expressed their contentment of being the part of Via Dinarica project and summary of the first phase's results and the second project phase workplan were presented. From the first meeting onwards the Project Board was informed on each important step and activity in the project.

1.3 [Target groups of the Via Dinarica project:](#)

The direct beneficiaries of the project include:

- Local governments located along the lines of the Via Dinarica trails;
- The small businesses/entrepreneurs along the Via Dinarica rural areas (producers of local traditional products, small-scale agricultural producers, accommodation providers, tour operators, nature-based services providers, etc.). The project will ensure that at least 40% of supported small businesses/new employment will be women-led;
- Non-governmental organizations along the Via Dinarica Trails

Initial target territories in BiH are local governments and their communities situated in the areas of the White, Blue and Green Trails:

Banovići, Banja Luka, Bihać, Bosanska Krupa, Bosanski Petrovac, Bosansko Grahovo, Bugojno, Centar Sarajevo, Čapljina, Čelinac, Donji Vakuf, Drvar, Foča, Fojnica, Gacko, Glamoč, Goražde, Gornji Vakuf/Uskoplje, Grude, Hadžići, Han Pijesak, Ilijaš, Istočni Drvar, Istočni Mostar, Istočni Stari Grad, Jablanica, Jajce, Jezero, Kakanj, Kalinovik, Kladanj, Ključ, Kneževno, Konjic, Kotor Varoš, Kreševo, Krupa na Uni, Kupres, Livno, Ljubuški, Maglaj, Mostar, Mrkonjić Grad, Neum, Nevesinje, Novi Travnik, Olovo, Pale (FBiH), Pale (RS), Petrovac-Drinić, Posušje, Prijedor, Prozor-Rama, Ravno, Ribnik, Rogatica, Rudo, Sanski Most, Sarajevo, Sokolac, Srebrenica, Stari Grad Sarajevo, Stolac, Šipovo, Teslić, Tomislavgrad, Travnik, Trebinje, Trnovo (FBiH), Trnovo (RS), Tuzla, Vareš, Višegrad, Vlasenica, Vogošća, Zavidovići, Zenica and Žepče.

2. PROJECT IMPLEMENTATION PROGRESS

2.1 Summary of results to date

Outcome / Outputs	Indicators	Reference values (incl. reference year)	Results by December 2019	Targets (incl. reference year) ²	Notes
1. Via Dinarica further affirmed and sustained as a safe and internationally recognized tourism brand					
1.1. Increased accessibility and improved safety of Via Dinarica trails in BIH	Number of km of Via Dinarica trails in BIH continuously maintained (annually)	Ca 700 km	131.6 km (2019)	Ca 700 km (2020)	Due to restructuring of field partner Terra Dinarica, responsible for the activity, trail marking will be intensified in 2020 (more under 1.1.1)
	Number of km of marked Via Dinarica trails in BIH that meet National Mountaineering Association's standard and European Rambler's Association general principles	700 km (2017)	821.6 km (2019)	Ca 950 km (2020)	
	Number of unsafe Via Dinarica locations in BIH made safe through Project small-scale safety measures	0 (2017)	0 (2019)	10, out of which at least 2 enabling access to people with disabilities (2020)	Out of 10 selected partner LGs supported by AICS grant fund, 4 of them are ready to invest and started to prepare project proposals for improving infrastructure , including safety measures (more under 1.1.3)
	Number of voluntary rescue services organizations in BIH equipped and capacitated as a result of Project assistance	0 (2017)	0 (2019)	4 (2020)	

² Target values include baseline and planned value by the reference year.

					Assessment of needs for equipment and training was done. Equipment will be procured in 2020 (more under 1.1.4)
1.2. Via Dinarica tourism brand further affirmed and reinforced by national and regional partnership networks	Extent to which the Via Dinarica Support Centre in BIH is capacitated and functional	N/A (2017)	N/A (2019)	Fully (2020)	Defining requirements to be met by the lead Via Dinarica Support Center is ongoing (more under 1.2.1)
	Number of km of trails and number of accommodation facilities along the Via Dinarica White Trail in Albania and Kosovo** assessed and included in Via Dinarica regional tourism offer	120 km, 0 accommodation facilities (2017)	120 km, 0 accommodation facilities (2019)	At least 320 km, 20 accommodation facilities in Albania and 10 in Kosovo** (2020)	Public invitation for technical assistance (Albania and Kosovo*) will be published in 2020 (more under 1.2.2)
	Number of occasions globally recognized media feature Via Dinarica	10 (2017)	14 (2019)	20 (2020)	Via Dinarica was recognized in National Geographic, Outbound Collective, Wizz Air Magazine, and Voyages Magazine (more under 7. Visibility)
	Increase of viewers of the Via Dinarica official web page powered by Outdooractive platform	740,000 (2017)	987,564 (2019)	900,000 (2020)	
	Number of school students in BIH aware of Via Dinarica	0 (2017)	68 (2019)	450 students (2020)	
1.3. Via Dinarica supported through strategic and financial governance measures	Number of local governments that invest in Via Dinarica tourism infrastructure, promotion and services	0 (2017)	7 (2019)	10 (2020)	7 out of selected 10 partner LGs (with support of AICS) signed the agreement and started

	Volume of higher government levels' public financing programmed to support Via Dinarica development	USD 60,000 (2017)	USD 175 000 (2019)	USD 250,000 (2020)	preparing investments (more under 2.2.1) FBiH Ministry of Environment and Tourism signed agreement with UNDP on co-financing Via Dinarica activities by committing 200,000.00 BAM (USD 115 000)
2. Via Dinarica as a tourism platform offering economic development opportunities for local communities					
2.1. Enhanced economic opportunities and livelihoods along Via Dinarica by integrating local products into tourism offer	Number of local products / services integrated into Via Dinarica tourism offer as a result of Project assistance	0 (2017)	0 (2019)	5 (2020)	ToR and project task for Technical Assistance for Value Chain assessment developed (more under 2.1.1 and 2.1.2)
	Number of producers and service providers benefiting from improved tourism development opportunities as a result of Project assistance	32 (2017)	0 (2019)	58 (2020)	
2.2. Upgraded tourism infrastructure and diversified / consolidated tourism services strengthen Via Dinarica competitiveness	Number of information, promotion and service hubs available along Via Dinarica trails in BiH	0 (2017)	0 (2019)	3 (2020)	Initial discussions held with the managers of locations at which VD hubs will be established (more under 2.2.3)
	Number of Via Dinarica hotspots with improved tourism infrastructure	0 (2017)	0 (2019)	10 (2020)	
	Number of Via Dinarica tourism packages offered by tour operators	4 (2017)	4 (2019)	9 (2020)	
	Number of improved accommodation facilities and total number of beds available as a result of Project assistance	50 facilities with 1,090 beds (2017)		56 facilities with 1,150 beds (2020)	4 out of selected 10 partner LGs (with support of AICS) signed the agreement and started preparing small scale infrastructure

			50 facilities with 1,090 beds (2019)		interventions (more under 2.2.1) Pre-conditions for development of integrated tourism packages will be created once the services and infrastructure are improved and technical assistance provided on the field (more under 2.2.4) Public call for grant funds for beneficiaries in 7 partner LGs that signed the agreement prepared and will be published at the beginning of 2020 (more under 2.2.2)
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2.2 Detailed description of activities and results achieved

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

**Output 1.1:
Increased
accessibility and
improved safety
of Via Dinarica
trails in Bosnia
and Herzegovina**

Activities under Output 1.1:

1.1.1. Maintain Via Dinarica trails by engaging relevant mountaineering and other organizations, as well as local governments.

- *Target: 700 km of trails in Bosnia and Herzegovina maintained in partnership with relevant local governments as well as mountain and akin associations*

Target	Target for Year 1	Accomplished in Year 1	Balance/still to be done	Comment
700 km of trails maintained	522 km of trails maintained	131.6 km of trails maintained	Year 2 – 700 km Year 3 – 178 km	Due to restructuring of NGO Terra Dinarica, responsible for the Activity and administrative/ leadership changes in 2019, trail marking will intensify in 2020.

Description of results achieved so far: Terra Dinarica is a non-governmental organization that is, as a field partner, sub-contracted by UNDP, responsible for maintaining Via Dinarica Trails, working directly with relevant stakeholders in the field. Terra Dinarica's values, principles, vision and mission adhere to the ones of the Via Dinarica initiative. They act as a responsible partner in the implementation of the specific Project activities. Terra Dinarica members are mainly experienced mountaineers and as such have deep knowledge on mountaineering and akin activities, as well as practical experience in outdoor tourism along Via Dinarica. The engagement of Terra Dinarica is guided by the considerations that the activities listed in this Project fully correspond to the ones under which Terra Dinarica was engaged within the earlier Via Dinarica Project. Terra Dinarica is the only NGO in Bosnia and Herzegovina exclusively dedicated to connecting, protection, promotion and sustainable development of the areas along the Via Dinarica Trail in Bosnia and Herzegovina and the region. Furthermore, engagement of Terra Dinarica allows UNDP to extend its operational reach amongst mountaineering and akin community throughout Bosnia and Herzegovina and connect with relevant stakeholders that are interested in becoming a part of the Via Dinarica network in Bosnia and Herzegovina. Following the programmatic engagement decision, Terra Dinarica was subject to HACT (Harmonized Approach to Cash Transfer) Micro assessment that assessed their technical, managerial and financial capacities and defined risk associated with the available cash transfer modalities. Appropriate Capacity Development Plan was devised for Terra Dinarica based on the findings of the assessment, the aim of which was to evaluate their capacities to undertake a responsible party role in the implementation of Via Dinarica field activities and their anticipated future role as a Via Dinarica Support Center. Upon completion of the requirements set out within the Capacity Development Plan, Terra Dinarica and UNDP signed a Responsible Party Agreement (RPA), which formalized agreement between the UNDP and Terra Dinarica on the implementation of the related Project activities.

During the months of January and February the planning of detailed action plan had been conducted and relevant contract was signed with Terra Dinarica on February 28th, 2019. In order to strengthen management, facilitation and coordination capabilities of the local partner, the capacity building plan was developed. In relation to that, technical assistance was provided to field partner Terra Dinarica for the purpose of building their functional and operational capacities. When the first phase of the capacity building of Terra Dinarica, as a responsible partner for some specific project activities was completed, they received the first installment of budget funds for activities related to maintenance and marking of the trails and promotion via Outdooractive platform (www.viadinarica.com) and social networks.

Furthermore, 131,6 km of the Via Dinarica White and Green trail has been marked so far. Field partner Terra Dinarica worked closely and coordinated the activities on improving accessibility and safety of the trails with the following mountaineering associations and clubs: PSD Lelija from Kalinovik, PD Orlova stina from Tomislavgrad, PD Željezničar from Sarajevo, and PD Kozara from Banja Luka.

Marking pace was slowed down in 2019, due to restructuring and administrative changes in Terra Dinarica, so that the additional 391,4 km of trails will be marked in Year 2 (2020). Zehrudin Isaković took over as President on September 29, 2019. *(Zehrudin Isaković is a well-known hiker who was the President of the Mountaineering Alliances of FBiH and BiH and is considered an asset to the Terra Dinarica Association, who can contribute greatly to the implementation of Via Dinarica project with his extensive network of relevant contacts and significant experience).*

Further marking, improvement and maintenance of the Via Dinarica trails will be implemented in coordination with Terra Dinarica and with the support of mountaineering associations and Local Governments – partner municipalities and cities.

Partner municipalities and cities have been selected based on the [Public Call for Municipalities to express their interest in participation in future Via Dinarica activities](#) prepared and published in the first project year. Out of 43 applications, 20 Local Governments were selected as partner LGs, that will, in the second and third project year, work closely with the Via Dinarica project on maintenance of trails on the territory of these LGs.

Selected partner LGs are the following: Bosanski Petrovac, Centar Sarajevo, Gacko, Jablanica, Kalinovik, Konjic, Mostar, Mrkonjić Grad, Posušje, Prijedor, Prozor – Rama, Ravno, Rudo, Sokolac, Stari Grad Sarajevo, Stolac, Teslić, Tomislavgrad, Trebinje, Vareš. Out of these 20 LGs 10 will be supported by AICS Grant funds, and those are the following: Centar Sarajevo, Prozor – Rama, Ravno, Stolac, Tomislavgrad, Vareš, Gacko, Kalinovik, Prijedor, and Trebinje.



Photo 1: Work on Via Dinarica White Trail at Mt Prenj.

1.1.2. GPS and physically mark Via Dinarica trails.

- *Target: 250 km of Via Dinarica GPS and physically marked in accordance with the National Mountaineering Association's standard and European Rambler's Association (ERA) general principles.*

Target	Target for Year 1	Accomplished in Year 1	Balance/still to be done	Comment
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250 km of Via Dinarica GPS and physically marked	94 km of Via Dinarica GPS and physically marked	121.6 km of the White trail cleaned and marked	Year 2 – 97.4 km (originally 125 km) Year 3 – 31 km	The target for Year 1 has been exceeded for 27.6 km.
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Description of results achieved so far: In the reporting period (Y1) the field partner reported maintenance and improvement of the White Trail, i.e. cleaning and marking 121.6 km of the trail. The field partner Terra Dinarica worked closely and coordinated the activities on improving accessibility and safety of the trails with the following mountaineering associations and clubs: PSD Lelija from Kalinovik, PD Orlova stina from Tomislavgrad, PD Željezničar from Sarajevo, and PD Kozara from Banja Luka. The following tracks have been marked:

1. Sector WT1: Hajdučki trail at Tušnica (in the length of 13,9 km by PD “Orlova Stina”) <https://trail.viadinarica.com/bs/tour/planinarska-staza/hajducki-trail-po-tusnici/44268095/>
2. Sector WT2: Visocica – Trail to the bivouac shelter "Zoran Šimić" (length 7,2 km of unapproachable track by PD “Željezničar”) <https://trail.viadinarica.com/bs/tour/planinarska-staza/bivak-zoran-simic-na-visocici/42809376/>
3. Sector WT3: Nenkovci-Treskač-Gvozdno + direction Nenkovci - Gvozdno - Stećci (14,1 km of trail made by PSD „Lelija”) <https://trail.viadinarica.com/bs/tour/planinarenje/sektor-3-nenkovci-treskak-gvozdno/41945765/>
<https://trail.viadinarica.com/bs/tour/planinarska-staza/nenkovci-bijela-ravan-gvozdno/43158917/>
4. Sector WT3: Lukavac - Nenkovci (Bijela ravan) (4 km of trail made by PSD „Lelija”) <https://trail.viadinarica.com/bs/tour/planinarska-staza/lukavac-nenkovci-bijela-ravan-/43158917/>
5. Sector WT3: Kuta - Sutulija (2,1 km of trail made by PSD „Lelija”) <https://trail.viadinarica.com/bs/tour/planinarska-staza/planinarska-staza-kuta-vrela-radojev-do-sutulija/43203662/>
6. Sector WT3: Lelija - Poda (7,1 km of trail made by PSD „Lelija”) <https://trail.viadinarica.com/bs/tour/planinarska-staza/planinarska-staza-poda-omarni-do-urdeni-dolovi-podlelija/43203652/>
7. Sector WT3: Obalj- Kladovo polje-Čengića bara-Kladopoljsko-Gnjila bara- Jović vrela (13 km of trail made by PSD „Lelija”) <https://trail.viadinarica.com/bs/tour/planinarska-staza/sektor-3-obalj-preko-kladopoljskog-jezera-do-jovic-vrela/44333355/>
8. Sector WT2: Studeni potok - Umoljani - Lukavac - Bijele Vode - Javorov do - Babin Do (20km of trail made by PD „Željezničar”) <https://trail.viadinarica.com/en/notice/odrzavanje-staze/42058978/>
9. Sector WT2: Bobovica-Međeđa (15,7 km of trail made by PD „Željezničar”)

<https://trail.viadinarica.com/en/tour/hiking-trail/amazing-round-tour-from-bobovica-over-drstva-and-vito-summit-down-to/29334682/#dmdtab=oax-tab1>
<https://trail.viadinarica.com/en/notice/trail-cleaned-and-marked/41695813/>

10. Sector WT2: Babin Do - Štinja lokva - Bijele Vode (5,5km of trail made by PD „Željezničar“) no track at the moment

11. Sector WT3: Javić peak - Štirinsko lake (6km of trail made by PSD „Lelija“) <https://trail.viadinarica.com/en/notice/stage-javic-peak-stirinsko-lake-freshly-marked/41822654/>

12. Sector WT3: Nenkovci- Gvozno (4km of trail made by PSD „Lelija“) <https://trail.viadinarica.com/en/notice/trail-nenkovci-treskac-peak-marked/41945819/>

13. Sector WT3: Obalj via Ravnice - Suvo polje - Bukove glavice (4km of trail made by PSD „Lelija“) <https://trail.viadinarica.com/en/notice/trail-partialy-marked/41719459/>

14. Sector WT3: Kasarna Donji logor - Ravni -Graiseljsko polje – Tatinac (5km of trail made by PSD „Lelija“) <https://trail.viadinarica.com/bs/tour/planinarska-staza/sektor-3-kasarna-vucja-brda-donji-logor-tatinac/42109264/>

Further marking, improvement and maintenance of the Via Dinarica trails will be implemented in coordination with Terra Dinarica and with the support of mountaineering associations.

1.1.3. Introduce safety measures along the trails.

- *Target: Small-scale safety intervention introduced within at least 10 locations along Via Dinarica trails to improve their overall accessibility and safety, in cooperation with the local governments, mountaineering associations and rescue services.*

Target	Target for Year 1	Accomplished in Year 1	Balance/still to be done	Comment
10 Small-scale safety intervention introduced along Via Dinarica trails	5 small-scale safety interventions introduced	The 10 partner LGs selected for cooperation on VD development under AICS agreement 7 financial Agreements signed by which 7 LGs committed to ensure co-financing in 2019	Small-scale safety intervention introduced within at least 10 locations	During 2019 partner LGs have been selected, MoUs and Financial Agreements have been signed and implementation of the activity has been prepared (including with guidelines for infrastructure activity developed).

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Description of results achieved so far: Upon selection of 10 local partner governments (as explained under 1.1.1.) that will be supported under the agreement between AICS and UNDP, Memorandums of Understanding were signed with 5 LGs that were lacking General MoU with UNDP: Prozor – Rama, Stolac, Tomislavgrad, Gacko, and Kalinovik. Furthermore, Financial Agreements were prepared for all LGs. Seven of them signed the financial agreement immediately in 2019. Out of these 7, 4 LGs (Centar Sarajevo, Kalinovik, Stolac and Tomislavgrad) were ready to allocate their funds immediately and start with all components of the agreement. They are in the process of preparing projects proposals for improving tourism infrastructure on Via Dinarica, including safety measures on the trails according to the UNDP developed Guidelines for identification of infrastructure works.

1.1.4. Increase capacities of rescue services.

- Target: 4 rescue service organizations supported through the provisions of equipment necessary for their effective functioning

Target	Target for Year 1	Accomplished in Year 1	Balance/still to be done	Comment
4 voluntary rescue services organizations in BiH equipped and capacitated	4 voluntary rescue services organizations in BiH equipped and capacitated	0	4 voluntary rescue services organizations in BiH equipped and capacitated	Assessment of needs for equipment and training was done. The same will be procured in 2020.

Description of results achieved so far: As the first step, the initial meeting was held with Mountain Rescue Service in BiH (GSS BiH), at which general organizational issues of rescue services in BiH were discussed, as well as needs for equipment and capacity building. The assessment of needs and current situation in the field was conducted, whereby discussions were held with a number of rescue services throughout the country, including meetings with Mountain Rescue Service of the two entities in BiH. Based on that, the equipment and training will be provided to the relevant umbrella Mountain Rescue Service organizations in BiH.

**Output 1.2:
Via Dinarica
tourism brand
further affirmed
and reinforced by
national and
regional
partnership**

Activities under Output 1.2:

1.2.1. Introduce and capacitate Via Dinarica Support Centre in Bosnia and Herzegovina

- Target: Via Dinarica Support Center capacitated and functional

Target	Target for Year 1	Accomplished in Year 1	Balance/still to be done	Comment
Via Dinarica Support Centre in BIH capacitated and functional	N/A	Responsible party agreement signed with the field partner Terra Dinarica, as a potential Via Dinarica Support center.	Via Dinarica Support Centre fully capacitated and functional	The basis for the support center laid by contracting the field partner, and their capacities are being continuously strengthened throughout project implementation

Description of results achieved so far: The goal of this activity is to build capacity of the field partner Terra Dinarica to serve as a Via Dinarica Support Center - an information provider and linkage between all relevant stakeholders, beneficiaries and tourists. Initial steps for developing Terra Dinarica as a future Support Center have been undertaken in the first half of the year. Assessment of their overall management and functioning capacities had been conducted and a capacity development plan prepared in order for Terra Dinarica to undertake, first, Responsible Party role in the implementation of the project field actions, followed by their gradual capacitation that would lead to undertaking the future anticipated role of the Via Dinarica Support Center. At the end of 2019 Terms of Reference for the consultancy position for Via Dinarica Coordination Mechanism Assessment has been created. Findings of this Assessment will also define the functionalities of the Via Dinarica Support Center and requests that Terra Dinarica will need to meet in order to undertake the role of the Via Dinarica Support Center in the future.

1.2.2. Ensure further stocktaking of Via Dinarica resources regionally (with focus on Albania and Kosovo)**

- *Target:* At least 200 km of trails and 30 accommodation facilities along the Via Dinarica White Trail in Albania and Kosovo** (20 in Albania and 10 in Kosovo**) assessed and included in Via Dinarica regional tourism offer (Year 1 - 80 km, 8 accommodation facilities).

Target	Target for Year 1	Accomplished in Year 1	Balance/still to be done	Comment
200 km of trails and 30 of accommodation facilities along the Via Dinarica White Trail in Albania and Kosovo* assessed and included in Via Dinarica regional tourism offer	80 km and 8 accommodation facilities along the Via Dinarica White Trail in Albania and Kosovo* assessed and included in Via Dinarica regional tourism offer	ToR for Technical Assistance developed and advertisement published for conducting assessment in Kosovo* and Albania. The advertisement was annulled and a new one, separate for	200 km of trails and 30 of accommodation facilities along the Via Dinarica White Trail in Albania and Kosovo* assessed and included in Via Dinarica regional tourism offer	Advertisement for technical assistance (separate for Albania and Kosovo*) will be published in 2020, as none of the applicants that applied under the first public invitation was found suitable to perform the required tasks.

		Kosovo* and Albania was prepared to be published in 2020		
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Description of results achieved so far: The field partner Terra Dinarica developed ToR and published an advertisement for Technical assistance on August 19th, 2019 (http://viadinarica.com/index.php/en/blog/440-request-for-quotation-identifying-and-assessing-tourism-stakeholders-and-resources-along-the-via-dinarica-white-trail-in-Kosovo*-and-albania). In total, 10 offers were received. The applications were evaluated, and since none of the applicants satisfied set criteria, decision of the field partner was to annul this advertisement and publish a new one at the beginning of 2020.

1.2.3. Further upgrade and expand Via Dinarica web platform, including Albania and Kosovo*

- Target: Via Dinarica Outdooractive web platform upgraded to offer top quality cartography, information on accommodation and tourism services available, mobile phone application, etc., thus enabling high-quality information and services to Via Dinarica visitors and t

Target	Target for Year 1	Accomplished in Year 1	Balance/still to be done	Comment
Via Dinarica Outdooractive web platform upgraded to offer top quality cartography, information on accommodation and tourism services available, mobile phone application, etc.	N/A	27 new information/entries created	Via Dinarica Outdooractive web platform upgraded to offer top quality cartography, information on accommodation and tourism services available, mobile phone application, etc., thus enabling high-quality information and services to Via Dinarica visitors and tourists	New tourism information/entries will continue to be regularly created and uploaded throughout the project duration

Description of results achieved so far: The field partner Terra Dinarica is responsible to maintain the OA platform and to upload and upgrade new information on tourism offers and locations (points of interest), but also to update old materials and information. So far there are 27 new entries (information on points of interest, offers and tours created), on Outdooractive platform. New tourism offers will be predominantly added on the platform in the second and third project year, as beneficiaries along the trails improve and diversify their services.

1.2.4. Promote Via Dinarica at domestic, regional and international markets

- Target: Via Dinarica promoted with a high-quality presentation within at least one of the prominent international and at least one prominent regional tourism fair alongside participation of a group of

interested and selected tour operators; Via Dinarica promoted in Bosnia and Herzegovina targeting school children.

Target	Target for Year 1	Accomplished in Year 1	Balance/still to be done	Comment
Via Dinarica promoted with a high-quality presentation within at least one of the prominent international and at least one prominent regional tourism fair alongside participation of a group of interested and selected tour operators	N/A	ToR for Communication and Visibility Expert was prepared and was published at the end of 2019	Via Dinarica promoted with a high-quality presentation within at least one of the prominent international and at least one prominent regional tourism fair alongside participation of a group of interested and selected tour operators	Via Dinarica will be promoted within at least one prominent international and at least one prominent regional tourism fair in Years 2 or 3
Via Dinarica promoted in Bosnia and Herzegovina targeting 450 school children in 10 schools	N/A	Presentation in 2 schools held with participation of 68 children participated	Presentation in 8 schools held 382 children participated	This activity is planned for Year 2; hence the part of result was achieved ahead of time

Description of results achieved so far: ToR for Communication and Visibility Expert was prepared and was published at the end of 2019. The purpose of this consultancy is to conceptualize, design and develop a set of detailed communication and visibility actions for the project with special attention to promoting Via Dinarica at international, regional and domestic tourism fairs in Year 2 or 3.

For the purpose of promoting Via Dinarica in BiH targeting school children, the field partner Terra Dinarica prepared material in the form of a slide presentation and a short film adapted for school age. The intention is to provide this customized presentation material to mountaineering associations, that would continue to show presentation in their territories. In 2019, 2 presentations were held: one for elementary and high school children from Kalinovik, with participation of 51 children and one at the Safet-beg Basagic Elementary School in Sarajevo, with participation of 17 children. In total 68 children participated in 2 presentations.

The presentations will be continued throughout 2020.



Photo 2: Ambassador of the Republic of Italy in BiH Mr. Nicola Minasi, during his visit to Ravno Municipality

1.2.5. Expand Via Dinarica partnership networks in Bosnia and Herzegovina

- **Target:** Via Dinarica partnership network expanded and sustainability of Via Dinarica initiative strengthened.

Target	Target for Year 1	Accomplished in Year 1	Balance/still to be done	Comment
Via Dinarica partnership network expanded and sustainability of Via Dinarica initiative strengthened	N/A	51 different local organization members of Via Dinarica network	N/A	Number of organizations members of the network will increase as project continues with works on the trails and improvements of tourism services in 20 partner LGs

Description of results achieved so far: 51 different organizations have joined Via Dinarica network, including 20 local governments (LGs), 13 CSOs, 2 public institutions and 16 private businesses as follows:

- LGs
- 1. Centar Sarajevo (AICS project),
- 2. Gacko (AICS project),
- 3. Kalinovik (AICS project),
- 4. Prijedor (AICS project),
- 5. Prozor- Rama (AICS project),

6. Ravno (AICS project),
7. Stolac (AICS project),
8. Tomislavgrad (AICS project),
9. Trebinje (AICS project), and
10. Vareš (AICS project).
11. Bosanski Petrovac (USAID project),
12. Jablanica (USAID project),
13. Konjic (USAID project),
14. Mostar (USAID project),
15. Mrkonjic Grad (USAID project),
16. Posušje (USAID project),
17. Rudo (USAID project),
18. Sokolac (USAID project),
19. Stari Grad Sarajevo (USAID project),
20. Teslić (USAID project)
- CSOs
21. Mountain biking Association MTB, Mostar,
22. Croatian Mountaineering Association Pločno, Posušje,
23. Mountaineering Association Paklarske stijene, Travnik,
24. Mountaineering Association Orlova stina, Tomislavgrad,
25. Association Tajna prirode, Čapljina,
26. Association CIRP, Mostar,
27. Association REDAH, Mostar,
28. Speleological and Mountaineering Association Mačkića kamen, Gornji Ribnik,
29. Mountaineering association Kozara from Banja Luka,
30. Mountaineering association Bitovnja from Kreševo,
31. Mountaineering association Željezničar from Sarajevo
32. Mountaineering associations Lelija from Kalinovik, and
33. Mountaineering association Plješevica from Bihać.

- *Public institutions*

34. Public institution Center for Agriculture and Rural Development, Banja Luka,

35. Public Institution National Park Sutjeska, Foča,
- *Private businesses*
36. SUPERSOFT d.o.o. (LTD), Mostar,
37. Eco cheese Puđa d.o.o (LTD), Livno,
38. Tourism Agency Neretva rafting RAFT KOR, Konjic,
39. Milovan Radović, Rural Household-Rooms for rent, Foča,
40. Tourist services Una Aquarius, Bihać,
41. Continental Adventure d.o.o. (LTD), Livno,
42. Rural Household Ivanović, Kotor Varoš,
43. Restaurant Mlin, Vareš,
44. Rural Household Ziličina, Rogatica,
45. Sehara d.o.o. (LTD), Ilijaš,
46. Rural Household Dobruvnik, Višegrad,
47. Stožer Vrana d.o.o. (LTD), Kupres,
48. Motel Kivi, Grude,
49. Tourist Agency Aquabalkan, Konjic,
50. Tourist Agency Visit Konjic, Konjic,
51. Montanaro d.o.o. (LTD) Mostar.

It is expected that Via Dinarica network will continue to grow throughout the Project implementation.
DOVDE

1.2.6. Continue the process of Via Dinarica White Trail Leading Quality Certification with 1 more certification stage to be completed

- *Target: Completion of the third stage of the Via Dinarica White Trail Leading Quality Certification process.*

Target	Target for Year 1	Accomplished in Year 1	Balance/still to be done	Comment
The third stage of the Via Dinarica White Trail Leading Quality Certification process completed – 300 km of White trail certified by LQT – Best of Europe	N/A	120 km of WT assessed	180 km of the Via Dinarica White Trail in BiH to be assessed for the LQT certification	The third stage of the Via Dinarica White Trail Leading Quality Certification process completed - 300 km of the Via Dinarica White Trail in BiH certified by LQT – Best of Europe

Description of results achieved so far:

European Ramblers' Association Leading Quality Trail training was organized in Blidinje Nature Park on May 18 - 19, 2019. Participants were Terra Dinarica Assembly members. Terra Dinarica Assembly is composed of mountaineering associations from across Via Dinarica in Bosnia and Herzegovina, who are the main partners in all activities related to Via Dinarica trails maintenance and marking. UNDP's Economic Development Officer presented the action plan and scope of work planned under the Via Dinarica project and discussed all related matters that are required for a successful implementation. The training was facilitated held by a member of the Assembly, who shared the knowledge gained during the training in the United States in June 2018. The participants were trained on LQT criteria - criteria that trails should fulfil in order to obtain the LQT certificate. The field partner Terra Dinarica also organized seminars to upgrade its internal membership capacities to successfully continue this process. The purpose of seminars was to train potential monitors/assessors on various assessment criteria and how to complete reports using DMS at viadinarica.com web page. One seminar was held in Banja Luka, another in Sarajevo, and the third one in Kalinovik with a total of 26 participants. This training is expected to upgrade Terra Dinarica internal capacities resulting in increased number of skilled hikers/assessors/monitors, who will be engaged in the next season for this process. During the reporting period 120 km of the trail was assessed.

**Output 1.3:
Via Dinarica
supported through
strategic and
financial
governance
measures**

Activities under Output 1.3:

1.3.1. Provide technical support to relevant ministries to design and deliver public financial support schemes, including further development of Via Dinarica in Bosnia and Herzegovina

- *Target: Customized assistance in designing and delivering public financial support schemes provided to relevant institutions to further develop and promote the Via Dinarica.*

Target	Target for Year 1	Accomplished in Year 1	Balance/still to be done	Comment
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Customized assistance in designing and delivering public financial support schemes provided to relevant institutions to further develop and promote the Via Dinarica	N/A	N/A	Customized assistance in designing and delivering public financial support schemes provided to relevant institutions to further develop and promote the Via Dinarica	Customized assistance will be provided in Year 2
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Description of results achieved so far: Based on identified institutional needs the project will offer customized assistance, in Year 2, in the process of design, management and monitoring of thematic public financial schemes in line with EU and regulations aiming to further develop and promote the Via Dinarica. Furthermore, within the cooperation with stakeholders FBiH Ministry of Environment and Tourism signed agreement with UNDP on co-financing Via Dinarica activities by committing 200,000.00 BAM to further support the project.

1.3.2. Engage with local governments to contribute to including Via Dinarica-related priorities in their work plans, thus ensuring investments in infrastructure and promotion of Via Dinarica

- *Target:* Customized assistance provided to 10 local governments in designing and delivering concrete operational measures and investments that contribute to improved accessibility and attractiveness of Via Dinarica.

Target	Target for Year 1	Accomplished in Year 1	Balance/still to be done	Comment
Customized assistance provided to 10 local governments in designing and delivering concrete operational measures and investments that contribute to improved accessibility and attractiveness of Via Dinarica	N/A	20 Local Governments selected as partner LGs (10 supported by AICS) ToR for Consultant for development of strategic and financial measures to support Via Dinarica was developed	Customized assistance provided to 10 local governments in designing and delivering concrete operational measures and investments that contribute to improved accessibility and attractiveness of Via Dinarica	The selected consultant will provide technical assistance to partner LGs along the Via Dinarica trails to develop and implement adequate strategic and financial measures that support further development of the initiative

Description of results achieved so far: The public call for municipalities to express their interest in participation in future Via Dinarica activities which includes the grant scheme to integrate relevant local

products, services and tourism assets into an economically viable Via Dinarica tourism offer, was published on May 29th, 2019 and was closed on June 21st, 2019. Four info days were held at the following locations: Banja Luka on June 11th, Bosanski Petrovac on June 12th, Sarajevo on June 13th and Mostar on June 14th. The call raised big interest among municipalities and cities placed along Via Dinarica Trails. In total, 43 application by LGs were received. Out of 43 applications, 20 Local Governments (10 under the Project co-financed by AICS) were selected and verified as partner LGs (as per 1.1.1.), that will work closely with the project on maintenance of trails and improving tourism services and infrastructure on the territory of these LGs. UNDP developed the guidelines for tourism facilities/infrastructure improvement interventions for selected LGs which will be applied for small-scale interventions on public infrastructure (valued at approx. 20,000 USD) that contribute to the development of nature-based tourism.

ToR for Consultant for development of strategic and financial measures to support Via Dinarica was developed and will be published at the beginning of 2020. The purpose of this consultancy is to provide technical assistance to partner LGs along the Via Dinarica trails to develop and implement adequate strategic and financial measures that support further development of Via Dinarica initiative.



Photo 3: Info day for Local Governments in Mostar, June 14th, 2019.

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

Output 2.1:
Enhanced economic opportunities and livelihoods along Via Dinarica by integrating local products into tourism offer

Activities under Output 2.1:

2.1.1. Expand the existing Via Dinarica White, Green and Blue Trails assessment, with focus on relevant products (food and drinks, souvenirs, clothing and gear), cultural events and assets, to identify hotspots for developing integrated tourism offer

Target: support to map relevant tourism cluster products and Via Dinarica-specific value chains.

Target	Target for Year 1	Accomplished in Year 1	Balance/still to be done	Comment
5 local products / services integrated into Via Dinarica tourism offer as a result of Project assistance	N/A	Request for procurement to engage consultancy firm/agency to conduct assessment of value chains in 20 partner LGs prepared	5 local products / services integrated into Via Dinarica tourism offer as a result of Project assistance	Engage consultancy firm/agency to complete Via Dinarica value chain assessment in 20 partner LGs in 2020

Description of results achieved so far: Within the partnership with selected LGs, potentials for relevant tourism clusters and Via Dinarica specific value chains have been identified. Public call for Via Dinarica Value Chain Consultant was published in September 2019 on official UNDP page. After the evaluation of received applications, the commission concluded that the Public call would need to be re-advertised in a form of hiring a consultancy firm/agency due to insufficient number of qualified individual candidates on the market. The request for procurement for engaging a consultancy firm/agency to conduct value chain assessment is being prepared and will be advertised at the beginning of 2020.

The purpose of this consultancy is to map potentials for value chains in the selected partner LGs, identify development opportunities, assist in the preparation and implementation of Via Dinarica value chains grant scheme, which will be followed by provision of technical assistance to selected value chain beneficiaries.

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

Target: Grant scheme to integrate relevant local products, services and tourism assets into an economically viable Via Dinarica tourism offer designed and implemented.

Target	Target for Year 1	Accomplished in Year 1	Balance/still to be done	Comment
26 producers and service providers benefiting from improved tourism development opportunities as a result of Project assistance	N/A	Request for procurement to engage consultancy firm/agency to conduct assessment of value chains in 20 partner LGs prepared.	26 producers and service providers benefiting from improved tourism development opportunities as a result of Project assistance	Asistance will be provided to the beneficiaries in partner LGs.

Description of results achieved so far: Focus of this activity will be on partnerships among small businesses (local producers and tourism service providers), local governments, and non-governmental organisations. The grant scheme will be used as a tool for connecting the following main segments into an integrated tourism offer: (i) local products, (ii) tourism services; (iii) tourism infrastructure and sites; (iv) promotion and visibility as part of the wider Via Dinarica tourism offer. Please see explanation under 2.1.1. as it is closely interrelated with this activity.

Output 2.2: Upgraded tourism infrastructure and diversified / consolidated tourism services strengthen Via Dinarica competitiveness

Activities under Output 2.2:

2.2.1. Design and implement a grant scheme for improvement of public tourism infrastructure and sites along Via Dinarica hotspots, in partnership with relevant authorities

Target: A competitive grant scheme for improvement of public tourism infrastructure and facilities along Via Dinarica hotspots, designed and implemented in partnership with relevant authorities.

Target	Target for Year 1	Accomplished in Year 1	Balance/still to be done	Comment
10 Via Dinarica hotspots with improved tourism infrastructure	N/A	20 best applications from LGs selected within the public call and verified for future cooperation (10 to be co-financed through AICS project). Guidelines for identification of infrastructure works developed and presented at meetings with partner LGs held	At least 10 minor tourism facilities/infrastructure improvement interventions implemented in cooperation with and co-funded by LGs	Priority locations within 10 selected partner LGs will be decided in cooperation with the partner LGs.

Description of results achieved so far: 20 partner LGs/Municipalities have been selected within the Public Call for Local Governments (LGs) to express interest in participation in Via Dinarica project published in July 2019. By the end of September 2019, verification visits have been paid to all selected LGs upon which further cooperation with selected LGs has been approved. The 10 partner LGs selected for cooperation within the AICS Via Dinarica project are the following: Centar Sarajevo, Gacko, Kalinovik, Prozor-Rama, Prijedor, Ravno, Stolac, Tomislavgrad, Trebinje and Vareš. Within the partnership with selected LGs, UNDP developed the guidelines for tourism facilities/infrastructure improvement interventions for selected LGs which will be applied for small-scale interventions on public infrastructure (valued at approx. 20,000 USD) that contribute to the development of nature-based tourism. The guidelines were shared with LGs that committed to allocate the fully agreed budget for all activities in 2019 (4 LGs committed to allocate the

full budget for all activities under partnership and 3 LGs committed funds to allocate funds for diversification and consolidation of tourism services in 2019). UNDP held meetings with these 4 LGs (Tomislavgrad, Kalinovik, Sarajevo Centar and Stolac) regarding clarification of guidelines. The LGs started preparing proposals for small-scale intervention on public infrastructure in December 2019.

2.2.2. Support diversification and consolidation of tourism services along Via Dinarica trails (accommodation facilities, tourism offer, etc.)

Target: Grant scheme to support diversification and consolidation of tourism services along Via Dinarica trails (accommodation facilities, tourism offer, etc.) designed and implemented.

Target	Target for Year 1	Accomplished in Year 1	Balance/still to be done	Comment
6 improved accommodation facilities and total number of 60 beds available as a result of project assistance.	N/A	20 partner LGs selected (10 with support of AICS). Public call for improvement of tourism offer and services along VD trails prepared for beneficiaries in 7 LGs	6 improved accommodation facilities and total number of 60 beds available as a result of project assistance	The Public call for improvement of tourism offer and services along VD trails for beneficiaries in 7 LGs will be published at the beginning of 2020

Description of results achieved so far:

Within the partnership with the selected LGs, UNDP prepared a "Public call for submission of applications for allocation of grant funds within the second phase of the Via Dinarica Project: Improvement of tourism offer and services along Via Dinarica trails in Bosnia and Herzegovina". The public call will address two priority areas: 1) Improvement of conditions and expansion of capacities of tourism accommodation facilities along Via Dinarica trails in Bosnia and Herzegovina; and 2) Improvement of existing and increase of diversity of tourism services in the field of adventure tourism along trails in Bosnia and Herzegovina. The call will be published by the beginning of 2020 for private businesses, natural persons (registered), NGOs and public companies managing parks of nature, that offers accommodation or deliver tourism services, within the 7 LGs. These 7 LGs (Centar Sarajevo, Kalinovik, Prijedor, Prozor-Rama, Ravno, Stolac and Tomislavgrad) have signed financial agreements for allocating funds in 2019 (4 LGs committed complete requested budget for all activities under partnership and 3 LGs committed funds to support diversification and consolidation of tourism services in 2019). The remaining 3 partner LGs (Gacko, Trebinje and Vareš) will sign financial agreements and transfer funds, in the first quarter of 2020.

2.2.3. Establish 3 strategic Via Dinarica information, promotion and service hubs

Target: 3 strategic Via Dinarica information, promotion and service hubs established

Target	Target for Year 1	Accomplished in Year 1	Balance/still to be done	Comment
At least 3 information, promotion and service hubs available along Via	N/A	N/A	The Project will create a set of minimum standards which will form the Via	The project will engage consultant to complete outlining a model for establishment

Dinarica trails in BiH			Dinarica hub model. Following that model agreed by stakeholders, the Project will support the establishment of 3 Via Dinarica hubs	of Via Dinarica information, promotion and service hubs in 2020
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Description of results achieved so far: This activity is planned for Year 2 and Year 3.

2.2.4. Deliver capacity development support to Via Dinarica tourism service providers

Target: Capacity of tourism service providers along the trails strengthened to diversify the tourist offer and increase attractiveness of localities based on unique tourism assets.

Target	Target for Year 1	Accomplished in Year 1	Balance/still to be done	Comment
Capacity of tourism service providers along the trails strengthened to diversify the tourist offer and increase attractiveness of localities based on unique tourism assets	N/A	N/A	Deliver capacity development support to Via Dinarica tourism service providers	Capacity development targets tourism services providers that will be assisted through the project.

Description of results achieved so far: This activity is planned for Year 2 and Year 3.

2.3 Implementation challenges

General elections were held in Bosnia and Herzegovina on October 7, 2018. The new RS Government has been appointed in December 2018, and neither new BiH Council of Ministers nor Government of Federation BiH have been appointed so far, and the respective mandated governments at BiH and FBiH levels continued working in their technical mandate.

However, the Presidency of Bosnia and Herzegovina appointed Mr. Zoran Tegeltija as Chairman of the Council of Ministers in mid-December 2019, thus enabling establishment of the Council of Ministers. The decision to appoint Mr. Tegeltija has been forwarded to the Commission of BiH House of Representatives which is one of the main pre-conditions for further preparation of the election of the Council of Ministers.

Although RS appointed the new Government immediately after the elections, the newly appointed Minister of the Ministry of Trade and Tourism, Ms. Dragica Kovač resigned from her position and the new Minister, Ms. Suzana Gašić took over her duties as of September 2019.

3. INTEGRATION OF CROSSCUTTING ISSUES AND FORWARD PRIORITIES

3.1 Gender Equality and Female Empowerment

The project will ensure gender equality perspective across all activities. Specific focus will be given to women economic empowerment through incentivized job creation and livelihood opportunities for women within the grant schemes and capacity building activities.

3.2 Sustainability Mechanisms

Having in mind that previous activities focused on establishing and promoting the Via Dinarica trails, as well as putting in place basic accommodation and services, the current phase of the Via Dinarica project will put emphasis on setting grounds for Via Dinarica sustainability. Thus, it will from its onset entail a series of activities to ensure sustainability of results, including, among others, coordination mechanisms, Via Dinarica Support Centre and hubs (whose establishment is financed through AICS contribution), funding mechanisms, etc. All products, needs assessments, action plans and coordination functions will be embedded with local stakeholders and existing mechanisms, to ensure their further use, as well as follow-up activities. By increasing interest, commitment and resources by governments at all levels, as well as by leveraging community-owned tourism offer, the project will further contribute to Via Dinarica sustainability.

3.3 Environmental Compliance and Global Climate Change

The Via Dinarica concept promotes tourism for the purpose of sustainable economic development of the countries along its corridors, while protecting the environment and respecting the sociocultural diversity and authenticity of communities. The project involves a number of interventions in rural remote areas, including the protected ones, such as national and nature parks. As such, it may pose certain risk to the environment. The project will therefore pay attention to environmental protection in designing and delivering all its interventions. It will adhere strictly to the appropriate national legislation and UNDP's Social and Environmental Standards (SES). The SES require that all UNDP Programmes and Projects enhance positive social and environmental opportunities and benefits, as well as ensure that adverse social and environmental risks and impacts are avoided, minimized, mitigated and managed. Therefore, one of the project's main streamlines is to raise awareness on environmental protection and sustainable tourism development, to ensure symbiotic integration of environmental conservation and tourism development objectives. Organizations respecting environment protection are among direct beneficiaries of the Project.

3.4 Policy and Governance Support

Although there is no country-wide strategy for tourism development of Bosnia and Herzegovina, in January 2017, the Council of Ministers of Bosnia and Herzegovina adopted the Economic Reform Programme 2017-2019, which places tourism development and tourism services among its priorities within the broader competitiveness and inclusive growth area. The project also contributes to the implementation of the Strategy for Tourism Development of the Federation of Bosnia and Herzegovina 2008-2018, and the Tourism Development Strategy of Republika Srpska 2010-2020.

In addition, tourism is set as one of the priorities within the Strategy Paper for Bosnia and Herzegovina (2014-2017), which is the platform for support by the EU Instrument for Pre-Accession Assistance (IPA) II

for the country. Moreover, tourism is also included as a priority within development strategies of the 10 cantons in the Federation of Bosnia and Herzegovina and numerous local governments country wide.

In terms of the institutional framework, the Ministry for Foreign Trade and Economic Relations of Bosnia and Herzegovina is the responsible institution for tourism at the state level, while there are two entity ministries covering tourism, namely the Ministry of Environment and Tourism in the Federation of Bosnia and Herzegovina and the Ministry of Trade and Tourism in Republika Srpska.

It is of great importance that the main national stakeholders provided its support to Via Dinarica, including the financial resources: the Federal Ministry of Environment and Tourism had already co-funded Via Dinarica with 300,000 KM in 2016 and 2017, and further 200,000 KM in 2018.

On June 25, 2019, Minister Edita Đapo of Federal Ministry of Environment and Tourism signed a cost-sharing agreement with UNDP BiH Deputy Resident Representative Sukhrob Khoshmukhamedov, contributing further 200,000 KM to Via Dinarica initiative in Bosnia and Herzegovina. Minister Đapo pointed out that Via Dinarica contributes to the sustainable development of tourism in rural areas and represents a great opportunity for improving living standard of the local populations in remote areas of BiH. Therefore, it has been recognized as a project of great importance for tourism development in FBiH and as such regularly supported by funds allocated for the development of tourism in FBiH.

3.5 Local Capacity Development

Following up on the meeting with the newly appointed Minister of the Ministry of Trade and Tourism of Republika Srpska during the previous reporting period, Via Dinarica Project Manager discussed Via Dinarica Phase 2 implementation approach and possible further co-financing by the Federal Ministry of Environment and Tourism within their annual grant scheme for tourism development.

The project will conduct the needs assessment for the establishment of Via Dinarica Support Centre. Based on the needs' assessment, a capacity development plan will be devised, providing recommendations on necessary organizational structures and capacities that need to be achieved to make it viable. Introducing a functioning Via Dinarica Support Centre capable of providing services to a variety of Via Dinarica stakeholders is one of the crucial things for a long-term sustainability of Via Dinarica. Therefore, the project will facilitate the introduction of the Via Dinarica Support Centre within qualified existing organization, potentially within NGO Terra Dinarica, UNDP Field Partner, that has been instrumental in providing support for the networking activities and has managed the Outdoor Active web platform in the Via Dinarica Phase I. As such, they have laid the foundations for the establishment of Via Dinarica Support Centre. It is necessary to conduct the assessment of Terra Dinarica capacities to fully undertake the role of Via Dinarica Support Centre, and depending on the outcome of the assessment, to develop its business model and a capacity development plan.

Additionally, the project will work on strengthening capacities of tourism service providers (small businesses providing accommodation and other services in mountain tourism, eco-tourism, adventure tourism, etc.) and Via Dinarica specific value chains members (producers of local traditional products, such as: food, souvenirs, handicrafts, etc.) along the trails, to strengthen and diversify the tourist offer and increase attractiveness of localities based on unique tourism assets. This will entail the delivery of training and on-site technical support.

3.6 Public Private Partnership (PPP)

From the very beginning of the Via Dinarica initiative in BiH considerable efforts have been undertaken to partnership and establishing networks among local communities, local governments, civil society organizations, private sector representatives, higher level government institutions, and media. Through

various workshops, trainings, promotional and networking events, the project facilitates an efficient functioning of trail-based networks, bringing together all relevant stakeholders and providing them with the opportunity to exchange ideas, experiences, practices and agree on joint actions.

4. STAKEHOLDER PARTICIPATION AND INVOLVEMENT

The project management structure includes a Project Board as a main steering mechanism.

The Project Board is the decision-making authority, responsible for the project management oversight. It reviews and endorses annual work plans, supervises the implementation progress and authorizes any major deviation therefrom. It provides strategic guidance, as well as gives final approval to selected strategic and operational issues. The Project Boards meets semi-annually, or as necessary when raised by the Project Manager.

Members of the Project Board are the representatives of USAID, AICS, the Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina, the Federal Ministry of Environment and Tourism, the Ministry of Trade and Tourism of Republika Srpska and UNDP. UNDP serves as the secretariat to the Project Board, responsible for sending out invitation for Project Board meetings, preparing meeting agenda and materials, as well as meeting minutes.

5. MANAGEMENT AND ADMINISTRATIVE ISSUES

The partner Ministries - the BiH Ministry of Foreign Trade and Economic Relations, Federal Ministry of Environment and Tourism and RS Ministry of Trade and Tourism - nominated their respective representatives to the phase two Project Board in late January 2019, and its first meeting was held on February 19, 2019, in Sarajevo. The representatives of USAID, Italian Agency for Development Cooperation (AICS), the BiH Ministry of Foreign Trade and Economic Relations, Federal Ministry of Environment and Tourism and RS Ministry of Trade and Tourism were presented with relevant documents and detailed annual work plans, which they approved at the meeting. The Project Board had an opportunity to learn about the Project Phase I results and achievements as well, given that some of the members of the Project Board were new to the project.

6. LESSON LEARNED

N/A

7. VISIBILITY AND COMMUNICATION

UNDP, on a regular basis, ensures visibility, media presence and public information sharing of project activities and achievements.

Promotion activities in this reporting period have been implemented with the aim to: affirm Via Dinarica as tourism brand; publicly recognize efforts by public, private and nongovernmental stakeholders contributing to the Via Dinarica affirmation; recognizing the AICS contribution to the Project success and instigate regional partnerships. Following is the list of promotion activities:

- Via Dinarica promoted thought [National Geographic article](#) about new cross-border cycling route Trans Dinarica inspired by and established based on success of Via Dinarica.
- The [Outbound Collective](#) adventure and travel web site included Via Dinarica on the list of [10 Under-the-Radar Travel Destinations for 2019](#).
- The project was promoted at the European Youth Olympic Festival (EYOF) in Sarajevo. The exhibition of large format photographs was set up in two official EYOF hotels (Hotel Hills and Hotel Hollywood) during the Festival, from 9th to 16th February 2019.
- Via Dinarica presented at the event “Cities and Cultural Heritage. Ideas and Best Practices for the Adriatic and Ionian Region” within the International Economic Fair, MOSTAR on April 10th, 2019.
- On April 11th, 2019 Via Dinarica was presented on Apriori Tousim Conference dedicated this year to Development of Destination Tourism.
- An airline company Wizzair promoted Via Dinarica in their flight magazine for April-May 2019:
<http://wizz.inklive.com/html5/reader/production/default.aspx?pubname=&edid=1923e4b9-a4ed-486a-a954-7ba733e010d0&pnum=55>
- Upon request of The Faculty of Science and Education at the University of Mostar, on May 21st Via Dinarica project team presented Via Dinarica to the students of the Faculty as an example of a successfully established new tourism brand. The news on this event was published at the following web portals:
 1. <https://www.sum.ba/objave/novosti/predstavljeno-turisticko-rekreacijski-projekt>
 2. <https://www.vecernji.ba/vijesti/predstavljeno-turisticko-rekreacijski-projekt-via-dinarica-1320759>
 3. <http://treci.ba/kampus/predstavljeno-turisti%C4%8Dko-rekreacijski-projekt-%E2%80%9E-dinarica%E2%80%9C>
- The news on UNDP signing the agreement with FBiH Ministry of Environment and Tourism on co-financing Via Dinarica activities was published at the following web portals:
 1. <https://www.bljesak.info/gospodarstvo/ulaganja/veliki-novac-za-veliki-turisticki-projekt/277367>
 2. <https://www.akta.ba/investicije/federalna-vlada-nastavlja-podrsku-via-dinarica-inicijativi-sa-novih-200000-km/102980>
 3. <https://startbih.ba/clanak/federalna-vlada-nastavlja-podrsku-via-dinarica-inicijativi/110115>
 4. <https://vijesti.ba/clanak/451822/federalna-vlada-nastavlja-podrsku-via-dinarica-inicijativi>
- On July 3rd, an article about [Via Dinarica](#) was published in UNDP regional EuroAsia magazine [Voyages](#), covering the success story of 4 activity beneficiaries, out of which 2 are B&B owners (B&B Ziličina in Rogatica, Green trail and B&B Simovića kuće in

Kalinovik, White trail) and 2 tourism service providers (Tourism agency Visit Konjic from Konjic, White trail and Una Kayak Safari from Bihać, Green trail).

- On August 3rd, 2019 Via Dinarica team member presented the project at Linnovate - Business Forum in Livno, Bosnia and Herzegovina. Article [LINK](#)
- On August 17th, 2019 Via Dinarica team member presented the project at the Mountaineering Associations Assembly at Cincar Mountain, Livno, Bosnia and Herzegovina. Article [LINK](#), [LINK](#), [LINK](#), [LINK](#), [LINK](#), [LINK](#), [LINK](#).
- On September 19th, 2019 on official [Via Dinarica Facebook page](#) a Giveaway was published for a free entrance on International Tourism days, from September 27th to September 29th, to three Via Dinarica natural attractions (Vjetrenica Cave - Blue Trail, Una National Park - Green Trail and Sutjeska National Park – White Trail). The Giveaway game was open until September 24th upon which selected players/winners were published on official [Via Dinarica Facebook page](#).
- On October 2nd, 2019 on official [Via Dinarica Facebook page](#) a Contest for Via Dinarica weekend (October 5th and 6th) was published, where all active people and nature lovers were invited to go out on Via Dinarica trails and track their activity with an app for tracking outdoor activities and post their tracking to Via Dinarica Facebook page. The winner was announced on a [Facebook post](#) by the Ambassador of the Republic of Italy in BiH Mr. Nicola Minasi, during his visit to Ravno Municipality.
- On October 23, 2019 Via Dinarica was presented at the [Sarajevo Tourism Festival and Fair](#).
- On November 12, 2019, Supersoft company from Mostar, published a video promoting the activities and the points of interest available along the Via Dinarica trails. The video will be part of the Via Dinarica tourism tour/package they are planning to offer to the international markets next season. [LINK](#) to the video.
- On December 11, 2019 - the International Mountain Day, Via Dinarica project has teamed up with several beneficiaries and partners to reflect on the significance of mountains in their lives and work. Via Dinarica project has come to the fore in their statements. Below are the related posts:
 1. [Continental Adventure Agency, Wild horses photo safari, Livno, Via Dinarica White Trail](#) (video)
 2. [Mountaineering Association Paklarske stijene, Travnik, Via Dinarica Green Trail](#) (Photo post)
 3. [Mountain Biking Association, Zip line and mountain hut Fortica, Mostar, Via Dinarica White Trail](#) (Photo post)
 4. [Canoe Safari on Trebižat river, Čapljina, Via Dinarica Blue Trail](#) (video).
- On December 12, 2019 Via Dinarica Project Manager attended a meeting with the United Nations World Tourism Organization in Madrid, Spain, for the purpose of connecting Via Dinarica with the leading international tourism-related organization and to define organization of capacity development of BiH institutions on statistics in tourism. [LINK](#) to UNWTO Facebook post.

ANNEX: GRANT FUND STATUS

Project No. 00107611 - Via Dinarica: A Platform for Sustainable Development and Local Economic Growth - Phase II_ Budget Expenditure Report		
Overview of expenditures for the period December 2018 - December 2019		
Expenditure per Outputs		TOTAL
Output 1.1:	Increased accessibility and improved safety of Via Dinarica trails in Bosnia and Herzegovina	11,697.03
Output 1.2:	Via Dinarica tourism brand further affirmed and reinforced by national and regional partnership	33,220.94
Output 1.3:	Via Dinarica supported through strategic and financial governance measures	168.48
Output 2.1:	Enhanced economic opportunities and livelihoods along Via Dinarica by integrating local products into tourism offer	153.92
Output 2.2:	Upgraded tourism infrastructure and diversified / consolidated tourism services strengthen Via Dinarica competitiveness	4,822.00
PM	Project Management	88,194.54
Total Grant Fund spent (in USD)_1st installment:		138,256.91
Total Grant Fund (in USD)_1st installment:		454,545.45
Budget Balance in USD:		316,288.54
Total Grant Fund (in EUR)_1st installment:		400,000.00
Total Grant Fund spent (in EUR)_1st installment (based on average currency exchange of USD 1.10 = EUR 1.00):		125,688.10
Budget Balance in EUR:		274,311.90