

**UNITED NATIONS TRUST FUND FOR HUMAN SECURITY**

**FINAL REPORT**

**1 November 2007 – 30 June 2010**

**Community Reconciliation through Poverty Reduction  
Bosnia & Herzegovina**

**(Ref.: UDP-CC-06-048; MDTF Project No: HS-BIH-002-048)**

**Date of Submission: December 2010**

**Re-submitted: March 2011**

**United Nations Development Programme**

**United Nations Educational, Scientific and Cultural Organization**



## List of Abbreviations and Acronyms:

BiH:	Bosnia and Herzegovina
CRPR:	Community Reconciliation through Poverty Reduction project
CSO:	Civil Society Organisation
FBiH:	Federation of Bosnia and Herzegovina
IA:	Implementing Agency
ITF:	International Trust Fund for Humanitarian Demining
NGO:	Non-Governmental Organisation
PUC:	Public Utility Company
RS:	Republic of Srpska
UNDP-IMAP:	United Nations Development Programme-Integrated Mine Action Programme
UXO:	Unexploded Ordinance

## Introduction

In the Community Reconciliation through Poverty Reduction project document (Ref: UDP-CC-06-048; MDTF Project No: HS-BIH-002-048) the reporting requirements mention the preparation of annual and progress reports for presentation to the UNTFHS office and Embassy of Japan in Bosnia and Herzegovina.

This report covers the reporting period for the whole duration of the project, from 01 November 2007 to 30 June 2010. The report is prepared according to the UNTFHS guidelines and within the six-month period after the completion of project activities.

As in previous reports two progress reports, this report will address the four main components of the project – humanitarian demining, waste management, income generation through poverty reduction and cultural heritage - to underline the achievements of each component. It will include the parts and build on previous two progress reports.

Any questions related to this report or the CRPR project should be addressed to:

Mr. Yuri Afanasiev  
UNDP Resident Representative  
UNDP Bosnia and Herzegovina  
Marsala Tita 48  
71000 Sarajevo  
Bosnia and Herzegovina

or

Mr. Seid Turkovic  
Local Development Cluster Coordinator  
UNDP Bosnia and Herzegovina  
Marsala Tita 48  
71000 Sarajevo

## 1. EXECUTIVE SUMMARY

The Community Reconciliation through Poverty Reduction Project, with funding from the United Nations Human Security Trust Fund (UNHSTF), takes a multidimensional approach to improving human security environment through development the tourism sector as a means to reconcile the differences between the divided communities of Blagaj-Mostar, Stolac and Trebinje, all located in south-eastern Herzegovina.

Over 30 months of the implementation the project met in full, and in some cases achieved beyond, what was planned for all four main objectives of the CRPR: 1) approximately 180,000 m<sup>2</sup> of category 1 land that is of significance for income generation and/or community reconciliation restored for use; 2) 70% of illegal waste depots in the target region removed, cleaning campaigns in each municipality organized, and waste management capacities improved; 3) Minimum of 8 income generation sub-projects implemented with at least 30% of projected employment coming from the vulnerable groups; 4) Three cultural-historical monuments restored in the region.

### *Humanitarian Demining:*

As mines present one of the major threats to the return of refugees and displaced persons, economic development, and in general human security, the CRPR project got engaged in humanitarian demining observing the priorities set by the Bosnia and Herzegovina Mine Action Center and local civil protection units. A combination of openness, relevancy and proximity in implementation by the CRPR has directly resulted in engagement with a number of other key actors in the project area and the subsequent clearance of a far greater area than originally planned. Due to the cooperation efforts the CRPR has cleared an area over four times the targeted area - some 729,763 sq m - of 122 mines and 8 UXO. Apart from improving access to areas with tourism potential, these activities create presumptions for secured livelihood and contribute to improving the general perception of Herzegovina as a safe place to visit.

### *Waste Management:*

Not only do improperly disposed of wastes, cans, bottles, construction waste and most of all plastic bags, pollute rivers and ground throughout the country, but they are also a sore sight that discourage visitors to an area from disposing of their waste properly. Furthermore, improper waste management, illegal dumpsites along the sides of the road, unpleasant smells and rodent infestation may all lead to negative influences that may cause tourists to shorten their stay or not come back to an otherwise promising tourism destination. The problem of disorganized waste disposal in target area was tackled in a strategic way through 3 areas of assistance and in line with entity level strategies what further secures the sustainability of the activities. The baseline research showed that there is outdated and insufficient waste collection equipment that public utility companies (PUC) operate in the target region. Also, some PUCs lack knowledge and skills in strategic and financial planning, and in general there is lack of awareness on this issue. Consequently these findings led to increase capacity of local public utility companies by providing equipment for waste collection (more than 750 units). Furthermore, CRPR organized training for strategic personnel of public utility companies in financial and strategic planning that will lead to improved revenue collection. Finally, public utility companies worked on clearance of

illegal waste sites within target communities where more than 70% of these sites were removed for the duration of the project. Above mentioned activities were followed up by comprehensive waste management campaign in all three local communities and it resulted with some joint initiatives. These complementing activities will contribute to better performance of public utility companies in target area and in general improve their service consequently reducing the threat to public health and creating better environment for development of new tourism products.

#### *Income Generation through Poverty Reduction:*

In general a majority of the 12 non-governmental organizations and civil society organizations have progressed in accordance with their initial proposals – albeit at varying speeds. The geographic spread of projects was fairly even with five, four and three projects chosen from Blagaj, Trebinje and Stolac, respectively. In total 71 new/existing jobs have been secured through the sub-projects. Additional trainings and coaching were provided to the NGOs on business planning, business linkages and marketing in order to increase the prospect of sustainability. These activities have produced positive impact on local communities, especially with some individuals who were not aware of the natural and other advantages of their local communities in the tourism development sense. Some skeptic local authorities also see the fruits of the efforts and they are getting involved further into support of this industry and creation of new jobs. Apart from the immediate benefit in terms of creation new products, it is noticeable that residents of Herzegovina see their chance in joint approach to the market and this is evident through the attempts of several organizations to form first tourism cooperative on the territory of Bosnia and Herzegovina.

#### *Cultural Heritage:*

After a thorough check on historical data and preparations of technical drawings, the tender for restoration works for Blagaj and Stolac was issued in the end of 2009 and works on the restoration commenced in February 2010. All restoration activities have been completed on time. The achievement of the objective is in full, especially having in mind that Federation Ministry of Culture dedicated additional funding for the monument in Blagaj. Overall, restoration of the cultural and historic heritage is sustainable as all three municipalities committed in further preservation of these monuments. These point are important markers in east Herzegovina history and culture, and they will contribute to the growing interest in east Herzegovina as an interesting tourism destination.

#### *Project Management :*

Despite the fact that the CRPR project had a somewhat slow start primarily related to delays in receiving funds and recruitment of management positions it is evident that all targets set for this project were achieved. Due to turbulence and crisis in world economy over 2008 and 2009, the project management needed to constantly make contingency plans for due to unpredictable currency fluctuations, swinging interest from local authorities and stakeholders, and switch of local economic trends. However, the project delivery went according to what has been planned with some minor deviance in favor of some budget lines. At the end of the project the total delivery for both UNDP and UNESCO components, in accordance with preliminary financial statement presented in Appendix D of this document, was 629,635.70 USD. Whereas UNDP fully used its funds, UNESCO recorded a balance in the amount of 21,411.41 USD.

## **2. PURPOSE**

**Project Title:** Community Reconciliation through Poverty Reduction

### **Human Security Approach:**

The project focused on community reconciliation through a multi-dimensional approach to poverty reduction, which included mine clearance, improving conditions for public health through a clean environment, income generation activities and the restoration of cultural heritages, all of which contribute to poverty reduction and community reconciliation. The project was also based on the premise that a participatory and transparent approach to income generation is a necessary step for municipalities to work together. Such cooperation will assist in the development of common interests and vision for the future.

### **UNDAF Outcome(s)/Indicator(s):**

Strengthened accountability and responsiveness of Government to pro-active citizens.

### **Expected Outcome(s)/Indicator(s):**

Developed capacity of municipalities to generate employment using pro poor approach.

### **Goals:**

Goal 1: Mine contaminated areas of economic development importance and environment protection cleared from mine threat.

Goal 2: Local capacities for waste management improved and health hazards reduced.

Goal 3: Sustainable economic products in the highly potential industrial sector of tourism created through micro-projects' activities on income generation.

Goal 4: Cultural and historical heritage sites in the target region restored.

### **Objectives:**

#### **Objective 1.1:**

During the period of two years, approximately 180,000 m<sup>2</sup> of category 1 land that is of significance for income generation and/or community reconciliation restored for use through humanitarian demining.

#### **Objective 2.1:**

Seventy percent of illegal waste depots in the target region removed, cleaning campaigns in each municipality organized, and waste management capacities improved to prevent reappearance of illegal waste depots.

#### **Objective 3.1:**

Minimum of eight income generation sub-projects implemented with at least 30% of projected employment coming from the vulnerable groups.

Objective 4.1:

Restoration/preservation of cultural heritage sites in each target municipality and utilized for income generation purposes.

**Outputs:**

Output 1.1.1: Humanitarian demining and awareness raising services provided

Output 2.1.1.: Basic waste management capacity increased at the local level

Output 2.1.2: Needless waste disposal reduced through awareness raising services provided.

Output 3.1.1: Baseline Studies on Poverty Reduction Conducted

Output 3.1.2: Workshop for technical support, knowledge transfer and follow-up coaching for poverty reduction organized.

### 3. PROJECT OVERVIEW AND RESOURCES:

**Implementing agencies:** UNDP / UNESCO

**Administrative Agent:** United Nations Development Programme in Bosnia and Herzegovina

**Executing Agencies:** United Nations Development Programme (UNDP) DEX  
United Nations Educational, Scientific and Cultural Organization (UNESCO)

**Non-executing Partner:** United Nations High Commissioner for Refugees (UNHCR)

**Location:** Bosnia and Herzegovina,  
Municipal City of Mostar (FBiH),  
Municipalities of Trebinje (RS) and Stolac (FBiH)

**Donor:** UN Human Security Trust Fund

**Project Budget:** USD 2,286,269.00

**Project Duration:** Two (2) years (+ 6 months extension)

### 4. APPROACH

The Community Reconciliation through Poverty Reduction (UNDP-CRPR) project focused on the development of tourism potentials of south-east Herzegovina as a mean to reconcile inter-community differences, promote inter-community dialogue and combat poverty. The CRPR project took a multi-dimensional approach to poverty reduction, involving four mutually reinforcing components: i) mine clearance, ii) waste management, iii) income generation activities in the tourism sector and iv) restoration of cultural heritage; supported by strong public relations activities.

Although the project area benefits from proximity to a number of already well-known tourist centres, with strong pull factors, such as Mostar, Dubrovnik and the Medjugorje site, the area was unable to capture and fully benefit from the tourists that pass through the area. In this sense, the area fairs worse when compared to other nearby tourist centers; despite equally attractive natural, historical and cultural endowments, leading some to conclude that the area is 'locked'.

To help unlock the stagnant dynamics, the project attempted to 'trigger' the on-set of a series of motions that would activate local impulses and result in a rise in commitment levels by local

stakeholders, local businessmen and the diaspora. It was foreseen that even small successes in improved ownership and responsibilities in the development process would help improve collective work capabilities, guide efforts and frame the hopes and aspirations of the region.

Tourism was perceived as that trigger - by furthering the tourism offer through new and/or improved tourism products and services, based on historic trails and a common future - *inter alia* - inter-community cooperation. The approach assumed direct interactions:

- between sustainable human security and poverty reduction and,
- between poverty reduction and income generation (through development of tourism products and services)

As a corollary of the first assumption, sustainable human security is contingent upon the availability of sound interventions aimed at reducing poverty which is widely known for breeding hostilities and tensions.

As a corollary of the second assumption, poverty reduction is contingent upon the availability of sound income generating activities in the tourism sector. As a common denominator, income generating activities are the sole means by which we can link and reconcile the market reality, introduce practical and viable commercial interventions and the rather idealistic and altruistic motives of grassroots development into a common vision. In this sense, income generating activities are the ultimate acid test of success and sustainability.

## **5. RESULTS**

The CRPR achieved all four of its main targets set in the CRPR project document. This achievement is testimony to the overall commitment shown by the project team to deliver on the expected results.

Each of the following activities is organized on a thematic level and follows the flow of activities as outlined in the project document, annual work plan and PRINCE II principles.

### ***5.1. Humanitarian Demining***

Bosnia and Herzegovina is still the most mine contaminated country in south-east Europe and one of the most contaminated countries in the world. The presence of mines and unexploded ordinance (UXO) are still, and will remain for the foreseeable future, a major problem not only for reconstruction but also for economic development and the overall security situation.

As of January 2010, the area suspected of mines and UXO is 1,555.35 km<sup>2</sup> which noticeable decrease of over 10 percent from the figure from December 2008, when the area suspected of mines and UXO was 1,688.44 km<sup>2</sup> or slightly above 3 percent of the total country size. It is estimated that 200,000 mines and UXOs are placed at slightly over 12,000 locations in BiH. The majority of mines are located along the inter-entity boundary, the total length of which is 1,100 km and up to 4 km wide.

Unfortunately, injuries and deaths are a fact of life in Bosnia and Herzegovina. During the postwar period (1995-2009) there were 1,694 mine victims of which 495 resulted in deaths. In 2008 and 2009, there were 43 mine accidents, with 28 deaths and 37 injuries.



Output: 1.1.1. Humanitarian demining and awareness raising services provided

Overall, the demining activities can be considered as excellent in view of the surface area covered and the fact that no unplanned incidents occurred. Sites selected in cooperation with local stakeholders and communities were tendered and field activities initiated soon after. As first planned, all demining activities with UNDP funds were completed on time, before October 2009, however, faced with request from the local stakeholders, and availability of funds, the project initiated second tender in may 2010. During the implementation of the project UNDP matched the interests of the Italian Government to contribute to the demining activities in Herzegovina. In between these two tenders, ITF issued a tender to utilize the remaining matching funds in October 2009. Works and services that were initiated with these tenders completed within project time frame. In addition to demining activities, UNDP amended ITF's contract to include mine risk education (i.e. permanent markings). Through the end of the project, UNDP amended ITF's contract by reallocating USD 112,000 from other lines to the existing contract value of USD 400,000, and adding USD 20,000 from Italian Funds.

Humanitarian demining activities were closely connected to poverty reduction activities whereas the sites to be cleared of mine threats were chosen based on potential tourism development. For example, the three mine sites Vrelo Bunice 1, Vrelo Bunice 2, and Vrelo Bunice 3 were directly connected with opening the area for future income generating activities, primarily in offering tourism services. Besides this aspect of the intervention, the area is far safer now also for local residents who are Serb returnees to the area and can cultivate their land that previously was inaccessible.



Vrelo Bunice from a distance prior to demining



Vrelo Bunice after demining with canoeing gear ready for tourists

*Mine clearance:*

All demining contract activities were assigned to ITF since it is the only organization in the region that manages a matching fund mechanism that almost doubles the resources allocated to demining (ref: UNDPBIH-08-052-ITF-CRPR-P). This facility allowed the project to reach over four times its initial target. After tendering the services to ITF, it sub-contracted the work to local demining teams (private firms and NGOs) for actual clearance and technical survey work. In both instances concerning UNDP and ITF matching funds.

In total, 323,785 sq m of category one land contracted by ITF, with UNDP funds, was cleared.<sup>1</sup> Additionally, under the contract with ITF a matching fund mechanism, which operates on a *pari-passu* basis, also undertook to fund the demining of 269,476 sq m. In total 122 mines and 8 UXO were cleared by sub-contractors, with 279 permanent markings placed in the project and surrounding areas. These

---

<sup>1</sup> All except 47,847 sq m of land which was category two.

results were achieved with joint funds and efforts of CRPR, IMAP, Handicap International and Italian Funds. Please refer to the table below to see details.

Of the original 21 project sites identified under the UNDP-CRPR project, 15 were selected for demining in cooperation with various other stakeholders. These are as follows:

Table 1: Areas demined by funding source under CRPR

#	Project Site Name	Project ID	Area (sq m)	Funding source	Status	No. of UXO/ Mines Cleared
1	Vrelo Bunice 1 - Blagaj	6662	49,531	UNDP-CRPR	Completed	5 mines
2	Vrelo Bunice 2 - Blagaj	6663	61,079	UNDP-CRPR	Completed	23 mines
3	Vrelo Bunice 3 - Blagaj	6664	52,982	UNDP-CRPR	Completed	20 mines
4	Malo Polje-Obala Bunice - Blagaj	6918	75,051	UNDP-IMAP	Completed	2 mines
5	Hadzajlica Kicin 3 – Blagaj	6641	114,632	UNDP-IMAP	Completed	7 mines 2 UXO
6	Zujina Gradina 1 – Stolac	6795	56,904	ITF US DoS Matching Fund	Completed	
7	Zujina Gradina 2 - Stolac	6796	55,565	ITF US DoS Matching Fund	Completed	
8	Radimlja canyon	6659	9,747	Handicap International	Completed	1 mine
9	Kunak Granicni Prelaz – Trebinje	51577	49,418	UNDP-CRPR	Completed	12 mines
10	Spilja Vjetrenica, Zavala-Ravno, Greater Trebinje	3255	47,847	UNDP-CRPR	Completed	2 mines
11	Gluva Smokva 3- Trebinje		86,203	ITF US DoS Matching Fund	Completed	
12	Gluva Smokva 6- Trebinje		29,916	ITF US DoS Matching Fund	Completed	
13	Gluva Smokva 7- Trebinje		40,888	ITF US DoS Matching Fund	Completed	
14	Gluva Smokva 8 - Trebinje	52463	25,175	UNDP-CRPR	Completed	37 mines 5 UXO
15	Poljice zapadno - Trebinje	52266	16,942	UNDP-CRPR w	Completed	6 mines

				Italian Funds		
16	Donja Bitunja – Berkovici/Greater Trebinje	52627	3,990	UNDP-CRPR	Completed	2 mines 1 UXO
17	Misljen Jankusa – Ljubinje/Greater Trebinje	50107	16,821	UNDP-CRPR	Completed	5 Mines
	Total		729,763			122 mines 8 UXOs

*Accomplishments in wider perspective:*

In the CRPR project document, demining priorities in 2006 were stated as follows:

Table 2: table of suspect mine area

Municipality	Suspect Area	Cleaned	Priorities 2006
Mostar	100,10 km <sup>2</sup>	2,44 km <sup>2</sup>	0,121 km <sup>2</sup> (cleaning) 0,136 km <sup>2</sup> (technical survey)
Stolac	26,40 km <sup>2</sup>	0,88 km <sup>2</sup>	0,233 km <sup>2</sup> (technical survey)
Trebinje	17,49 km <sup>2</sup>	0,69 km <sup>2</sup>	0,020 km <sup>2</sup> (cleaning)

The table describes the priority areas for all three municipal areas of the CRPR – the sum of which amounts to 0.51 km<sup>2</sup>. Combine this with the fact that the CRPR project is directly linked to the clearance of over half a million square meters of land, it is fair to say that the CRPR comprises a significant proportion of demining activities in the project area. Local capacities to demine are limited and any additional donor-related contribution is significant to decontaminating BiH of mines and UXO.

### **5.2. Waste Management**

Waste collection suffers from a recurring cycle of poor waste disposal habits (by local inhabitants, businesses, Diaspora and tourists), poor waste collection (by public utility companies) and poor revenue collection (poor enforcement). The social and environmental issue of waste collection was made more acute in the aftermath of the recent war with the break down in public services, making its correction more difficult. To combat the central issue of illegal waste disposal the CRPR took a three step approach to addressing the issue:

- Step 1: improved waste collection capacities
- Step 2: improved waste clearance capacities
- Step 3: improved knowledge, attitude and behavior

The first steps, by the CRPR project, towards breaking this cycle were initiated through the provision of waste collection equipment to help rebuild some of the capacities of the public utility (PU) companies to collect waste in each of the municipal areas. The second step was to provide heavy equipment for the sustainable clearance of illegal waste by the PU companies. The third step is to back-up the 'hardware' -

already distributed - with a 'public information campaign', that is to focus on the soft issues that are the cause of repeated waste disposal and to provide essential training in strategic and financial management to the public utility companies that should result in better utilization of resources and improved collection of revenues.

All three steps have been completed during the implementation process. Although second step took place in the early stage of the project implementation, due to currency fluctuations and available funds, the project succeeded to respond to the requests from the field and complete some activities of this step at the end of the project.

Number of the sites cleaned of illegal waste are situated near the potential tourism locations or along the roads leading not only to tourism locations but also to local schools. In Stolac for example, on the location of Velika Vala dumpsites on the both sides of the road were cleaned, covered with new soil and new flora was planted. This particular location was chosen for waste cleaning due to its importance as it is located on the entrance road to Stolac and visible for all tourist and visitors. At the same time it was also a health threat to local residents, especially children who pass the road on the way to school on daily basis. Since local residents were the ones who disposed the waste on that location, the Project team in its awareness raising campaign targeted the residents and it is evident now that after a while there is no more illegal waste on that location meaning that the importance of the project activity was realized and accepted by the local population. The project also received great help from the local Public Utility Company not only in cleaning the site but also in organizing new waste collection point for the local residents and scheduling new waste pick up periods.



Velika Vala before waste clearance action



Velika Vala after

*Output 2.1.1 Basic waste management capacity increased at the local level and awareness raising services provided*

Waste management capacities have been increased at the local level through the procurement and delivery of waste collection equipment to each of the public utility companies. This kind of material assistance is part of an integrated attempt to improve the proper and sustainable management of waste collection in the area once the CRPR project comes to an end.

In total, 785 various units of waste equipment were delivered to the local public utility companies. The breakdown is as follows (see table below).

Table 3: Waste collection

Municipality
--------------

equipment				
Description	# of units	Blagaj	Stolac	Trebinje
Procurement of 1100 l bins	215	45	70	100
Procurement of 1100 l sorted bins	39	3	3	33
Procurement 120 l PVC bins	350	350	0	0
Procurement Baroque bins (set)	60	30	30	0
Procurement concrete bins (set)	100	0	0	100
Procurement - collection tricycles	3	0	3	0
Excavator	1	1	0	0
Truck	1	0	1	0
Computer + Monitor	5	5	0	0
Network Server	1	1	0	0
Motor saw	1	0	1	0
Mower	3	0	3	0
Drainage pump	1	0	1	0
Hammer drill	1	0	1	0
Plate compactor	1	0	1	0
Telescoping pole pruner	1	0	1	0
Trimmer	2	0	1	0

The public utility companies are very pleased with the equipment delivered. Empirical evidence suggests that the equipment contributes directly to the beautification of the project area and to the sense of belonging of the local population as a result of the properly collected waste. More research should be conducted to verify this information.

Further assistance to the public utility (PU) companies was required to ensure proper waste management is conducted on a sustainable basis. Clearance of illegal dumpsites was, for instance, contingent upon the delivery of heavy equipment, i.e. vehicles for waste management such as a truck and an excavator. In line with this requirement, an international tender was initiated for the procurement of these items for Stolac and Blagaj, respectively. Delivery was made in August and September of 2009.

As a result, clearance of illegal took place in Stolac and in Mostar-Blagaj. Through the end of the project, all five sites in Stolac have been cleared, and 3 of those filled and re-vegetated. The five sites that are cleared are the equivalent of 1,200 m<sup>3</sup> of waste.

In Blagaj, the total amount of identified illegal waste was 1,300 m<sup>3</sup> across seven different sites. Below is a table of the status of sites for clearance in both Stolac and Blagaj:

Table 4: Areas for Waste Clearance in Stolac and Mostar-Blagaj

Name of site	Quantity (m <sup>3</sup> )	Status
<i><u>Stolac</u></i>	<u>1,200</u>	1,200 m <sup>3</sup> cleared
Jasoc	400	
Prenj	180	
Aladinsko Brdo	250	
Hodovo	200	
Radimlja Kanjon	170	
<i><u>Sub-total</u></i>	<u>1,200</u>	1,200
<i><u>Mostar-Blagaj</u></i>	<u>1,300</u>	Pending
Greblje 1	50	
Greblje 2	300	
Kurbaniste 1	150	
Kurbaniste 2	50	
Kosor	250	300
Kosor 2	250	150
Badzaci	250	150
<i><u>Sub-total</u></i>	<u>1,300</u>	600
<b>TOTAL</b>	<b>2,500</b>	<b>1,800</b>

In total, 2,500 m<sup>3</sup> of waste was clear at the end of the project activities. Cleaning activities took place on 12 specific sites and 72% of total illegal waste was cleared from these locations. The productivity would be higher if it wasn't for certain technical and administrative impediments. Unfortunately, the problem of organized waste disposal in Mostar remains huge problem. Official sanitary landfill of city of Mostar is still not fully functional and there is a problem in disposing waste due to its inability to accept certain types of waste. Therefore, there was a problem in Mostar of finding location where to dispose construction waste that is most often found on illegal waste sites. Blagaj officials tried to overcome the problem in cooperation with a local entrepreneur who offered his former excavation site as a place to be filled only by construction waste. However, soon after the action started it was stopped due to complaints by landlords of neighboring properties. It is assumed that this administrative hold up has some political connotations and unsettled scores from past. Nevertheless, Blagaj officials are now intensively looking for alternative location and soon after the location is found they will continue with clearing remaining 30% of the illegal waste from their area.

Along with the clearing activities, the PUCs from Stolac and Mostar installed in total 5 container shelters, 1 in Stolac in between elementary and secondary school. In Blagaj, container shelter have been placed in 4 locations.

From January to March 2010 CRPR project recruited short-term management consultants with experience in working with public companies to provide technical assistance to public utility companies in Stolac and Mostar-Blagaj municipalities. The principal objective of the assignment was to develop better administrative waste management practices of public utility companies in target region. Specifically, this assistance aimed to improve strategic planning, financial planning, accounting, budgeting and financial analysis capacities of the abovementioned public utilities, to indentify non-

compliance to EU Waste Management Legislation relevant to local/regional authorities and to explore how residents perceive the waste management system in the communities.

Fourteen training sessions were conducted for PUs staff with content addressing the needs. Participants also evaluated each workshop for effectiveness. Also, participants' knowledge gained from these workshops has been measured through the final test. Results showed that knowledge gained from trainings was at very high level of 91,7%.

Apart from providing trainings to public utility staff, part of the assignment was to develop survey together with public utility companies' staff that will explore citizens satisfaction with waste management service provided by these companies in Stolac and Mostar-Blagaj region.

The survey was designed to cover non-hazardous waste and to explore how the residents perceive the waste management system in their local communities, to find out about their preferences for future improvements and willingness to be actively involved. Some 200 questionnaires were send out in each local community and this should results will be used to provide statistical feedback for the waste management strategy that eventually will be developed in the future, with pre-accesion process to EU.

For most participants it was a first exposure to formal training of this kind. Training feedback shows that public utility staff would appreciate more frequent trainings and updates with special emphasis on PCM and EU waste legislation. It was obvious that many participants (PU Staff) were not aware of topics such as strategic planning or EU legislation at all.

*Output 2.1.2 : Needless waste disposal reduced through awareness raising services provided.*

Initial attempts to deliver this service in-house yielded little results. A later decision was taken to outsource this activity to an experienced environmental NGO/company from within BiH. A tender was issued in January 2010 and contract with the service provider Boram was signed in March 2010. First activities of the campaign commenced in early April 2010 and they included development of comprehensive communication strategy together with creative concepts and proposals. Through a baseline research it was noted that although CRPR project managed to increase the waste collection capacities of public utility companies, certain number of residents still continued to dispose waste improperly. The campaign aimed at raising awareness on needs for proper waste disposal and consequences of irresponsible handling of waste, such as health and safety issues. The emphasis of the campaign was on waste reduction.

The service provider produced several printed materials that were distributed equally in all three local communities. The printed material (including bags, stickers, leaflets, brochures) contained clear messages promoting proper waste disposal. These materials were distributed on streets and three elementary schools in all three municipalities. In addition to the printed material, elementary school children were led through and provided with an educational video game that was designed for fun-induced education on ecological approach to the environment protection. Total of 1,500 copies of the CD game "Reciklograd" (recycle city) were produced and distributed to the three above mentioned elementary schools during three workshops.

In April 2010, a cleaning campaign was organized in Trebinje together with 20 volunteers from the local hiking club where around 300 meters of the area, along the tourist hiking route, was cleaned of illegally

disposed waste. The action was supported by the local power plant which provided machinery equipment and municipality by committing to ensure the area stays clean by placing warning signs.

Total of two round tables were organized during the campaign. The aim of the round tables was to involve all stakeholders into discussion on problems regarding waste management and produce suggestions for improvement. For this purpose, the service provider invited managers from the most successful utility company in BiH to the region in order to present good practices and encourage local stakeholders to persist in their intentions to make a change in attitude. The roundtable in Blagaj resulted, for the first time in post-war period, with joint initiative from stakeholders from Stolac and Blagaj to the Cantonal Ministry for introduction of new measures regarding illegal waste disposal. The results of this initiative are yet to be seen, however, it is important to note that local residents from two different communities are willing to jointly tackle the problem of illegal waste disposal.

### ***5.3. Income Generation for Poverty Reduction***

The CRPR project area of south-east Bosnia and Herzegovina is characterized by limestone marked by ridges, caverns, gorges and abrupt fissures in what is home to the world's largest karst landscape. The top soil is subsequently poor, yet the number of days of sunlight is one of the highest in country, as it benefits from the Adriatic climate.

For this reason, tourism is an important addition to the unfavorable topography and the predominantly rural-based, subsistence livelihoods. To date, the CRPR project has managed to capture a number of the sub-projects identified, prior to the start of the CRPR project, by Mr. Lionel Becherel, International Tourism consultant, in November 2006. The report had set out a number of potential projects which acted as a basis on which to issue micro capital grants.

Public call for project proposals was initiated in late 2008 and total of 12 finalists were selected by the Steering Committee. Through the end of the project 11 out of 12 completed proposed project activities. Some delays were experienced by three of the 12 NGOs due at large to time taken to obtain the required permits from the relevant authorities. Unfortunately, 1 of the grant recipients managed to complete only one phase of the project and failed to obtain necessary permits in order to ensure timely implementation of the pending activities. This was mainly caused by the crisis within the City of Mostar Administration which was blocked due to political disorder until early 2010.

In total, 71 new/existing permanent and temporary jobs were secured through the various sub-projects. The total number of beneficiaries is 1,144. Beneficiaries are defined as persons who are either employed directly by the project, who are local producers/suppliers and who benefit from the developed facilities through visits/exchanges and study tours. Not all of the sub-projects have realized their full potential and more jobs and income are planned as the sub-projects unfold.

Demining and Waste Management activities created direct positive effect for the implementation of several micro-capital grant projects within the scope of CRPR.. For example, project implemented by the STK Blagaj (tourism offer on Bunica river) directly benefitted from the demining activities because the land cleaned from mines was later put in use as starting point for canoe safari tourism product, while at the same time in Blagaj a project implemented by the NGO Novi Val (eco center) benefitted from the waste removal activities because the road where the illegal dumpsites existed was leading directly to their eco center. In Stolac, two out of three projects, namely Radimlja Necropolis and Badanj Cave, also directly benefitted from the demining and waste removal activities. Radimlja necropolis is the best



example due to the fact that the activities financed and managed by CRPR at this historic locations interlinked all three components, income generation and capacity building of local NGO, waste removal and the restoration of cultural heritage component conducted by UNESCO (restoration of the thumbstones).

A detail of the progress - regarding micro capital grants - is provided in Appendix A. Below is a summary of the key data available.

Table 5: Summary table of key data for sub-projects

Indicators	Figures
# of Beneficiaries	1,144
# of Beneficiaries from Vulnerable Groups	316
# of Women Beneficiaries	257
# of Trained Beneficiaries	705
# of jobs created/sustained	81 (63 from vulnerable group)
Income created since project start-up (in BAM)	37,561

*The return on capital deployed will be recovered within two to three years. In view of the fact that the CRPR is a social project (and not motivated by profit), the net benefit to the communities will more than outweigh the capital deployed through returns to the communities over the coming years.*

Output 3.1.1: Baseline Studies on Poverty Reduction Conducted

In the project document baseline surveys are mentioned as a sub-activity of Activity 3. Nevertheless, no specific budget was actually allocated for this activity. As a low-cost solution, the CRPR resorted to conducting a participatory workshop in September 2008, to bring together local ideas on tourism potentials of the project area and to foster joint project proposals between communities. The idea was that the responsibility for providing a snapshot of the current situation in each of the sub-sectors within tourism would fall to the NGOs.

Consequently, the CRPR project then requested all shortlisted applicants to provide detailed accounts of the economic and social context in which their projects would operate and that this be inserted in their proposals. This information, however, was not satisfactory.

During a visit by the UNTFHS, the importance of baseline surveys was reiterated, whereupon the project decided to tender for such services. On 12 October 2009, three private companies submitted bids for the tender and a selection was made by an evaluation team. In late 2009 a contract was signed with Kronauer Consulting company and task was completed within 4 weeks period. The overall implementation methodology for conducting the socio-economic assessment of the socio-economic status of these CRPR communities was designed to clearly identify the objectives of the assignment, the required sources of information, and the most appropriate methodology. The general aims of the survey were to:

determine the poverty incidence in the CRPR Project area, and determine the perceptions that the communities have of each other.

The summary of the assessment is attached as Appendix B.

*Output 3.1.2: Workshop for technical support, knowledge transfer and follow-up coaching for poverty reduction organized.*

In October 2008, the CRPR project organized training on basic project cycle management for 25 stakeholders from all three municipalities. The aim of the training was to help stakeholders understand project cycle management techniques, specifically formulating projects, working on logic framework and goals definition.

Fifteen beneficiaries attended an international tourism fair in Zagreb from 02.04.2009 to 04.04.2009 from all three municipalities. The attendance was a part of a series of tourism fairs organized in the area to help promote participation as exhibitors in the long-term. A number of other beneficiaries also attended the international tourism fair in Mostar during May 22, 2009. The export promotion agency was also contacted, through the UNDP business broker, to provide training on participation and presentation at such fairs for future reference. However, no response in this area was received.

In light of the grant funds disbursed, a training needs assessment (TNA) was done at the beginning of 2010 and it identified appropriate interventions aimed at improving the knowledge base, technical know-how and financial and operational sustainability of the income generating activities. Although the initial necessary training in project cycle management was conducted in earlier project stage, the project team identified certain shortfalls in skills and knowledge of partners in micro-project implementation. Mainly, these shortfalls were seen in lack of operational skills once the NGO were supposed to handle incomes. Therefore, the decision was to deliver necessary knowledge and skills to the partners through an expert in business development who has excellent knowledge of NGO operations and legislative. Unfortunately, early analysis did not show these shortfalls as all partners looked promising with their previous records of training and project implementation history. However, they became evident as activities moved along.

Following the training needs assessment, CRPR project engaged the Business Development (BD) Expert who assisted the NGOs in developing business plans and provided one-on-one coaching/consulting to improve strategic planning and marketing skills for business so as that their success can have a trickle-down effect so as to improve the lives of as many community members as possible. The Business Development Expert focused on following topics: Strategic Planning and Management; Operational Management; Day-by-day Business Operations; Management vs. Leadership; Marketing – How to find, reach and hold market position; Finances – Finances for entrepreneurs, sources and planning. Methodology for delivering these trainings varied from joint sessions to one-to-one coaching in each NGO recipient of the grant. Feedback from these trainings was excellent and beneficiaries were pleased with the content of the training and Expert's approach equally. Apart from building beneficiaries' skills in strategic planning, the training achieved unexpected result on this occasion and that was reflected in joint initiative to form first tourism cooperative that would work over the inter-entity border line. However, due to approaching end of the project, CRPR could not further support this action other than to provide quality consulting on necessary steps that needed to be taken in order for this idea to be taken to life.

Further to this, the project attempted to recruit a local tourism development expert but to no avail. The position was then changed to an international position and recruitment was more successful in identifying competent candidates.

About the same time as business development trainings, March-April 2010, a Tourism Development Expert was engaged to deliver tailored trainings/coaching to NGO grant recipients in building sustainable tourism products. The focus of the training was to create joint and individual packages, develop marketing skills and build business linkages. As in the case of business development training, the methodology of delivery was one-to-one coaching and joint sessions. Specifically joint sessions were done in cooperation with media specialized consulting company who also worked on design, production, and marketing of tourism products promotional material. The training, communication and research conducted during this consultancy assignment, however mistimed it may have appeared to be, will have a constructive effect not only on how to place and promote their products in a complex and competitive market but in which direction they should be directing their energies. It is clear that most of the stakeholders see a long-term role of tourism for themselves and their communities and that much is still needed to be done in order to truly coin their efforts sustainable community based tourism. Concrete results of the training were itineraries, later included in the promotional material, and business linkages with domestic tour operator mainly working on inbound tourism. The later was also organized in cooperation with the media specialized consulting company.

#### ***5.4. Cultural Heritage<sup>2</sup>***

The project identified three monuments from the list of monuments with national cultural and historical importance to be restored by UNESCO in cooperation with the BiH State Commission for the Preservation of National Monuments and also with the support from local authorities. These monuments are: Stjepan Grad in Blagaj, the Radimlja Stecak Necropolis in Stolac and the South Gate of the Old Town of Trebinje, All of them date back to medieval period in the history of the country and are equally significant to all three major ethnic groups. After the restoration they were open to visits by local population and tourists as historical attraction. Hence their importance is twofold; on one side they increase the historical touristic offer in the region whereas on the other they strengthen the links among local ethnic communities and lead to their better mutual understanding. The role of UNESCO in this endeavor consisted in conducting necessary researches as well preparing and issuing tenders, including all relevant historical information, data and pictures for an accurate account of historical facts on artifacts.

##### **5.4.1. Conservation / protection of medieval necropolis of *Steæci* at Radimlja near Stolac**

Radimlja is a collection of 133 tombstones from medieval period of Bosnian history and it is located 3 km away from Stolac city center. In spite of their extraordinary importance as a source for researchers of medieval Bosnian community, the thumb-stones were not appropriately protected nor was the site organized in such a way to would represent a historical attraction.

In order to remedy this problem on 15 June 2009 the Federation BiH Institute for protection of Cultural Heritage, a body making part of the Federation BiH Ministry of Culture and Sports, prepared a detailed project for restoration /conservation of this necropolis under the contract number FC 09 24. It was on the basis of this project that UNESCO signed a contract with the National Museum of Bosnia and

---

<sup>2</sup> Full report received from UNESCO is attached to as Appendix E

Herzegovina on 16 November 2009 with the following tasks elaborated in detail in the ToR which was attached to the contract:

1. In accordance to the design – project documentation prepared by the Institute for Preservation of Monuments of Federation Bosnia and Herzegovina, to carry out required conservation – restoration works on the Stecak's – Tombstone of Radimlja Necropolis near Stolac, The conservations-restoration works will include the following activities, as per the original Bill of Quantities attached in annex 1 of the contract:
  - a. Preparation of detailed documentation and reporting
  - b. Cleaning works and soil works
  - c. Conservations works
    - i. Conservators cleaning of corrosion products
    - ii. Conservation - restoration –works
2. To ensure verification of the implemented works by the relevant – responsible Institution of Federation Bosnia and Herzegovina

The contract with the National Museum was successfully completed in April 2010, resulting in complete conservation of all tombstone of the necropolis ensuring their long term protection. The intervention allowed for the implementation of the complementary UNDP activity of the CRPR project, namely the development of tourism in Stolac municipality through reinforcement of tourism capacities and reconstruction of Radimlja centre (contract with NGO Troya).



Radimlja necropolis after completion of conservation works

#### **5.4.2. Conservation / restoration Medieval Stjepan City in Blagaj near Mostar**

Medieval City of Blagaj was a stronghold of Bosnian aristocracy during the medieval period until it fell into the hands of Ottoman conquerors in 1473. In particular, it was a from 1404 onwards it became a stronghold of the rulers of Herzegovina region, then called Hum, among them Herceg StjepanKosaca after whom the whole region was named in a later stage of history.

As in the case of Radimlja Necropolis the restoration of this monument was conducted in two stages. The first stage included development of a project for its restoration and conservation by the Federal Institute for protection of Cultural Heritage of the Federal Ministry of Culture and Sports (in line with the contract no. FC 09 24, on 16 November 2009). Following the completion of the first stage in November 2009, UNESCO, together with the City of Mostar – Old City of Mostar Agency, prepared and issued a tender for the restoration works. Based of the tender results contract was awarded to “Gramon” company and signed in February 2010. The works which included the restoration of the main gate, mane front wall as well as of the mosque and two water tanks were fully completed by June 2010. The quality insurance and supervision of this project was provided by the Federal Institute for protection of Cultural Heritage, as per the contract signed with UNDP. The Institute also accepted to provide technical backstopping and supervision to all cultural heritage activities implemented by various NGO’s from Blagaj and Stolac.

It is worth underlining that the entire activity was conducted in full partnership with local authorities, such as the City of Mostar and the Government of the Federation BiH. The latter previously earmarked 120,000 EUR for the restoration of this historical monument and this amount was increased by 50,000 EUR after the support for it by UNDP with UNTFHS funds was announced.

In a short-term plan the monument will serve as one of the main historical attractions in the City of Mostar, leading to the increase of visits to Blagaj area but also to the income generation through tourism and full time employment of local staff for the purpose of its safeguarding and managing.



Stjepan town fortress

**5.4.3. Restoration of the South Gate of the Old City of Trebinje**

Based on the contract signed with the Institute for protection of monuments of Republic of Srpska, signed in November 2009, a detailed project for the reconstruction of the main gate of the Old Town of Trebinje as well as partial restoration of the water trench ( part of the original protection system of fortification). Following the tender procedure organized the contract with the Company Porobic was signed in January 2010. The preparatory works begun on February 2010 and complete reconstruction of the gate was completed in June 2010.





Gate of the Old Town of Trebinje after reconstruction

Outcomes and outputs accomplished:

Developed capacity of municipalities to generate employment using pro poor approach.

Community reconciliation through to poverty reduction strengthened.

Achievements as measured against stated objectives.

Income generation created through engagement of local labor and craftsmen during restoration works

Both objectives set within the original project document are achieved:

1. Preparation of studies on the present conditions of all potential monuments, required documentation is prepared and they were base for physical implementation of the works within the 2<sup>nd</sup> phase of the project;

2. Restoration/preservation of cultural heritage sites in each target municipality and utilised for income generation purposes

Medieval necropolis of Steæci at Radimlja, Municipality of Stolac is conserved. The South Gate of the Old City of Trebinje, is reconstructed. It should be noted that part of the water channel is being excavated and restored.

## 6. MID-TERM EVALUATION

During the implementation of the project the CRPR conducted mid-term and final evaluations. The mid-term evaluation (MTE) had been performed by an independent external MTE team, hired through a

competitive process, consisting of International Evaluation Consultant and Team Leader, Alex Boyd and Local Monitoring and Evaluation Expert Dr. Esref Kenan Rasidagic. The MTE was conducted from 13 – 21 July, 2009 and its purpose was as to assess the achievements of the CRPR until the mid control point of the implementation and to review and make recommendations towards the planned activities for the duration of the project and beyond. The comments encompassed both CRPR project area but also a wider scope of the country including the UNDP's role, the identification of key lessons learned and future project ideas.

The final evaluation (FE) was performed near to the end of the project in late March and early April 2010, by a team consisting of one International Evaluation Consultant/Team Leader, Alex Boyd and one Local Evaluation Expert Consultant, Ramiz Tulumovic.

The purpose of this evaluation was to assess the final achievements of the CRPR towards the planned activities for the duration of the project, including to which extent UNDP project teams has managed to incorporate the lessons learned and recommendations produced during the mid-term evaluation.,. The evaluation also assessed the extent of UNDP's commitment to the human development approach and how effectively equality and gender mainstreaming have been incorporated in the design and execution of the project.

#### *6.1. Evaluation Approach and Methodology*

The FE methodology included three primary activities:

1. Preliminary desk review, initial briefing and stakeholder interviews
2. Field visit to project area
3. Evaluation write-up

The assignment took a broad overview of the project area by gathering perceptions, aspirations and field data from relevant stakeholders of both women and men, for objective analysis to provide suggestions and key actions for the development of the tourism sector in south-east Bosnia and Herzegovina.

#### *6.2. Principle Findings, Conclusions, Recommendations and Lessons Learned*

Findings, conclusions and recommendation are presented for each of the CRPR Project's four Components, followed by the presentation of overarching Programme findings, conclusions and recommendations. The full reports for both MTE and FE are attached to this Final Report.

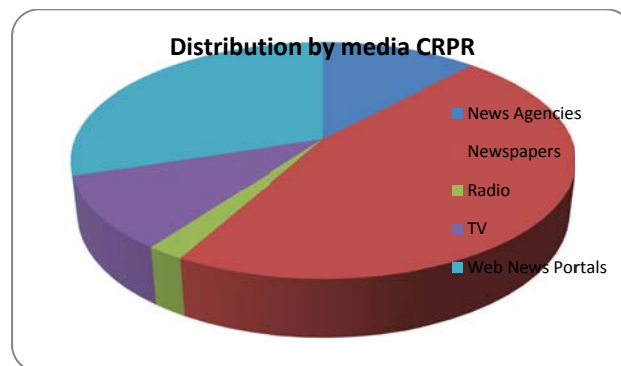
### **7. VISIBILITY**

Major visibility activities of the CRPR took place in the last stage of the project. Besides the awareness raising activities conducted under Waste Management Component and visits to the tourism fairs in the early stage of the project implementation, the project team organized several promotional events in



support to the completed activities. For example, in summer 2009, a promotional event was held in the area of Blagaj where in one place the project presented achievements in this area attained under 3 of the project's 4 components, namely Demining, Waste Management, and Income Generation. In regard to demining, the area of Spring of Bunica River, previously mine contaminated, was announced as a new adventure tourism site. The announcement also emphasized the importance of the completed mine cleaning for the local returnee population that now were able to have a free access to their lands without the risk of mine accident. Also, as a part of income generation activities, a new tourism product, the Canoe River Safari, was presented at the event along with new machinery for waste management that was used for clearance of illegal dumpsites and donated to the local public utility company. The event was co-hosted by UNDP Resident Representative, Ms. Christine McNab, and Mayor of Mostar, Mr. Ljubo Beslic. The media at the event was represented by some dozen of journalists from all local and national TVs and newspapers. The most important of all the event was attended by huge number of local population who showed up simultaneously to express their support to the project.

Apart from the public events on site the project also organized other important visibility campaigns such as design, printing and distribution of 13 printing materials that was done in partnership with local stakeholders. Furthermore, a short documentary film on the CRPR project activities was produced on DVDs and distributed to all stake holders but also broadcasted on national and entity televisions. As a result the CRPR project gained great media attention which remained even after its closure in summer 2010 which underlined its innovative approach and wide spectrum of interventions (tourism, creating employment, restoration of monuments, waste management and demining as well as other forms of support to local communities). The information on the project appeared in 23 printed articles, 15 web features, 6 agency news, 5 TV features and one radio, all of them affirmative.



## 8. CONCLUSIONS

During 2 years of implementation the CRPR project set out to achieve a number of targets set in the project document, namely:

- Humanitarian demining of 180,000 sq m of category one land
- Clearance of 70 percent of illegal waste in the three communities
- Income generation with 30 percent going to vulnerable groups and
- Restoration of three national monuments, one in each community

All of these milestones were achieved and even exceeded in some of the four areas:

- Humanitarian demining of over 700,000 sq m of category one land
- Clearance of over 70 percent of illegal waste in the three communities
- Income generation more than 30 percent going to vulnerable groups and
- Restoration of three national monuments, one in each community

Above mentioned figures indeed do show that the project achieved goals set in the project document, however, most important is the effect that achievement of these goals had on reconciliation between three communities in east Herzegovina. Although there were some attempts in previous period by international donors to bring stakeholders from different local communities at one table and work together, there is no record that such activities yielded with concrete results. The CRPR project succeeded in its attempts to have joint products between three (what are still ethnically divided) local communities in east Herzegovina and trigger the cooperation that barely existed before.

The CRPR project set out to develop tourism in the three communities of Mostar-Blagaj, Stolac and Trebinje. Instruments set by the project document stipulated humanitarian demining, waste management, income generation and cultural heritage as the four major components. Through these components the project was able to contribute to the existing tourism attractions that act as a hub for other add on activities.

The Herzegovina region, unlike other areas in the country like the north-west region of BiH -where tourism is focused around the Una River and on outdoor adrenaline sports - is set apart by the numerous cultural heritage sites that benefit also from a warm Adriatic climate, mild winters and close proximity to the sea. However, similar to most of BiH, Herzegovina is still reaching out to attain its full economic potential with respect to tourism, whilst keeping dear the principles of sustainable tourism development.

One of the positive effects of the collapse in industrial production after 1990 is the reduction in carbon emissions and the general recovery within the environment against contamination by human consumption. Environmentalists have taken note of this positive trend and now press home hard the need to maintain the cleansed rivers, many of which contain fresh spring (potable) water.

Against this backdrop, sustainable tourism has become a central theme among tourism operators within BiH. In absence of a state level tourism ministry and hence state level policy towards tourism, large capital investments in hotel-complex type investments have not transpired. This has left many tourism operators with the tricky task of balancing small individual investments without any central scheme to attract tourists from major inbound markets towards a reliance on the adventurous independent traveler. In contrast, other countries with long coastal borders boast large marketing budgets supported at the state level that target mass tourism.

It is unlikely that BiH as a country will any time soon become a global mass market tourism destination that could be measured with high developed tourism destination countries, due to its geographical position, lack of necessary infrastructure, such as auto ways and sufficient number of airports, as well as lack of support policies and laws that would lead to creating friendly environment for the boost of tourism industry. However, certain parts of BiH, like Herzegovina, capital city of Sarajevo and north-west Bosnia (Krajina region), have scored increased number of touristic visits over the last years and have opportunity to further utilize its natural, historic and cultural resources thus leading to increased income generation and reduction of poverty. To that end these regions should take advantage of bordering nearby high tourism destination Croatia by engaging in cross-border projects. These project will necessarily require increased cooperation of numerous communities in both entities in BiH as well as on both sides of the border and will lead to increased confidence among different ethnic groups, consequently leading to the reduction of inter-ethnic tensions and human security threats.

Subsequently, what the CRPR project did was to work within a community-based tourism approach that built on those natural endowments that required limited external support and financial resources whilst keeping in mind the need to bring the disparaging communities towards a common future with improved collective work capabilities.

In this sense, the CRPR achieved its goal by raising the commitment levels of these NGOs to form a cooperative, the first in BiH, which also crosses into both entity boundaries. The question that remains is whether such support by the international community can be continued - to ensure a succession of phases for iterative learning and building of these capabilities over a longer period.

The project has been implemented in direct consultation and cooperation with key partners on state, entity and municipality levels, such as the Ministry of Foreign Trade and Economic Relations (MOFTER) of BiH, Regional Development Agency for Herzegovina (REDAH), The tourism Association of Herzegovina canton (HNK), the municipal representatives and offices of Blagaj, Stolac and Trebinje, recipient institutions of micro capital grants (NGOs), the BiH Mine Action Committee and public utility companies. Also, coordination has been established with other international agencies, such as European Commission Delegation to BiH, JICA and USAID.

## **9. LESSONS LEARNED AND RECOMMENDATIONS**

### ***Project Management:***

Evidently the project implementation was impacted with late recruitment of Project Manager, periods of being understaffed and late receiving of donor funds. These, usually caused by bureaucracy, impediments could be avoided in the future by speeding up the process of the transfer of funds and presence of the core staff in the field that could undertake immediate actions. The project was able to secure limited presence in the field, however, it is recommended that in the future phases there is a constant presence in the field, which may require additional recruitment. The communications strategy should be built into every phase of the project and each communications effort should build on the previous effort so that by the conclusion of the Project when a final promotional campaign is developed, there is a complete body of work to draw on and a progression and evolution to highlight.

Mid-term and final evaluations provided constructive independent findings and recommendations that were taken into account when planning actions.

### ***Humanitarian demining:***

Interventions of this kind should be considered in the future concerning the fact that large portion of BiH land still remains contaminated with mines and UXOs. The effect of such activities could be multiplied by potentially adding new segment which would assume further increasing the capacities of local civil protection units. Along with demining interventions, some activities and funds should be dedicated to strengthen local civil protection units to further bolster awareness and work on prevention of mine accidents (although they are extremely rare in this area) and ensure that they are adequately equipped and trained to organize rescue missions.

### ***Waste Management:***

Capacity development of PUCs in terms of equipment and machinery was needed, however, stronger human resource training is a necessity that will improve the strategic and financial planning of these companies and consequently ensure the business sustainability. Furthermore, such sustainability will lead to more efficiency in waste management and reduction of pollutions and disease spreading risks. Ultimately it will present a relief to the local authorities' budgets, which could redirect funds currently used to co-finance PUCs to much more needed social programs. Any future activities in this field should assume providing information to stakeholders on other sources of financing, especially having in mind World Bank and EU programs. Technical assistance to PUC in applying to other sources of financing is very much needed.

### ***Income Generation:***

Income generating activities are the ultimate acid test for sustainability. They help to reconcile the altruistic nature of development assistance with the market reality. Grants for income generation should not be provided to organizations that focus on gainful income generation. The acid test of sustainability should be employees' employment support. A database of good practice organizations should be made in cooperation with other UNDP and UN agencies in order to avoid infiltration of self-serving organizations into the assistance programs. In terms of community reconciliation, the proposed formation of a tourism cooperative between eight of the NGOs could be considered as the most important outcome of the CRPR Project. In a region dearth of success stories, this is one that has emerged through the CRPR Project's activities and as such, these tourism NGOs should be supported in identifying the appropriate and sustainable means to fund the formation of the cooperative.

When it has been determined that partner organizations have limited capacities it is extremely important to mobilize technical expertise in early phases of project. This applies equally to both the tourism NGOs involved in Component III and the public utilities involved in Component II. They both needed industry expertise at an early stage in the project to help them establish their organizational visions and priorities and identify appropriate solutions to address prioritized gaps.

### ***Cultural Heritage:***

It is important to continue with consultations with the local community on their needs and close cooperation with them during the implementation of the project. This issue presents very important point for the proper realization and implementation of all projects in the post war countries. Creation of

the good spirit and establishment of the confidence between the international and local community were beneficial to the better and more careful implementation of the projects as well as better future care of the implemented projects. Close cooperation provided the local community with an opportunity to be involved in the projects, as well as to gain full trust in their professional and human resources and capabilities. The authorities and people were not feeling forgotten and they recognized and appreciated an honest and sincere assistance of the international – donor community.

Pure restoration of cultural and historic sites is not enough and it should include appropriate security and management plans. In addition, there should be an advocacy on various levels of authority for introducing improved legislature on management of cultural and historic sites that will enable private companies and consortiums get involved and consequently lead to better sustainability of these sites and income generation and employment.

#### **10. Way Forward:**

CRPR is one of the first UNDP's projects in BiH which sought to tackle the issue of systematic income generation through boosting tourism potentials. Given its sound focus and objectives and successful results the project proved that UNDP should strongly consider developing similar initiatives in future on wider scope as a part of its overall agenda of helping reduce the poverty in the country which is around 18.2%. In doing so it is important to build on the solid base and momentum that has been established by the CRPR project.

In 2010, UNDP BiH developed its Local Development Programme that will work on increasing employment and income generation with particular focus to rural development given the great discrepancy in employment and poverty levels between urban and rural areas. Two primary sectors to be targeted include the agriculture and tourism sectors. Whilst the former will be implemented in all regions the latter will focus on Una-Sana and Herzegovina as regions with an enviable array of natural, cultural and historic attractions for the development of tourism. With already thriving tourist markets in neighboring Croatia and Montenegro, and the possibility of cross-border cooperation to expand tourist offers, the potentials for income generation through tourism in BiH are considerable. In this process UNDP will boost the cooperation with UNESCO wherever possible. Such an approach is expected to yield considerable results in a relatively short span of time.

#### **11. RESOURCES AND FINANCIAL IMPLEMENTATION**

The project utilized 97percent of the resources allocated for its implementation over the course of 24 months. More information on the utilization of resources is provided in Appendix B of this report.

## **Appendix A – Summary report of sub-projects for the Income Generation Component - CRPR**

As foreseen in the Project Document the project provides technical support to local governments and citizens to start up small income generating activities in order to strategically tap into tourism potentials. The project encouraged “inter-entity” cooperation and empowerment of vulnerable groups (e.g. minority returnees, women, and youth) as a condition for the provision of micro-grants. In-kind contribution was also required from the municipalities to invest in basic infrastructure that would have multiplier effects in promoting income generation through tourism. Local stakeholders were invited to create and submit sustainable income generation sub-projects proposals. Experience to date has shown that the implementation of such micro-projects has a multiplier effect on local communities in that income generation opportunities are created for others beyond the immediate micro-grant beneficiary.

The selection process was based on a previously defined and publicly announced criteria. A total of 12 sub-projects were selected by the committee - formed by the UNDP project team, municipal representatives, institutional representatives and independent representatives from the private sector.

The micro-projects summarized here are grouped by geographical position from Blagaj, Stolac to Trebinje (north to south).

1.  
Implementing agency: NGO Novi Val (New Wave)  
Title of the project: Pathways of the Blagaj donkey

Summary:

Protection of the Herzegovina donkey as a threatened species and use of donkeys in promotion of tourism through organized donkey rides. This includes establishing a donkey shelter, promotional material, retail of home-made produce characteristic of Blagaj, employment of 3 guards, photographs of tourists, and visits to sites of interest in Blagaj.

Value:

BAM 38,268.00 / USD 25,020.60

Results:

The project was completed without major disturbances and all project goals were achieved as planned in the project proposal. The NGO managed to complete all preparatory works at the location of the existing Eco Center, for reception of the donkeys. These works included cleaning and ground preparation (*circa* 3,000 sqm), building the stable and hayloft, water tanks, tamping 60m of access road to the stable and 1,100 sqm of parking space, 120m wooden fence and 110m stone wall.

The project envisaged the purchase of five donkeys, yet the area prepared is capable of housing a much larger number and the NGO will expand the number of donkeys in the future. After preparation of the ground, five donkeys were purchased from the Society for the "Protection and Preservation of Autochthonous Animal Species" in Široki Brijeg. The animals were received in good health and easily adapted in their new habitat.

Since the arrival of the animals, the NGO began promoting their new activities, efforts which began to reap rewards during early fall when an increase in the number of visitors to the Eco Center were recorded. Furthermore, several group visits from elementary schools from Mostar and Blagaj were organized where children were introduced to the importance of environmental awareness and preservation of autochthonous species as a part of their national heritage. Also, the NGO established collaboration with the University of Mostar, whose students from the Veterinary Faculty regularly visit the center. To create an additional income stream, the NGO purchased photographic and IT equipment for the center which will now offer the opportunity to produce personalized postcards to visitors.

NGO Novi Val continues to promote its activities and is showing interest in creating a better tourism offer by partnering with other tourism stakeholders not only in Blagaj but also in the Herzegovina region. It is, for instance, cooperating with NGO CRH (Center for Development of Herzegovina) from Trebinje which is an implementing partner of another UNDP sub-project. In addition, there is the intention to sign a cooperation agreement with NGO Krug from Blagaj for the supply of souvenirs that will be sold in the Eco Center. Short donkey rides are already being organized at the Eco Center and NGO Novi Val is preparing for the forthcoming summer season.

There are four direct beneficiaries of the project, however, the number of indirect beneficiaries is much larger and reaches almost 300 schoolchildren in total. The beneficiaries can be split into two groups of beneficiaries. One group is local food producers whose products will be offered for sale at the centre (tea, honey, jam, herbs). The second group consists of school children who are receiving necessary information and training on nature and cultural preservation. The preparation of the grounds involved local residents who will be hired in the future, as well, as the Eco Center will need continuous maintenance.

Table of Indicators: NGO Novi Val

Indicators	Facts/Figures
NGO / Name of the Project	NGO Novi Val
Short Description	4 persons employed for the purpose of the project. Others recipients of trainings.
# of Beneficiaries	295
# of Beneficiaries from Vulnerable Groups	3
# of Women Beneficiaries	57
# of Trained Beneficiaries	295
# of jobs created/sustained	5 (3 vulnerable group)
Area of training	Tourism services; Environment protection



## 2.

Implementing agency: Moto Klub HERCEG Blagaj and Museum Velačićevina

Title of the project: Development of an Ecological Camp and promotion of south-east Herzegovina

### Summary:

Cleanup and procurement of equipment for the Velačićevina home museum, promotional material, multimedia programs for promotional purposes, development and placement of tourist boards/signs and visits to tourism fairs. Clean-up of campsite, riverbanks and access roads, construct a bridge for access, set-up campsite necessities (WC; showers...) and procure equipment for camp maintenance.

### Value:

BAM 65,605.00

### Results:



Implementation of this project started with some delay as the NGO faced difficulties in obtaining permits necessary for the area where the Eco Camp was foreseen to be located. Eventually, a partial permit was obtained and with assurances from the NGO that supporting documentation would be in place in time for the project to kick off. The project comprised of four phases: implemented by two NGOs, the first phase envisaged restoration and adaptation of the Velagicevina home museum with space allocated for a stand to sell local produce and to host cultural events. This phase was completed on time and without any particular problems. The exhibition area in the home museum was cleaned and IT equipment purchased for visual displays and film exhibitions.

However, towards the end of the implementation of the first phase, the sub-project faced a serious problem. Not only had they not secured the rest of the necessary permits, but they had also failed to obtain consent from all neighboring property owners. This forced the two implementing NGOs to identify a different location for the Eco Camp. The Project Board at its meeting on November 18, 2009, addressed this issue and concluded that the NGOs should obtain all necessary permits by the end of the year to ensure the completion of the sub-project in time for next year's summer season.

Unfortunately, a lot of time was wasted on obtaining all the necessary permits and the two NGOs failed to acquire the necessary documentation within the stipulated deadline.

Although the UNDP Project Team still thinks that the idea of having an Eco Camp in Blagaj is still good, the time limits placed by the duration of the project needed to be considered and the sub-project was subsequently terminated. Unutilized funds will be reallocated to other income generating activities. Velagicevina house museum will continue to function successfully as planned in the first phase of the project. It will continue to employ two persons and has ensured sustainability through the sale of local produce. Concurrently, the museum stand will also work to sell local producers' goods, this figure is at a low figure of 17 persons (5 of which are vulnerable group members), but it is hoped that this figure will increase overtime to 40 persons.

**Table of indicators: Moto Klub HERCEG Blagaj and Museum Velagićevina**

Indicators	Facts/Figures
NGO / Name of the Project	Velagicevina Home Museum
Short Description	2 people directly employed, presenter at the museum and a sales person, other indirectly benefiting through sales of their products
# of Beneficiaries	17
# of Beneficiaries from Vulnerable Groups	5
# of Women Beneficiaries	-
# of Trained Beneficiaries	-
# of jobs created/sustained	2 (2 vulnerable group)
Area of training	-
Income created since project start-up (in BAM)	1,850.00



3:

Implementing agency: STK Blagaj City

Title of the project: Poverty Reduction through Sport-Tourism Products

Summary:

Procurement of sport-equipment (canoes, oars, safety equipment, waterproof sacs, bicycles, tents, sports equipment, communication radios, weekend benches, equipment for clean-up of rivers), van procurement for transport of tourists and equipment, promotional material.

Value:

BAM 74,598.00

Results:

All of the activities under this micro-capital grant agreement are completed. Equipment was procured and being used for providing tourism services. STK Blagaj's capacity to accommodate more visitors will result in the hiring of 2 more people in the future. Also, extensive training was organized not only for the members of the NGO who will be employed as service providers but also to the members of the local community who were interested in acquiring skills in tourism service, specifically water sports. Means of transportation were ensured by purchase of a van, where STK Blagaj will not have to outsource this service anymore. This gives them mobility in transporting canoes and visitors. The van will also be at the disposal of the local community and be used for transporting items/people during the winter season. Access will be secured by charging a fee on a daily basis.

So far, STK Blagaj has shown the initiative to cooperate with other tourism stakeholders in area of Blagaj. They have signed business agreements with several restaurants and motels which will promote their tourism product and offer it to their guests in 2010.

There were 183 direct and indirect beneficiaries of the project in total. A majority of them was included through the training and environment preservation activities.

Table of indicators: STK Blagaj City

Indicators	Facts/Figures
NGO / Name of the Project	STK Blagaj City
Short Description	2 persons full time employed, 41 direct beneficiaries, others were engaged in project

	activities upon needs.
# of Beneficiaries	183
# of Beneficiaries from Vulnerable Groups	43
# of Women Beneficiaries	52
# of Trained Beneficiaries	42
# of jobs created/sustained	2 (2 vulnerable group)
Area of training	Water sports as tourism offer
Income created since project start-up (in BAM)	5,350.00



4.

Implementing agency: UG Sportski centar FIDA (Sport Center)

Title of the project: Tourism promotion through the development of sport and recreational tourism in the area of Blagaj and wider Herzegovina region

Summary:

Expanding the tourism offer in Blagaj through the construction of tennis courts, starting visits to Stjepan-grad, Stolac, Trebinje and Medjugorje, and organization of cultural-historical manifestations. Development and procurement of equipment for the football pitch of FK Blagaj and the swimming pool, including maintenance. The project is foreseen result in creation of new jobs; better communication within and among communities through various trainings for different age groups, targeting of children and disabled persons for participation in sports activities.

Value:

BAM 64,015.00

Results:

Initial activities at the project contained preparation of specifications for the equipment that was to be purchased. These activities were done on the part of the association and UNDP followed up with the public procurement process for some of the equipment. Swimming pool dosage system was purchased through UNDP GS unit and the equipment was delivered to the FIDA Sports Center. Unfortunately during the procurement process there was a misunderstanding on the part of vendor and recipient. The vendor did not intend to install the purchased equipment and due to their poor planning some time was lost until they were ready to install the dosage system into the swimming pool. However, these delays did not affect the overall implementation of the project activities as the association continued their works on constructing the tennis court and leveling the football pitch. As the implementation of activities progressed, the association was opening new jobs. So far, 7 new jobs are created. These are in the field of customer service and maintenance. Although delayed, works on installing the swimming pool dosage system were completed and the vendor provided necessary warranty for the season 2010, ensuring that the sports center will be functioning as planned. The sports center recorded significant

income since the project started and they prove to be sustainable in that respect. Along with the construction and installation works, trainings were organized for children from Mostar city area. Children were thought to swim and they were familiarized with water hazards. The Sports Center already entered into negotiations with several football clubs from Bosnia and Herzegovina who could use Center's service during their winter period practices. In case that these negotiations are successful, that would bring not only more visitors in numbers, but will improve the image of the whole area.

Table of indicators: UG Sportski centar FIDA

Indicators	Facts/Figures
NGO / Name of the Project	UG Sportski centar FIDA (Sport Center)
Short Description	7 direct employees at the center, others are indirect beneficiaries, children.
# of Beneficiaries	62
# of Beneficiaries from Vulnerable Groups	7 (employees)
# of Women Beneficiaries	3 (employees)
# of Trained Beneficiaries	55
# of jobs created/sustained	7 (7 vulnerable group)
Area of training	Swimming and water safety
Income created since project start-up (in BAM)	19,900.00



5.

Implementing agency: UG Krug

Title of the project: Initiation of new souvenir production for the benefit of the tourism offer

Summary:

UG Krug was producing certain souvenirs prior to the start up of the project – meaning they already had the necessary know-how about the market needs. The intention of this project is to expand the souvenir production and to familiarize the wider community with the benefits of producing souvenirs for the tourism industry. Furthermore, training in souvenir production for those community members interested is planned to take place periodically.

Value:

BAM 41,344.76

Results:

The NGO Krug, at the beginning of the project, did thorough research on the specification of equipment needed to expand their souvenir production. Purchase of the equipment was done by UNDP and the equipment was delivered to NGO Krug. During this process however there were certain delays caused

by the poor condition of the equipment delivered by the vendor. The equipment was not of working order and was subsequently returned at the expense of the vendor. New machines were delivered which were again tested and confirmed to be in working order.

Training was provided to the members of the NGO who will work on the machine with the raw materials that were purchased. All members passed the training successfully and began utilizing the machines immediately after. NGO Krug has already generated revenue and recorded some profits from the sale of the new souvenirs. Certain activities remain outstanding and they will cover training and involvement of wider community in the souvenir production. Organization prepared training outline for those interested in these activities and public call that will be offered at the expense of the NGO Krug will be announced in December 2009.

In total there are 4 people who are either directly employed by the NVO Krug or who participated in the training.

Table of indicators: UG Krug

Indicators	Facts/Figures
NGO / Name of the Project	UG KRUG
Short Description	All beneficiaries are directly employed by the association and working in souvenir production
# of Beneficiaries	4
# of Beneficiaries from Vulnerable Groups	4
# of Women Beneficiaries	2
# of Trained Beneficiaries	4
# of jobs created/sustained	6 (4 vulnerable group)
Area of training	Souvenir production and use of digital/laser equipment
Income created since project start-up (in BAM)	570.00



6.

Implementing agency: UG Troya

Title of the project: Development of tourism in Stolac municipality through reinforcement of tourism capacities and reconstruction of Radimlja centre.

Summary:

This project foresees the reconstruction of the former restaurant at the Radimlja Necropolis site. The facility is to be turned into a virtual museum where some of the exhibits will be displayed, with most of the site history displayed on screens set around the facility. It is planned that this location becomes the staging post for tourists in Stolac from where the tourists would commence their tour of Stolac and its



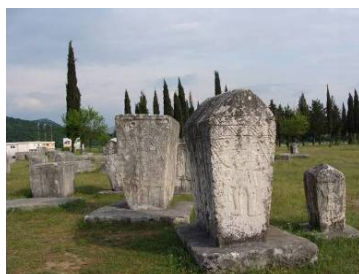
attractions. In addition, a part of the facility will be dedicated to the sale of various souvenirs and local farm produce of local community members. This will not only create direct jobs for those employed at the site but also secure income for local producers.

Value:  
BAM 68,384.00

Results:  
Implementation of this sub-project was delayed due to administrative problems in acquiring necessary permits for the reconstruction of the former restaurant at Radimlja Necropolis site, due to the sensitivity of the site (the site is listed as a national heritage by the State Commission for the Protection of National Monuments). Not only it was necessary to obtain constructions permits, but also NGO Troya needed to obtain consents from the government institutions responsible for protection and preservation of cultural and historic monuments. Nevertheless, all the necessary documentation was obtained and tender process for the construction was completed successfully. The construction company from Mostar was selected, however, it was agreed that the company would mainly use workers from Stolac. Although the project was scheduled to be completed in February 2010, due to bad weather conditions, but also very poor planning and management of the UG Troya, it wasn't until June that all activities have been completed. CRPR project team was very disappointed with the approach the by the UG Troya and will carefully consider any future cooperation with this association. Fortunately, the Municipality of Stolac took the lead in the last stage of the sub-project implementation and ensured that all the activities completed.

Table of indicators: UG Troya

Indicators	Facts/Figures
NGO / Name of the Project	UG Troya
Short Description	4 direct employees at the center with commitment from the Municipality of Stolac to ensure sustainability of the jobs created
# of Beneficiaries	43
# of Beneficiaries from Vulnerable Groups	30
# of Women Beneficiaries	7
# of Trained Beneficiaries	25
# of jobs created/sustained	30 (including temporary jobs all from vulnerable group)
Area of training	Tourism providing service
Income created since project start-up (in BAM)	-





7.

Implementing agency: ZZ Crnici

Title of the project: Accessibility of Badanj cave

Summary:

Badanj cave is a historic site that is located in the proximity of the Radmilja Necropolis. The access road to Badanj cave is made of cobblestones, full of potholes, covered in bush with restricted access and mobility. The environment of the location itself is neglected is also covered in bush. Target groups include the inhabitants of neighboring villages, farmers, returnees and youth since the repaired road will have improved access to a considerable amount of land by local farmers where a mixed community of both Bosnian-Croat and Bosniac reside. Repairing the road and improving access to the site will increase the area of arable land and allow tourists to access Badanj Cave as well as improve the safe return of returnee families.

Value:

BAM 34,120.00

Results:

Similarly, as in the case of Troya NGO, this project was delayed due to bureaucratic obstacles. Having in mind that Badanj Cave is under the protection of the Federal Ministry for Protection of Cultural and Historical Heritage, ZZ Crnici was obliged to obtain all the necessary permits from this Ministry. Process of obtaining necessary permits was finally completed in late summer 2009. Repair works and road reconstruction commenced immediately after.

Another delay in the project implementation was caused by severe weather conditions that lasted for 3 weeks. Extreme heat prevented workers from engaging in lengthy hours on the site. Instead they were limited to early morning and late afternoon hours. For these reasons the duration of the sub-project was extended.

All components of this sub-project were completed through the end of CRPR project. Full access to the Badanj Cave is ensured and in full use. Arable land is once again being cultivated around the vicinity of Badanj Cave and people are returning to their farms. In total improved access to around 1.5 hectares of arable land has been made possible through improvements to the road. A majority of the listed beneficiaries (in the below table) are farmers. The Municipality of Stolac expressed commitment to ensure sustainability of this sub-project by financing maintenance of the location in the future.

Table of indicators: ZZ Crnici

Indicators	Facts/Figures
------------	---------------

NGO / Name of the Project	ZZ Crnici
Short Description	3 people employed directly, other indirectly employed through construction company delivering services
# of Beneficiaries	21
# of Beneficiaries from Vulnerable Groups	3 (employed directly)
# of Women Beneficiaries	Data not yet available
# of Trained Beneficiaries	-
# of jobs created/sustained	6 (2 vulnerable group)
Area of training	-
Income created since project start-up (in BAM)	-



8.

Implementing agency: UG Orhideja (NGO Orchid)

Title of the project: Strengthening capacities of Daorson centre through employment

Summary:

Stolac is reclaiming its old glory as a recognizable tourism destination; with this in mind it is trying to improve the diversity of souvenirs on offer. More souvenirs means more people involved in their production. UG Orhideja is an organization that has worked with vulnerable groups in the past and their intention under this project is to mobilize more members of the vulnerable groups and include them in the souvenirs production. The project foresees acquisition of clay baking ovens for production of clay souvenirs, purchase of raw materials, and organization of trainings.

Value:

BAM 28,966.00

Results:

As planned in the project proposal soon after the commencement of the project, the NGO Orhideja initiated the selection of participants for souvenir production training. Initially four women refugees were selected by the selection committee formed within the organization. Training was organized in several cycles and with various topics, including: sewing, clay forming and baking. These women were employed by the organization soon after they finished the training.

Meanwhile, the organization proceeded with the purchase of raw materials and equipment for the production of clay souvenirs. The clay baking oven was acquired through a competitive process, as was



the raw materials. Production of new souvenirs started immediately after and NGO Orhideja initiated talks with three organizations that have retail sites in Mostar, Blagaj and Trebinje.

In order to create an impact on the wider community, the organization offered training to local community members in production of souvenirs, particularly wooden souvenirs and engraving. Towards the end of the project implementation, the organization faced a number of problems in selling their products, having in mind that it is the low season and there are fewer tourists. However, marketing issues have been addressed by engaging a business development expert that helped the organization improve their planning and marketing skills. This resulted in sale of more than 50% of the produced souvenirs through the end of CRPR project.

The implementation of the project is satisfactory and has potentials in creating income for vulnerable groups. A total of seven people were employed by the organization, six women and one man. The number of beneficiaries involved in the project is higher, 10 women from Stolac participated in organized visits to market fairs in Trebinje and Berkovici, where they had the opportunity to sell their local produce and earn an income.

Table of indicators: UG Orhideja

Indicators	Facts/Figures
NGO / Name of the Project	UG Orhideja
Short Description	All beneficiaries directly involved in souvenir production
# of Beneficiaries	7
# of Beneficiaries from Vulnerable Groups	7
# of Women Beneficiaries	6
# of Trained Beneficiaries	7
# of jobs created/sustained	7 (7 vulnerable group)
Area of training	Souvenir production
Income created since project start-up (in BAM)	1,225.00



9.

Implementing agency: Tourism Organization of Trebinje

Title of the project: Improving the tourism offer in the Trebinje region via the Tourist Info Center

Summary:

This project enables the Municipality of Trebinje to better inform tourists of the tourism potentials of the region and thereby improve the benefits of tourism gained by the local population. The centre will provide high quality info on the tourism offer to tourism through a new, centrally located centre. The project plans to equip the premises with all the necessary furniture and equipment.

Value:

BAM 28,420.00

Results:

This sub-project was implemented without major delays. As per the approved project proposal the Municipality of Trebinje provided the necessary premises for the new Tourist Info Center that is located in the centre of Trebinje town - a highly visible and central location.

An interior plan was designed and reconstruction of the premises was completed on time and professionally by a contracted construction company. Following the works, Tourism Organization of Trebinje purchased all the necessary office equipment, whilst complying with the public procurement laws of BiH.

In addition to the refurbishment of the new premises, TOT consolidated and updated its database on available tourist guides in Trebinje and Eastern Herzegovina. From the initial list of 30 registered guides in Trebinje, it appears that only 10 of them are still active and working in an unorganized way. Subsequently, TOT invited them to a consultation meeting and organized three tourist guide trainings to ensure a focus on Blagaj, Stolac and Trebinje. Additionally, in cooperation with Tourism Board of Herzegovina Neretva Canton, five tourist guides from Mostar were also included in the training.

Table of indicators: Tourism Organization of Trebinje

Indicators	Facts/Figures
NGO / Name of the Project	Tourism Organization of Trebinje
Short Description	All beneficiaries are unemployed youth
# of Beneficiaries	40
# of Beneficiaries from Vulnerable Groups	40
# of Women Beneficiaries	26
# of Trained Beneficiaries	40
# of jobs created/sustained	2
Area of training	Tourist guides
Income created since project start-up (in BAM)	-



10.

Implementing agency: Zenski centar Trebinje (Women Center Trebinje)

Title of the project: Valorization of medieval objects and generation of the new tourist product

Summary:

Taking into account the rich cultural and historical heritage that exists in the area of Herzegovina; this project foresees the mapping of historic sites in eastern Herzegovina and the organization of medieval markets with the intention of promoting and selling craft works. These activities will not only enrich the tourism offer but will also support currently unemployed people producing art crafts who have limited scale in selling. It further encourages intercommunity communication and exchange of products around the same idea, with joint promotion of local cultures and history.

Value:

BAM 29,442.00

Results:

At the beginning of the sub-project there was an instant change in the dynamics of the sub-project implementation, since one of the main activities in this project was the organization of the medieval fair and market. These activities were supposed to take place in the later stages of the project, but the organization decided to take advantage of the Day of Europe – an event that was already organized by the NGO – and incorporate the sub-project to this event. The event was a success, however, due to inadequate communication on the part of the implementing agency with UNDP there were some omissions in the procurement procedures. Nevertheless, these omissions were recorded and corrected. Nevertheless, project recognizes failures by the UG Zenski Centar and will carefully consider any future cooperation with this organization. It was evident that organization lacks skills, knowledge, and willingness for professional operations.

The organization produced and purchased two knight uniforms and props that were used at the event. It was noticeable at these events that this can become a cultural event for inclusion in the cultural calendar of Trebinje, where not only the town will gain an extra tourism attraction, but will also provide the necessary sales point for local produce.

It also promotes the production of craft works and involves people from rural areas that specifically come to Trebinje on these dates to sell their products. It is yet left for the Municipality of Trebinje to introduce this event in their cultural calendar where this will ensure the necessary funding for the organizers. More than 180 people participated in this event, representing equally men, women, and children.

Table of indicators: Zenski centar Trebinje

Indicators	Facts/Figures
NGO / Name of the Project	Zenski Centar Trebinje
Short Description	84 women engaged in hand crafting, 20 school children involved in the event, 90 school children in organized visits, rest of beneficiaries participated in organization.
# of Beneficiaries	245
# of Beneficiaries from Vulnerable Groups	84
# of Women Beneficiaries	84

# of Trained Beneficiaries	20 (school children)
# of jobs created/sustained	3
Area of training	Event participation
Income created since project start-up (in BAM)	3,326.00



11.

Implementing agency: PD Vucji zub (Mountaineering Society)

Title of the project: Improvement of mountaineering tourism in Trebinje Municipality

Summary:

Diversifying the tourism offer in the wider Trebinje area meant adding certain tourism products with an existing cultural and historical focus. Increasingly adventure tourism is seen as complementary to the town and city tours, creating the possibility to retain guest for more than one day in the area. It also involves people living in the rural areas by creating the possibility for income through the sale of local produce (milk, dairy products, meat, vegetables, etc...). PD Vucji zub is an active mountaineering society and the idea of the project is to increase the number overnight stays in the mountains. It is a straight forward project that foresees purchase of trailers that are to be transported closer to the hiking trails and provide shelter for visiting hikers.

Value:

BAM 26,484.35

Results:

The activities of the project were completed during late summer 2009. The organization prepared the specifications for the containers that were to be purchased for the purposes of this micro-project. UNDP GS proceeded with the purchase of the containers while the organization Vucji Zub conducted preparatory works, namely dug out grounds and filled in foundations. The containers were delivered in the agreed time and they were connected to the water supply and power grid.

As foreseen in the project proposal, it has immediately increased the capacities of the mountaineering club to organize longer stays in the mountain areas that included sleepovers.

In addition, Vucji Zub has enhanced their visibility by promoting its offer through an electronic newsletter and appearance on e-tourism web sites. They have also organized one day visits for pupils of the elementary school where 14 children were given lectures on the importance of preservation of environment.

Table of indicators: PD Vucji zub

Indicators	Facts/Figures
NGO / Name of the Project	PD Vucji zub
Short Description	Beneficiaries of the projects were mainly association's members who worked on the preparation works and who will be using the facilities later.
# of Beneficiaries	38
# of Beneficiaries from Vulnerable Groups	14
# of Women Beneficiaries	15
# of Trained Beneficiaries	28
# of jobs created/sustained	-
Area of training	Preservation of environment
Income created since project start-up (in BAM)	440.00



12.

Implementing agency: UG Oaza

Title of the project: Golden path of the Herzegovina honey

Summary:

The Project Golden Route of the Herzegovina's Honey will develop a culinary experience as a tourism offer by focusing on a honey route that connects small village farms to organized tourist groups. Direct project beneficiaries are the beekeepers in the municipalities covered by this project. They remain unorganized and continue to sell their products from door to door, although they represent the backbone of sustainable development in the project area. Direct beneficiaries will benefit from different types of training, so that the project may contribute to increasing the standard in some rural municipalities, offering honey and honey-based products as a niche tourism product, and not only as the final product of the apiary sector. In this way, the *Golden Path of the Herzegovina Honey* will not overlap with the current and future interventions in the tourism sector, but will rather build on them.

Value:

BAM 45,508.80

Results:

This project was very specific in terms of the number of partnering organizations involved in its implementation (total of 4) and number of direct beneficiaries. NGO Oaza, the lead organization, coordinated all activities on the list and organized beekeepers from all three municipalities, plus Municipality of Ravno that is treated as greater Trebinje area.



A total of 160 beekeepers were identified which were divided into groups as per their geographical position for better coordination. Training outlines were designed in cooperation with local beekeeping experts. The purpose of these trainings was to enhance the quality of beekeepers but also to introduce organized tourist visits. As this was not something that was ever done before, the beneficiaries of the project were very skeptical at the beginning. However, after the trainings and round tables that were held, many of them realized that being a part of such a project can increase their sales. Although the primary goal is presentation and sales of Herzegovina honey, this also creates the possibility for the people living in remote locations to sell their other products that are being produced in their households.

The result of the trainings was that 11 projects on enhancement of beekeeping and honey production were designed. All three municipalities together with Municipality of Ravno are equally represented with number of projects and these will be financed through purchase of necessary materials and equipment. All 11 locations will be included in the Golden Honey Route that is assumed to become one of the leading tourism attractions for the daily visitors coming from Dubrovnik area. Consequently, these activities will lead to forming of the beekeepers association of Herzegovina and registration of a new honey brand.

Table of indicators: UG Oaza

Indicators	Facts/Figures
NGO / Name of the Project	UG Oaza
Short Description	All beneficiaries are beekeepers working on improvement of their honey, and other, beekeeping produces.
# of Beneficiaries	189
# of Beneficiaries from Vulnerable Groups	106
# of Women Beneficiaries	5
# of Trained Beneficiaries	189
# of jobs created/sustained	11 (6 vulnerable group)
Area of training	Organic beekeeping, New technologies in honey production
Income created since project start-up (in BAM)	Data not available yet



## Appendix B – Summary of the Socio-economic Assessment of the CRPR Community Project (Baseline Survey)

This study includes a survey of 200 households (HH) in the area of Blagaj, Stolac and Trebinje, out of which 50 HHs (25%) were from Blagaj, 60 HHs (30%) were from Stolac Municipality, and 90 HHs (45%) were from Trebinje Municipality. In addition, there were an additional 34 participants, which included Municipal officials, Municipal Council representatives, NGOs, CSOs, School Representatives, and Public Utility Companies), who provided information through either semi-structured interviews or organized focus groups.

*Based on that survey, the UNDP-CRPR Client Profile can be described as follows:*

Indicator	BiH data	UNDP-CRPR beneficiaries
Displaced persons	3.06%	13%
Returnees	19.5%	30%
Domicile		57%
Average age	40.8	41.8
HH members	3.27	3.93
Disabled persons	6.03%	5.41%
Single-parent families		6%
Registered prisoners of war		5.79%
No education (or illiterate)	22-24%	11.08%
Secondary school Education	49.90%	52.87%
Higher Education	9.10%	19.87%
Employed in Agricultural Sector	21%	9.5%
Main income from Pension Funds	12.38%	25%
Main income from State/Public Institutions/Companies	9.29%	16.5%
Average Monthly Income	791 KM	405 KM
Living below poverty line	18%	33.5%

HHs in the area are representative of a typical BiH household with 3.92 members per household (BiH – 3.27 members), and a median age of 41.8 years (BiH – 40.8 years). However, the level of education is above the BiH average.

A typical HH's average monthly income in the area is 405 KM. This is significantly lower than the BiH average, and means that almost twice the number of HHs in this area is below the poverty line, compared to the BiH average. 57% of HH incomes are generated from the public sector, and pension funds.

The majority of interviewees considered their living conditions to be average (51.5%) or good (46.5%). The fact that most of the HHs' spending was on food (44.5%) and toiletries (40%) demonstrates that the HHs' main focus is on meeting basic living needs.

The typical HH in the area has good access (exceeding 90% in almost all categories) to social services such as primary education, water supply, electricity, sewerage, TV signals, phone/internet services, as

well as cultural events. The quality of these services in each municipality varies; participants in almost 95% of the interviews stated that there was room for improvement in service delivery.

Over a third (37%) of interviewees said that further investment in business opportunities, particularly in tourism and agriculture, will be essential in order to improve the quality of life in these communities in the future.

Relations with inhabitants in the other municipalities were assessed as "satisfactory" by 51%, as "unsatisfactory" by 23%, and as positive by 12% of interviewees. Relations among the inhabitants of the three municipalities are still very affected by political issues. This was shown by the large number (32%) of interviewees who responded that abolishment of the inter-entity border would improve the relations between the three municipalities.

A large number of inhabitants in the area (83.5%) is ready to cooperate with the neighboring communities and work towards reconciliation in the future. The idea of creating opportunities for business cooperation as a means for improving intercommunity relationships was supported by 29.5% of interviewees.

Interviewees identified the following factors which limit the development of economic activities in the area:

The lack of a clearly defined and time bound action plan to promote the development of economic activities in the area,

The problem-ridden process of privatizing state-owned companies,

The lack of management and promotion of local development activities,

The lack of support for tourism and agriculture (despite the fact that these are recognized as potential growth areas),

The bad image of the area after the war,

The grey economy,

The prevalence of crime,

Difficulties in accessing finance,

High taxes and corruption,

The lack of a stable market (liquidity was mentioned as the main obstacle to the development of economic activity in 80% of the interviews),

The lack of business development services (more than 2/3 of companies do not use any kind of business development services). Interviewees identified the need for the following services: quality standardization, HR management and marketing),and

The lack of effective vocational and business associations (84% of the owner or managers interviewed were not members of any vocational or other business association).

Further investment in business, in particular in tourism and agriculture, was viewed as the main potential impetus for improving the quality of life in the area in the future. More than 40% of participants in the semi-structured interviews and focus groups and 37% of the HH members stated that tourism is the only sector in which there are real opportunities for development in the future.

However the three communities still lack strategic plans for tourism development, as well as long-term financial and professional support to tourism and rural development in the area.



**Appendix C**  
**FINAL REPORT FOR UNESCO COMPONENT OF THE PROJECT**  
**218 BIH 4,000**  
**“COMMUNITY RECONCILIATION**  
**THROUGH POVERTY REDUCTION”**  
**FINANCED FROM UN HUMAN SECURITY TRUS FUND**

Summary page:

The following information should be outlined on this page:

Benefiting country and the location of the project: Bosnia and Herzegovina

Title of the project: “Community reconciliation through poverty reduction”, 218BIH4,000

Duration of the project (start date and end dates): June 2008 – 30 June 2010

Executing organization: UNESCO

Counterpart organizations/implementing partners: UNDP

Project cost: 300,000 USD

Type of report: Final report.

The report prepared by : Siniša Šešum, Senior Programme Officer, UNESCO Venice Office

2. Executive Summary:

A non-technical summary statement designed to provoke a quick overview of the report.

During and after the armed conflict, cultural monuments of outstanding historical significance in Bosnia and Herzegovina were the focus of hatred and revenge. Immense damage had been caused to the invaluable cultural heritage in Bosnia and Herzegovina.

For UNESCO, the protection of cultural heritage is a value in itself but it also can serve other positive purposes. In particular, having once been the focus of intense bitterness, cultural heritage may play a useful role in the re-establishment and maintenance of peaceful relations between different communities. Indeed, the protection of cultural heritage is a domain where increased trust and understanding between communities may be constructed and where different parties may exchange signals of respect and responsibility that can help to build a sense of mutual confidence. The protection of cultural heritage may help to overcome the painful divisions caused by past events, and may create openings for local, regional and international cooperation through UNESCO.

The conditions of heritage conservation and management systems in the countries of SEE, including Bosnia and Herzegovina have considerably worsened during the past decade. Due to the armed conflict and/or economical and political hardship, a large number of cultural heritage objects/monuments/properties were damaged, destroyed or neglected. In the same time, the conservation institutions went through a period of challenge and drastic change. Confronted with the

sheer extent and type of damage as well as drastically reduced funding, the preventive conservation concept has been replaced by predominantly emergency intervention. Training and professional development was reduced to a minimum, thus creating a hiatus in human resource renewal and contributing to brain drain.

Due to the varying phases of consolidation of political and economical situations in the concerned parts of the country, structures responsible for heritage conservation and management have regained the different levels of operability. Efforts in developing the common approach to the problems of the countries in the region have proved inapplicable exactly for this reason.

The restoration of the heritage sites, which are highly valued by UNESCO, has been important not only as a symbol of peace and community reconciliation, but also for promoting income generation through tourism for communities in the region and beyond.

### 3. Purpose

Main objectives and outcomes expected as per the approved project document:  
Strengthened community reconciliation through to poverty reduction.

Reference to how the project aims to attain the human security objective:  
UNDP

A listing of the main implementing partners:

Federal Ministry of Culture and Sports, Federation of Bosnia and Herzegovina

Ministry of Education and Culture, Republic of Srpska

Federal Institute for Protection of Cultural and Natural Heritage

Institute for protection of cultural and natural heritage of RS

National Museum in Sarajevo

City of Mostar

Municipal district Blagaj

Old City agency of Mostar

Municipality of Trebinje

Municipality of Stolac

### 4. Resources

The total budget of UNESCO component of the project was 300.000 USD and it has been entirely ensured through UN Human Security Trust fund. Furthermore engagement of UNESCO Senior Programme Officer engaged in implementation of UNESCO component of the project is covered from Regular Programme and Budget of UNESCO.

### 5. Results

Main activities undertaken

Conservation / protection of medieval necropolis of steæci at Radimlja near Stolac

Conservation / restoration medieval city Blagaj near Mostar

Restoration of the South Gate of the Old City of Trebinje

Outcomes and outputs accomplished

Developed capacity of municipalities to generate employment using pro poor approach.

Community reconciliation through to poverty reduction strengthened.

Achievements as measured against stated objectives

Both objectives set within the original project document are achieved:

No. 1 . Preparation of studies on the present conditions of all potential monuments, required documentation is prepared and they were base for physical implementation of the works within the 2<sup>nd</sup> phase of the project

No. 2. Restoration/preservation of cultural heritage sites in each target municipality and utilised for income generation purposes

Medieval necropolis of Steæci at Radimlja, Municipality of Stolac is conserved

The main gate, mane front wall of the Stjepan fortress are restored, as well as the mosque and two water thanks, It is important to underline that initiation of this activity initiated generation of additional funding sources from Federation of Bosnia and Herzegovina for this phase of the works. (Additional amount of 220,000 Bam was generated). It should be noted as well that the further funding until the end of 2010 is ensured by the Government of Federation of Bosnia and Herzegovina

The South Gate of the Old City of Trebinje, is reconstructed. It should be noted that part of the water channel is being excavated and restored

Implementation constraints, including plans for addressing these and lessons learned.

No particular constrains, but the following lessons learned are to be underlined:

One of the first findings and lessons to be learned in such situations and post war countries *is how to harmonize project requirements with the real needs of the local communities*. Actually, the main goal is to define a real priorities and needs of the local communities, taking into account all available human and financial resources. Therefore, the first lesson learned is how to find the best possible way in order to identify the most important priorities, taking into account the local community needs, with a view to encouraging the strengthening of community reconciliation processes and inter cultural dialogue, but also taking into account proper management of the approved funds.

As it is already stated, this project is a perfect model of inter- agency cooperation, and it is also marked by a strong faith in the local people and experts works and supervision have been carried out in cooperation by local firms and experts , institutions and experts in permanent consultation with UNESCO staff the local authorities, both civil and religious, have demonstrated continuous cooperation with UNESCO and facilitated their joint work. As we know that the local communities are grateful for the careful work done by the international partners, we would like to thank these communities for their help in implementing this project.

*Another lesson learned* is the importance of consultations with the local community on their needs and close cooperation with them during the implementation of the project.

This issue presents very important point for the proper realisation and implementation of all projects in the post war countries. Creation of the good spirit and establishment of the confidence between the international and local community were beneficial to the better and more careful implementation of the projects as well as better future care of the implemented projects. Close cooperation provided the local community with an opportunity to be involved in the projects, as well as to gain full trust in their professional and human resources and capabilities.

The authorities and people were not feeling forgotten and they recognized and appreciated an honest and sincere assistance of the international – donor community.

Important findings form programme evaluations conducted in the course of the year: UNDP

Any actions taken or planned in response to the recommendations of programme evaluations:

## UNDP

Percentage of budgeted funds actually spent: 94,89 %, upon completion of all planned activities

Impact of key partnerships and inter-agency collaboration: It is more than obvious that Joint programming of UNDP and UNESCO increased overall quality of the program itself. Implemented activities, by both agencies were fully complemented and ensured easier achievements of the goals set as well as increased general visibility of the Joint programme

Other highlights and crosscutting issues, as applicable : NA

### 6. Forthcoming annual work-plan

NA

### 7. Financial implementation

Please see Apendix D

### 9. Promotional activities:

Entire promotion activities within this project were implemented by UNDP.

## **Appendix D:**

### **Interim Financial Statements**

<b>UNDP BIH</b>						
<b>as Participating UN Organization in the Joint Programme</b>						
<b>Community Reconciliation through Poverty Reduction, MDTF Project No.: UDP-CC-06-048</b>						
<b>UNDP Project 00054006</b>						
<b>Interim Statement of Income and Expenditures for the period January - December 2010</b>						
						<u>Amount (USD)</u>
<b>OPERATING FUND</b>						
Balance as of 1 January (2010)						462,958.85
Add:	Remittances from United Nations in (2010)					-
	Interest Income					-
	Miscellaneous income					-
	Subtotal					462,958.85
				<u>Unliquidated Obligation</u>	<u>Disbursements</u>	
Less:	Staff and other personnel expenses			-	118,590.37	
	Travel on official business			-	19,126.01	
	Contractual services			-	216,284.51	
	Operating expenses			-	16,040.12	
	Acquisitions			-	13,764.60	
	Fellowships, grants, and others			-	48,866.22	
	Total expenditures			-	432,671.83	432,671.83
	Programme support costs ( 7 %)					30,287.02
	Total expenditures and programme support costs					462,958.85
Less:	Refund of unencumbered balance					-
Balance as at 22 December 2010						0.00

UNESCO							
as Participating UN Organization in the Joint Programme							
Community Reconciliation through Poverty Reduction, MDTF Project No.: UDP-CC-06-048							
UNESCO Project 218BIH400							
Interim Statement of Income and Expenditures for the period January - December 2010							
							<u>Amount (USD)</u>
<b>OPERATING FUND</b>							
Balance as of 1 January (2010)							188,088.26
Add: Remittances from United Nations in (2010)							
Interest Income							
Miscellaneous income							-
Subtotal							188,088.26
					<u>Unliquidated Obligation</u>	<u>Disbursements</u>	
Less: Staff and other personnel expenses					184.69	8,927.86	
Travel on official business					0.01	2,641.22	
Contractual services					(28,892.92)	146,165.38	
Operating expenses					(264.41)	8,506.66	
Acquisitions					-	14,255.92	
Fellowships, grants, and others					-		
Total expenditures					(28,972.63)	180,497.04	151,524.41
Programme support costs: ( 10 %)							15,152.44
Total expenditures and programme support costs							166,676.85
Less: Refund of unencumbered balance							-
Balance as at 22 December 2010							21,411.41

<b>Consolidated statement by AA - UNDP Country Office in Bosnia and Herzegovina as Administrative Agent for the Joint Programme Community Reconciliation through Poverty Reduction, MDTF Project No.: UDP-CC-06-048 Interim Statement of Income and Expenditures for the period January - December 2010</b>								
						<u>Amount (USD)</u>		
<b>OPERATING FUND</b>								
	Balance as of 1 January (2010)					651,047.11		
Add:	Remittances from United Nations in (2010)							
	Interest Income							
	Miscellaneous income					-		
	Subtotal					<u>651,047.11</u>		
				<u>Unliquidated Obligation</u>	<u>Disbursements</u>			
Less:	Staff and other personnel expenses					184.69	127,518.23	
	Travel on official business					0.01	21,767.23	
	Contractual services					(28,892.92)	362,449.89	
	Operating expenses					(264.41)	24,546.78	
	Acquisitions					-	28,020.52	
	Fellowships, grants, and others					-	48,866.22	
	Total expenditures					<u>(28,972.63)</u>	<u>613,168.87</u>	<u>584,196.24</u>
	Programme support costs (    %)							45,439.46
	Total expenditures and programme support costs							<u>629,635.70</u>
Less:	Refund of unencumbered balance							-
	Balance as at 22 December 2009							<u>21,411.41</u>

The balance of 21,411.41 USD is for the UNESCO's component of CRPR project and it stems from accrued interests and exchange rate gains. UNESCO requests herewith a permission to use the unspent balance to support its ongoing activity on the restoration of the Old Town in Trebinje.