

Bosnia and Herzegovina

Ex-post Evaluation of Japanese ODA Technical Cooperation Project
The Project for Sustainable Regional Development through Eco-Tourism

External Evaluator: Jun TOTSUKAWA, Earth and Human Corporation

0. Summary

This project was intended to develop human resources and organizational/institutional capacities to facilitate regional development through eco-tourism in the Pliva and Velez areas in Bosnia and Herzegovina (hereinafter referred to as “BiH”). From its planning stage to completion, the objectives of the project have been highly relevant with BiH’s national development policies as well as the development needs of the target areas.

The project has established umbrella associations called Eco Pliva and Eco Velez for which public and private sectors work in partnership for eco-tourism promotion. However, they were unable to obtain organizational stability before project completion. Nonetheless, through a series of trainings and seminars carried out by the project, related administrators and stakeholders of model projects have developed their knowledge and skills required for the eco-tourism business. Furthermore, the project has made a positive impact on ethnic relations and employment opportunities for local people. Given these outcomes, the effectiveness and impact of this project are evaluated to be fair. As for the project period, it was within the plan, however the project cost was exceeded, and therefore efficiency of the project is also considered to be fair.

The project has a certain degree of sustainability, given that related municipalities have signed a Memorandum of Understanding (MOU) to provide financial support to Eco Pliva, one of the umbrella associations. Moreover, Eco Pliva will appoint new staff, which will presumably increase the project’s sustainability. Eco Velez, on the other hand, has not yet obtained a commitment agreement between the two supporting municipalities. Consequently, this will most likely result in continued activities in only one of the target municipalities. Therefore, the overall sustainability remains fair.

In light of the above, this project is evaluated to be partially satisfactory.

1. Project Description



Project Locations



A Country Lodging (A model project)

1.1 Background

BiH fell into civil war in 1992, and through arbitration of the international community the Dayton Peace Agreement was reached in 1995. In its post-war reconstruction period under the observation of the international community, BiH had worked for infrastructure development and the return of internally displaced people. However, the process of transitioning to a market economy, including privatization of government-controlled corporations which had employed a large population in the Former Yugoslavia, had been rather stagnant. Unable to recover their livelihoods, many people who had once returned to their native place emigrated to inner cities or outside of the country to find jobs.

Given that the country had to address the challenge of recovering its economy and people's livelihoods, the Japan International Cooperation Agency (JICA) launched "The Study on Sustainable Development through Eco-Tourism in Bosnia and Herzegovina" in 2003. The study developed a master plan on eco-tourism promotion, covering two entities (recognized as second-tier governments within BiH), the Federation of Bosnia and Herzegovina (FBiH) and the Republic of Srpska (RS). These target entities comprise of three northern municipalities and three southern communities in two municipalities.

In order to implement the master plan, BiH recognized its urgent need for developing human resources and organizational foundations in both the public and private sectors. Accordingly, the Government of BiH has requested Japan provide technical cooperation to develop organizational/institutional sustainability as well as human resources that would contribute to eco-tourism promotion in the country.

1.2 Project Outline

Overall Goal	The institutional systems organized by the project continue to be managed jointly by administrative agencies and the people concerned.	
Project Objective	Human resources are developed and institutions/organizations are strengthened in order to promote regional development through eco-tourism both at administrative and private levels in the target areas.	
Outputs	Output 1	The purpose of eco-tourism as a measure for regional development, and knowledge and skills on eco-tourism are understood by relevant personnel.
	Output 2	Cooperative system is established between administrative agencies and the private sector to jointly promote eco-tourism.
	Output 3	Organization and personnel capable of formulating development strategies and supporting implementation of projects for eco-tourism promotion are developed.
	Output 4	Personnel capable of engaging in the main fields of eco-tourism, which include developments of local agricultural products, country lodging, preservation and utilization of historical/cultural heritage, sports activities are developed.
	Output 5	Regional development models through promotion of eco-tourism are compiled as a guideline.
Inputs	<p>Japan side:</p> <ol style="list-style-type: none"> 1. Expert dispatch: a total of 10 experts (short-term experts only) 2. In-country training: a total of 8 trainees 3. Equipment: 189 pieces of 34 kinds 4. Local administration cost: 123 million yen <p>Other (1) a terminal evaluation study</p> <p>Bosnia and Herzegovina side:</p> <ol style="list-style-type: none"> 1. Counterpart agency: not officially assigned 2. Equipment: none 3. Land, facilities, project offices, utilities 	
Project Cost	412 million yen	
Cooperation period	January 2007 to December 2009	
Implementing Agency	<p>Central Government: Ministry of Foreign Trade and Economic Relations (MOFTER, BiH)</p> <p>Entity Government:</p> <p>Federation of Bosnia and Herzegovina (FBiH): Ministry of Environment and Tourism (MOET)</p> <p>Republic of Srpska (RS): Ministry of Physical Planning, Civil Engineering and Ecology (MOPPCEE), Ministry of Trade and Tourism (MOTT)</p>	
Cooperation Agencies in Japan	None	
Related Project	A development study: "The Study on Sustainable Development through Eco-Tourism in Bosnia and Herzegovina" (2003-2005)	

*Supplementary explanation to the Summary

1) Project site

As listed below, the project had been implemented across two areas administered by respective entity governments. Rather than focusing on a single entity, the project is unique in working together with both entity governments. This is primarily because its activities were hoped to contribute to friendlier ethnic relation between these two entities.

Area	Related Municipalities
Northern model area: Three municipalities in the Pliva River Valley	FBiH: Jajce RS: Sipovo, Jezero
Southern model area: Two municipalities in the Mount Velez Region	FBiH: Mostar (Blagaj and Podvelez) RS: Nevesinje

2) Umbrella associations

The project had worked for establishing umbrella associations in each model area (as noted in the Project Design Matrix (PDM) which states that a “cooperative system is established between administrative agencies and the private sector to jointly promote eco-tourism”). Working in a public-private partnership, these associations have a threefold structure including an Assembly, a Board of Directors and a Secretary Office. Initially, related municipalities had agreed to finance the operations of the associations. The project carried out various model projects at the local level, and their implementing organizations were members of the umbrella associations. Accordingly, some of the model project representatives were also on the Board of Directors in the associations they had respectively belonged to.

1.3 Outline of the Terminal Evaluation

1.3.1 Achievement of Overall Goal

With respect to the achievement of the overall goal, the terminal evaluation study concluded “it is difficult to prospect whether the overall goal will be achieved in future because of some possible risks with umbrella associations.”

Nonetheless, during implementation of the model projects, local communities came to recognize the profitability of the eco-tourism business. This has resulted in the impact of some people starting self-financed country lodging or new projects proposed by local groups successfully gaining other donors’ funding.

1.3.2 Achievement of Project Objective

The terminal evaluation study concluded that “the project objective is expected to be mostly achieved within the project period.” Accordingly, indicators to verify the achievement of the objective suggested it would obtain expected outcomes by the time of the project’s completion.

1.3.3 Recommendations

The terminal evaluation included recommendations to JICA experts as well as to related administrative agencies in their post-project efforts.

Recommendations to JICA experts:

(1) Further capacity development

Some of the model projects require more capacity development efforts or other relevant measures to facilitate self-supporting operations.

(2) An in-depth discussion over management of umbrella associations

In order to develop the capacities of umbrella associations and improve their management, members of these associations need to explore an effective approach to eco-tourism promotion, including more sustainable public-private partnership and better coordination mechanisms.

(3) Website of umbrella associations

The website of each umbrella association needs to be renewed or updated to make them more appealing to visitors.

Recommendations for related administrative agencies:

(1) Continuous support of administrative agencies for the umbrella associations

It is recommended that municipal offices, ministries and agencies related to the project continue to provide support to meet the associations' needs for financial, human and material resources.

2. Outline of the Evaluation Study

2.1 External Evaluator

Jun TOTSUKAWA, Earth and Human Corporation

2.2 Duration of Evaluation Study

The External Evaluator performed an evaluation study as follows in the course of this ex-post evaluation:

Duration of the Study: September 2012 - February 2014

Duration of the Field Study: February 25-March 10, 2013, and June 15-28, 2013

3. Results of the Evaluation (Overall Rating: C¹)

3.1 Relevance (Rating: ③²)

3.1.1 Relevance with the Development Plan of Bosnia and Herzegovina

(1) At the time of the project initiation

As noted in the Mid-term Development Strategy (MTDS, 2004), one of BiH's essential development policies, tourism is considered to be one of the key sectors in the country. The Strategy seeks to develop the legal frameworks, infrastructure, and human resources

¹ A: Highly satisfactory, B: Satisfactory, C: Partially satisfactory, D: Unsatisfactory

² 3: High, 2: Fair, 1: Low

conducive to foreign and domestic investment, while at the same time preserve the rich natural and cultural resources in the country. Furthermore, it suggests that strengthening partnerships with NGOs and the private sector is critical in the development of the tourism sector.

In light of the above, the project has been relevant with the development objectives of BiH, as it consistently seeks to expand the tourism sector, incorporating efforts for human resource development and capacity enhancement.

(2) At the time of project completion

Under the policy framework of MTDS mentioned above, the project had retained its relevance up until its completion.

Throughout the project period, neither of the two entity governments had a complete tourism sector policy. MOPPCEE in RS had then developed the “Tourism Development Strategy of the Republic of Srpska 2011-2020.” This proposes that local municipalities promote tourism and consolidate their inter-regional partnership, and therefore, the project is consistent with this latest policy framework³.

In light of the above, the project has been relevant with policies pursued by BiH both upon its completion as well as at the time of the ex-post evaluation.

3.1.2 Relevance with the Development Needs of Bosnia and Herzegovina

(1) At the time of the project initiation

In postwar BiH, the country tried to ensure employment and income for citizens in a transitional process within which a planned economy was being replaced with a liberal, market economy based on the principle of competition. Restructuring the key industries started from privatizing the government-controlled corporations and obtaining foreign investment. However, this transition process has been rather slow, requiring enormous efforts such as redevelopment of facilities and buildings outdated or destroyed in the civil war, improvement of product quality, and large-scale restoration of the marketing system and distribution networks.

While working for its economic recovery, BiH also approached making use of its abundant natural environment resources in different parts of the country, though on a small scale, as well as its unique historical and cultural heritage. Small-scale eco-tourism was thus expected to contribute to sustainable, self-supporting community development. It was expected that the promotion of local industries including tourism would presumably lead to market expansion of local agricultural products and specialty goods, while also provide local people with more

³ While MOET-FBiH has also developed the “Tourism Development Strategy of the Federation of Bosnia and Herzegovina 2008-2018), part of the contents have not been approved by the parliament (as of June, 2013). Nonetheless, promotion of eco-tourism and rural tourism will continue to be treated as an important issue in FBiH, provided that the Strategy has been revised for authorization.

job opportunities and a source of income, thus improving their livelihoods.

As previously publicly owned tourism agencies had limited experience being guided by the country’s leisure policy under a planned economy, the sector needed more effective collaborative mechanisms between public and private agencies in order to promote the tourism industry in a market economy.

With its objectives to develop human resources and an organizational basis to promote eco-tourism, the project was relevant with the development needs that the country had to address at that time.

(2) At the time of the project’s completion

Throughout the project period, it has been highly expected that the project, working for eco-tourism promotion, would contribute to regional economic development including an increase in job opportunities in local communities.

The ex-post evaluation recognized that the country continues to have this development need of expanding eco-tourism. Given the high unemployment rate in the project target areas of Pliva and Velez, their entity governments and municipal offices envisage a significant potential of tourism to create new employment and sources of income for these communities. Located in the countryside, the target areas have less advantage in attracting a large scale industry. Thus, tourism as well as agriculture and forestry are considered to be important sectors that require more development efforts. The ex-post evaluation confirmed this strategic sector choice has been consistent with BiH to date, as it was at the time of project completion.

As indicated in the Table below, the unemployment rate in the target areas has remained high in recent years. This has increased the expectation for the tourism industry to create new employment opportunities.

Table 1 Change in Unemployment Rate (%)

		2009	2010	2011	2012
Pliva	Sipovo	25	27	30	30
	Jajce	56	54	55	55
	Jezero	NA	NA	NA	23
Velez	Mostar*	NA	NA	NA	NA
	Nevesinje	33	34	35	35
National average		24.1	27.2	27.6	28.0

Source: Responses to questionnaires submitted by municipalities, and Agency for Statistics B&H

* With its world heritage site, Mostar is the most renowned tourist resort in the country. Far from Mostar, the project has targeted Blagaj and Podvelez areas which have a much smaller number of tourists.

The Table below shows primary figures in tourism in recent years.

Table 2 An Overview of the Tourism Sector in Bosnia and Herzegovina

	2009	2010	2011	2012
Number of domestic tourists* ¹	395	432	435	448
Number of foreign tourists	405	461	489	541
Number of beds (FBiH)* ²	13,289	12,975	13,379	13,289
Number of hotels (RS)	150	156	168	175

Source: Agency for Statistics RS and Federal office of statistics of FBiH

*1 The number of tourists is indicated in units of 1,000.

*2 Each entity government provided a variant record on the number of hotels, and the data on beds and hotels are indicated separately.

As indicated above, the number of domestic and foreign tourists has been gradually increasing, and therefore the tourism sector is considered to have growth potential.

In light of the above, the needs for eco-tourism promotion have been highlighted not only during the project period, but also at the time of the ex-post evaluation. Therefore, the project has been relevant with the needs of the country.

3.1.3 Relevance with Japan's ODA Policy

Based on its areas of knowledge and comparative advantage, Japan is supporting BiH by focusing on the following three sectors: “(1) private sector growth including small and medium-sized enterprises, (2) the environment, (3) establishment of peace and human security (facilitating the return of displaced people and ethnic cooperation).” These development priorities are underpinned by the Policy Dialogue with Bosnia and Herzegovina in March 2004, the Policy Discussion in April 2005, and BiH's Mid-term Development Strategy in 2004. Addressing all of these objectives, the project has been relevant with Japan's ODA policy.

In light of the above, this project has been highly relevant with the country's development plan, development needs, as well as Japan's ODA policy, and therefore its relevance is high.

3.2 Effectiveness and Impact⁴ (Rating: ②)

3.2.1 Project Outputs

3.2.1.1 Project Output

⁴ Effectiveness should be judged in consideration of impact to determine a rating.

1) Output 1

The purpose of eco-tourism as a measure for regional development, and knowledge and skills on eco-tourism are understood by relevant personnel.

Output 1 has been achieved upon the project's completion. Through a variety of training programs provided by the project, the administrative agencies and implementing organizations of model projects in the target areas have acquired various knowledge and skills, making up for their limited experiences in the eco-tourism business. The indicator to verify this achievement was "the number of personnel who understood the knowledge and skills necessary for regional development through eco-tourism promotion among administrative agencies, relevant organizations and residents." As shown in the Table below, a series of training programs and seminars have involved a sufficient number of people to achieve Output 1.

Table 3 Training programs and Seminars Provided by the Project and the Number of Participants

Target trainees	Number of training programs and seminars	Number of trainees
Administrative agencies	14	362
Related organizations (model projects)	110	600
Local people, schools, etc.	7	252
Total	131	1,214

Source: Project document

2) Output 2

Cooperative system is established between administrative agencies and the private sector to jointly promote eco-tourism.

The degree of achievement of Output 2 is lower than expected at the time of the project completion.

The project has been unable to deliver the requirement of operating umbrella associations or a "cooperative system between administrative agencies and the private sector," as expected for Output 2. Although umbrella associations (Eco Pliva and Eco Veleze) were established in the Pliva and Velez areas, they could not secure funding sources throughout the project period. Due to such financial restraint and instability, project activities have failed to fulfill the expectations of stakeholders. Furthermore, these associations lacked adequate personnel assignment until the end of the project, resulting in a weak organizational basis. In some cases, an administrative position in charge of day-to-day operations had been left vacant or covered by temporary staff from the municipal office.

The ex-post evaluation has verified the intended outputs of indicator 2 and 4, as umbrella associations and stakeholders had held an expected number of meetings. As for indicator 3, on the other hand, the survey result shows half of the model project organizations are unsatisfied with the operations of umbrella associations, with the other half responding “generally satisfied.” There are no organizations which have indicated “highly satisfied” with the umbrella associations. Indicator 1 assesses the output of establishing umbrella associations.⁵

3) Output 3

Organizations and personnel capable of formulating development strategies and supporting implementation of projects for eco-tourism promotion are developed.

Output 3 has been mostly achieved upon the project’s completion.

The intended output is the capacity development of Eco Pliva and Eco Velez as umbrella associations. By the time the project was completed, Eco Pliva had acquired the capabilities required to prepare an eco-tourism promotion plan and assist its member organizations in their applications for donors’ funding. Eco Velez, on the other hand, has been less competent than expected, partly because a member of the secretary office was replaced during the project period. As mentioned in the Output 2, though the organizational basis of umbrella associations remains weak, the staff have generally improved their skills. Given these circumstances, Output 3 has been mostly achieved.

To verify this output, Indicator 1 targeted performance of umbrella associations in supporting their member organizations’ application process to gain donors’ funding. Six out of 13 proposals have been accepted and started to receive funding during the project. Three other proposals, though approved, were awaiting a decision on the amount of funds. The remaining four proposal documents were under review. This implies umbrella associations have sufficient experience to prove their increased capabilities in raising funds for their member organizations.⁶ The project has also engaged in a variety of promotional activities, as assessed by Indicator 2, including the creation of a website and tourist map, promotion at an international tourism exhibition as well as sales promotion at primary and secondary schools (fieldtrips).

⁵ Eco Pliva was established in a pilot project of the Development Study implemented from 2003 to 2005. Velez area, on the other hand, had to create an umbrella association at the outset of this project, and thus it was presumably included in the indicator 1 for its verification.

⁶ Eco Velez has supported drafting eight out of 13 proposals, and the rest were assisted by Eco Pliva. Since Eco Velez required more technical assistance inputs from Japanese experts than Eco Pliva, the ex-post evaluation assessed its skills to be lower than Eco Pliva, conversely speaking. The actual performance of Eco Velez in terms of the number of assisting proposal documents, however, suggests it bears comparison with that of Eco Pliva.

4) Output 4

Personnel capable of engaging in the main fields of eco-tourism, which include developments of local agricultural products, country lodging, preservation and utilization of historical/cultural heritage, and sports activities are developed.

Output 4 has been achieved at the time of the project's completion.

It set out capacity development of personnel and organizations to implement model projects. By participating in a series of training programs and seminars, those people involved in the model projects have gained knowledge and skills relevant to their works. Also, through practical experience of the eco-tourism business, they have attained or renewed their business mindset and essential expertise.

Outputs to be verified by Indicator 1 through indicator 3 have been achieved, having fulfilled expected participation rates, trainees' satisfaction with training programs, and utilization of their knowledge acquired through the training.

5) Output 5

Regional development models through promotion of eco-tourism are compiled as a guideline.

Output 5 has been achieved at the time of the project completion.

Prospective users of the guideline include local people, NGOs (community groups) and municipalities promoting eco-tourism for regional development or those who intend to undertake such activities. The guideline explains (1) strategies for regional development through eco-tourism, (2) case studies of eco-tourism promotion (successful model projects in Pliva and Velez), and (3) issues to be addressed for sustainable eco-tourism.

This guideline was made open to the public, distributed by related ministries, municipal agencies and umbrella associations. To enhance the availability for local people, the project held a briefing session for administrative agencies in Pliva and Velez, persons involved in umbrella associations, and selected local people.

3.2.1.2 Achievement of Project Objectives

Project objective

Human resources are developed and institutions/organizations are strengthened in order to promote regional development through eco-tourism both at administrative and private levels in the target areas.

This project has several stages of achieving its outputs; developing core capacities, entrepreneurship and awareness of people involved in eco-tourism both in the public and

private sectors (Output 1), establishing umbrella associations (Output2), strengthening management skills (Output 3), and enhancing capacities of implementing organizations of eco-tourism model projects (Output 4). In the PDM of this project, these outputs constitute its overarching objective.

The status of the project objective's achievement was "middle" at the time of the project's completion.

As a whole, various project activities have facilitated human resource development of people involved in model projects and those who engage in eco-tourism. As for umbrella associations, while the management skills of staff in the secretary office of Eco Pliva have been steadily improved, it has not been able to obtain a solid organizational basis that would ensure its sustainability. Also in Eco Velez, the project ended before it attained stability as an umbrella association. Given these circumstances, although the project has significantly developed human resources, particularly in terms of technical skills in umbrella associations, it has left some challenges in terms of overall organizational capacity improvement. In light of the above, the ex-post evaluation concludes the project objective reached the "middle" achievement status.

The achievements of target indicators for the project objective are as follows.

1) Indicator 1: Administrative agencies, umbrella associations and model project implementation organizations are able to take various measures for eco-tourism promotion under their collaboration.

(Achievement)

Entity government agencies supported model projects to participate in a tourism exhibition as well as to procure necessary equipment and facilities. Model project organizations were increasingly working together to mutually reinforce their activities.

Related municipal offices gave financial assistance to umbrella associations to cover their operational expenses. However, schedule of the allocations were varied among municipalities, and some offices failed to pay out within a reasonable time period.

2) Indicator 2: More than half of model project implementing organizations (17) have acquired the capacity to operate and manage model projects in a sustainable way.

(Achievement)

To assess the achievement of the above target indicator, the ex-post evaluation was required to observe whether these implementation organizations have durable capacities to

manage their model projects. While the indicator expected at least 17 organizations to become competent, it was actually 13 organizations, excluding those double-counted, that have been operating 14 model projects in all. A list of the model projects below shows whether they are in operation at the time of the ex-post evaluation. Tracking their individual status indicates more projects are ongoing than stagnated or terminated.

Table 4 List of Model Projects

Area	Model Projects	Ongoing	Stagnated or Terminated
Pliva	Development and diversification of nature tourism products	✓	
	Conservation and utilization of fortress	✓	
	Country lodging and related tourism product development	✓	
	Regional development through eco-tourism promoted by umbrella associations	✓	
	Development of local specialty products in Jezero		✓
	Eco house consignment sale business revitalization		✓
	Subtotal	4	2
Velez	Diversification of recreation tourism	✓	
	Nature observation tourism (wild fauna and flora)		✓
	Exploring tour into the Buna river source grotto	✓	
	International folklore festival	✓	
	Eco and historical trail	✓	
	Eco Farm		✓
	Country lodging and related tourism product development	✓	
	Development of local specialty products in Velez		✓
Subtotal	5	3	
Total		9	5

Source: Results of hearing in the ex-post evaluation study

Though it mostly achieved the target indicator, the project has not fully obtained its objective, as strengthening of organizations has not met the expected level of output.

3.2.2 Impact

3.2.2.1 Achievement of Overall Goal

Overall Goal

The institutional systems organized by the project continue to be managed jointly by administrative agencies and the people concerned.

At the time of the ex-post evaluation, the achievement status of the Overall Goal was partially low.

For about three years in its post-project period, Eco Pliva has continued its operation. It works on regional development through coordination with the EU's "Sipovo Eco-Zone" project and local eco-tourism promotion funded by USAID and Oxfam. Although the support of drafting financial proposals to donors is less frequent than during the project period, the ex-post evaluation confirmed Eco Pliva has somehow maintained its functions as an umbrella association.

Table 5 Post-project Activities of Eco Pliva

Type of activity	Output
Promotion materials	Reprinted 1,000 copies of pamphlets and 3,000 copies of fliers, both financed by USAID Distributed the reprinted materials at the eco-tourism exhibition and other occasions.
Website	Renewal in May, 2013
Promotion activities	Participated in a tourism exhibition in the Netherlands in 2010 (supported by USAID) Participated in a tourism exhibition in Italy in 2011 (supported by Oxfam) Participated in a tourism exhibition in Serbia in 2011 (supported by Oxfam) Participated in a tourism exhibition in Italy in 2012 (supported by Oxfam) Participated in a tourism exhibition in Germany in 2013 (supported by the EU Sipovo Eco-Zone Project)
Support for writing financial proposals	2009: Assisted writing of proposal document to request financial aid for a model project of farmer lodging, which successfully obtained funding from MOTT of RS

After the project completion, until May 2013, three municipal offices suspended their financial support for Eco Pliva. Eco Velez has mostly suspended its operation, as two related municipalities also cut off their support for the association. Therefore, though Eco Pliva somehow continues to operate, its weak relationship with the municipalities suggests the project has not fully achieved the Overall Goal of "joint management by administrative agencies and the people concerned." The same can be said of Eco Velez.

It should be noted, however, this is a situation observed during the ex-post evaluation study in June, 2013. In the coming September, Eco Pliva will complete the EU project mentioned above, and resume its own plan of activities that the project had intended to implement. This was enabled by an MOU signed in May, 2013 for which three municipalities concerned will

provide financial support to Eco Pliva. Given the limited outputs of the project, the ex-post evaluation should conclude the achievement of its Overall Goal is lower than expected. Nonetheless, it turned out that Eco Pliva still has a good chance to practice “joint management with administrative agencies” in the near future. As for Eco Velez, there is also a possibility to resume its operation, though so far it is failing to ensure its organizational sustainability (Refer to the section on Sustainability.)

The indicator to verify the achievement of the Overall Goal is almost the same as the Goal itself, which provides that “the cooperation system among administrative agencies, relevant organizations and residents continues to function and some activities are actually carried out.” Thus, assessment of the achievement of the target indicator is the same as provided in 3.2.2.1 above.

3.2.2.2 Other Impacts

(1) Impact on the natural environment

From the viewpoint of eco-tourism development, the model project areas surely have promoted tourism along with conservation of the surrounding natural environment. However, the ex-post evaluation was unable to obtain verifiable data on a positive impact on natural environment.

The project had no relocation of local residents or land acquisition. The ex-post evaluation observed no negative impact brought about by this project.

(2) Indirect impact

The results of a beneficiary survey conducted in the ex-post evaluation study indicated the following impact of the project.

The beneficiary survey targeted organizations listed below. The respondents are those who have had some kind of experience in project activities. The survey respondents were limited to those people related to existing model projects because there are no post-project organizations created by umbrella associations.

Table 6 List of Organizations for a Beneficiary Survey

Area	Project Name	Implementing Organizations	No of responses
Pliva	Development and diversification of nature tourism products	Pliva Sports Association (PSA)	20
	Conservation and utilization of fortress	Agency for heritage and development of tourism potentials in Jajce	2
	Country lodging and related tourism product development	Country Lodging Association	33
	Subtotal		55
Velez	Diversification of recreation tourism	Nevesinje Youth Initiative (NYI)	6
		Fishing Association	8
	Nature observation tourism (wild fauna and flora)	Hunting Association	10
	Exploring tour into the Buna river source grotto	STK Blagaj, City Sports Tourist Club	10
	International folklore festival	KPD Blagaj	15
	Eco farm	Bio Product, KRUG Blagaj	5
	Country lodging and related tourism product development	Country Lodging	6
	Subtotal		60
Total			115

(1) Impact on employment and income

As indicated in the Table below, more than a half of the people involved in model projects think the project has brought about a positive impact on their job opportunities and changes in income.

Table 7 Positive Impact of the Project on Employment (Number of responses)

	Very large	Fairly large	Yes and no	Not very large	None	Don't know	N/A*
Pliva	24	30	0	0	0	0	1
Velez	15	15	5	5	1	0	19
Total	39	45	5	5	1	0	20
%	34	39	4	4	1	0	17

Source: Results of surveys of beneficiaries

*Some of the questions in this survey do not necessarily correspond to organizations' activities, and such cases are indicated in "N/A" (as is the case with other questions).

Table 8 Increase of Project-related Income (Number of responses)

	Largely increased	Generally increased	Yes and no	Not largely changed	Not changed at all	Don't know	N/A
Pliva	12	28	4	1	1	9	0
Velez	4	12	6	15	2	18	3
Total	16	40	10	16	3	27	3
%	14	35	9	14	3	23	3

Source: Results of surveys of beneficiaries

(2) Impact on skills and knowledge

The Table below indicates to what extent various training programs and seminars provided by the project have improved the trainees' skills and knowledge.

Table 9 Recognition of Enhancement of Skills and Knowledge (Number of responses)

	Largely enhanced	Fairly enhanced	Yes and no	Not largely changed	Not changed at all	Don't know	N/A
Pliva	23	31	1	0	0	0	0
Velez	9	20	3	7	1	0	20
Total	32	51	4	7	1	0	20
%	28	44	3	6	1	0	17

Source: Results of surveys of beneficiaries

About 70 percent of the total respondents state they have developed their skills and knowledge through training provided by the project. Obtained skills are practical and applied to their work (such as customer service, bed-making and traditional cuisine cooking at country lodging as well as guidance in fly-fishing as a promotion activity for diversifying nature tourism products).

(3) Impact on ethnic relations

A general framework of the Constitution in Bosnia Herzegovina is underpinned by the Dayton Peace Agreement signed in 1995. It secures equal rights for each of the major three ethnic groups, allowing two entity governments to govern, as virtual rulers of the people in their respective jurisdictions (including the Federation of Bosnia and Herzegovina primarily composed of the Bosnian Muslims and Croats and the Republic of Srpska dominated by the Serbs). Such governance has been retained for about 20 years since the end of the civil war, unable to achieve a national unification of the two entities until today.

Under such circumstances, the project, covering areas in both entities, was intended to promote eco-tourism as an instrument for regional development, which would ultimately contribute to creating closer ethnic relations.

The beneficiary survey indicates many respondents believe the project has improved to a certain extent the relations between the two ethnic groups. Sixty percent of the total respondents indicated that the positive impact of the project on this aspect was "very large" or "fairly large."

In an interview during the ex-post evaluation study, people involved in the project stated they had more opportunities for inter-municipal consultations beyond entity boundaries, which had hardly happened prior to its implementation. This suggests the project has served as the impetus for facilitating dialogues between the entities.

In the PDM of this project, ethnic cooperation is not included as its objective or target

output. However, stakeholders of the project, both in Japan and BiH, strongly expected it would strengthen closer ties among different ethnic groups in the latter country. Though not stated in the PDM, ethnic cooperation was thought to be an essential part of the objective that the project was trying to achieve. It is thus worth noting the project has virtually met such stakeholders' common expectations.

Table 10 Recognition of an Impact on Ethnic Cooperation (Number of responses)

	Very large	Fairly large	Yes and no	Not very large	No impact at all	Don't know	N/A
Pliva	8	29	14	4	0	0	0
Velez	13	19	23	4	0	0	1
Total	21	48	37	8	0	0	1
%	18	42	32	7	0	0	1

Source: Results of surveys of beneficiaries

This project has somewhat achieved its objectives, therefore its effectiveness is fair.

3.3 Efficiency (Rating: ②)

3.3.1 Inputs

Table 11 Project Inputs

Inputs	Plan	Actual Performance
Input from Japan		
Project Cost	Approximately 340 million yen	Approximately 412 million yen ※inclusive of costs related to sending study teams (17,811 thousand yen)
Cooperation period	January 2007-December 2009 (36 months)	January 2007-December 2009 (36 months)
Experts	Short term : 68M/M Experts (from private sector) • Tourism development planning • Organization analysis • Tourism promotion • Marketing strategy • Historical and cultural heritage conversation • Natural environment protection • Financial planning • Human resource development, etc.	Short term: 72.33M/M Experts (from private sector) • Team leader/tourism development planning • Project deputy team leader/organization analysis/development • Tourism promotion • Marketing strategy • Historical and cultural heritage conversation • Natural environment protection and eco-tourism • Financial planning • Human resource development • Model project management
Trainees received	No record on the number of trainees	8
Equipment	No record	189 of 34 different kinds
Local Cost	Expense for the project support (50 million yen)	123 million yen

Inputs from the Recipient Country		
Counterpart position	Counterpart staff: <ul style="list-style-type: none"> • Project directors (one director to be appointed from a post equivalent to a senior vice minister of MOFTER, F BiH-Ministry of Physical Planning (MOPP), RS-MOPPCEE, F BiH-MOET, RS-MOTT, respectively) • Project managers (one manager to be appointed from MOFTER, F BiH-MOPP, RS-MOPPCEE, F BiH-MOET, RS-MOTT, respectively) • Staff (one director per implementing organizations in the north and south, and several members including project coordinators)(to be appointed at the launch of the project) 	Although R/D required BiH to appoint project directors and managers as implementing counterparts, these posts were not officially assigned.
Facilities	Project office, conference room, venue for seminars	Project office for umbrella associations
Local cost	—	Expenses for activities of counterpart agencies and umbrella associations (including salaries of umbrella associations paid by municipal offices)

Source: Documentation provide by JICA

3.3.1.1 Elements of Inputs

An in-country training program was provided in Japan to offer an opportunity to learn Japanese eco-tourism. This was a valuable experience for trainees. Back in their home country, they reflected what was learned in policy recommendation and strategic planning to promote eco-tourism.

The project had also assigned a variety of Japanese experts required to promote eco-tourism in BiH. To ensure the quality of training programs and seminars in the target areas, local experts were also employed (in BiH and neighboring countries), as necessary, who had good knowledge of localities. Overall, the project had appropriately used available human resources.

On the other hand, BiH failed to appoint the personnel as planned. While Japanese experts helped information sharing among related agencies, project directors and managers, despite BiH's initial agreement, were not assigned by BiH throughout the project. This resulted in severely limiting occasions to assemble all the agencies concerned to discuss issues to be addressed in the project. This affected smooth communication as well as implementation of the project.

3.3.1.2 Project Cost

The project cost exceeded the planned amount. Local administration resulted in a higher cost than expected.

3.3.1.3 Period of Cooperation

The project, implemented from January 2007 to December 2009, was completed as planned.

In light of the above, the project was implemented within the planned period, but its cost slightly exceeded the plan. Therefore, efficiency of the project is fair.

3.4 Sustainability (Rating:②)

3.4.1 Related Policy towards the Project

As presented in the “Tourism Development Strategy of the Federation of Bosnia and Herzegovina 2008-2018,” and the “Tourism Development Strategy of the Republic of Srpska 2011-2020,” the Government of BiH and the entity governments emphasize the importance of developing eco-tourism as well as the tourism sector. Such policy framework provides a supportive foundation to cooperate in strengthening this sector. It should be noted, although the said Tourism Development Strategy of FBiH is not yet authorized by the Parliament, an approval process will be presumably underway which supports eco-tourism promotion. The Tourism Development Strategy of RS also highlights eco-tourism as well as rural tourism, among other tour destinations, as playing a key role in attracting more tourists in and out of its entity.

In addition, the umbrella associations of Eco Pliva and Eco Velez work as authorized NGOs, allowed to operate across both entities.

In light of the above, sustainability of the policy aspect is high.

3.4.2 Institutional and Operational Aspects of the Implementing Agency

In Eco Pliva, administrative staff of the secretary office have handled all the day-to-day operations. However, additional staff will work from September 2013 (the Jajce municipality has agreed to take charge of the appointment).⁷ This will enable more efficient operation. Also, according to the agreement with Jajce, the association will obtain an additional office in the municipality.⁸

As for Eco Velez, on the other hand, its organizational sustainability is uncertain, in terms of its functions as “an inter-entity umbrella association.” This is because Mostar and Nevesinje have not reached an agreement to jointly operate Eco Velez. If it remains defined as an umbrella association, the association is unlikely to achieve stability in its operations.

Nonetheless, Eco Velez, despite having almost completely suspended its post-project operation, is somehow trying to regain its functions. Nevesinje has decided to pay for their

⁷ Eco Pliva will complete its EU project in September, 2013. It is planning to employ new staff then (which may be a volunteer post for the time being). This was enabled by an MOU signed by three related municipalities, which mandates their financial contributions to Eco Pliva’s operation. For this development, refer to 3.2.2.1 “Achievement of Overall Goal” and 3.4.4 “Financial Aspects of the Implementing Agency.”

⁸ The office which had been used during the project implementation will be provided again.

secretarial staff, while also providing it with an office (as of June 2013). This implies there is a possibility it will resume activities. The first and former members of the secretary office who had left Nevesinje during the project have returned to the municipality, willing to support the association's activities as necessary. These factors have been gradually improving the insufficient personnel numbers of Eco Velez. However, unlike the project's initial expectation, it will work only for Nevesinje, which will no longer function as "an inter-entity umbrella association."

In light of the above, sustainability of the implementing agencies is high for Eco Pliva and low for Eco Velez. The latter, however, will somehow sustain an operational basis to work for the local communities, though dismissing itself from inter-entity activities.

3.4.3 Technical Aspects of the Implementing Agency

Eco Pliva is technically sustainable, as it contributes support, though less frequently, for its member organizations in writing financial application for funding from the government and donors. The association will also be able to provide skills to newly appointed staff upon arrival at his/her post.

As mentioned above, a former member of the secretarial staff at Eco Velez who had joined the latter half of the project will be reassigned. Moreover, the person who had worked for its office in the first half is willing to provide assistance when necessary. Particularly, given that the said former member of the secretarial staff has voluntarily learned tourism at a university after the project, such staff along with well-organized expertise will contribute to the technical sustainability of the organization.

3.4.4 Financial Aspects of the Implementing Agency

In May, 2013, three related municipalities (Jajce, Sipovo and Jezero) signed an MOU to provide Eco Pliva with financial support. To renew the contract on a yearly basis, they will require a review of the association's performance. Recognizing the importance of Eco Pliva's effort, respective mayors have orally agreed to continue their support. During their mayoralty, financial sustainability will be ensured to a certain extent (The next election will be held in October 2016).

The Mayor of Nevesinje shares a similar understanding on Eco Velez, which will help enhance its financial sustainability. Mostar, on the other hand, is not expecting to finance the association at the time of the ex-post evaluation.

In light of the above, Eco Pliva has more financial sustainability than Eco Velez where a mutual contribution of related municipalities has not been granted.

The overall sustainability of Eco Pliva is high. Eco Velez, on the other hand, is less likely to keep its functions at this point as an inter-entity umbrella association. Integrating its

operation in Nevesinje, Eco Velez may at least continue its eco-tourism promotion.

In light of the above, while the ex-post evaluation identified some problems in the counterpart agencies' operational stabilities, capabilities and financial conditions, they are coping with those risk factors so as to reinforce their organizational foundation. Therefore, sustainability of the project impact is considered to be fair.

4. Conclusion, Lessons Learned and Recommendations

4.1 Conclusion

This project was intended to develop human resources and organizational/institutional capacities to facilitate regional development through eco-tourism in the Pliva and Velez areas in Bosnia and Herzegovina (hereinafter referred to as "BiH"). From its planning stage to completion, the objectives of the project have been highly relevant with BiH's national development policies as well as the development needs of the target areas.

The project has established umbrella associations called Eco Pliva and Eco Velez for which public and private sectors work in partnership for eco-tourism promotion. However, they were unable to obtain organizational stability before project completion. Nonetheless, through a series of trainings and seminars carried out by the project, related administrators and stakeholders of model projects have developed their knowledge and skills required for the eco-tourism business. Furthermore, the project has made a positive impact on ethnic relations and employment opportunities for local people. Given these outcomes, the effectiveness and impact of this project are evaluated to be fair. As for the project period, it was within the plan, however the project cost was exceeded, and therefore efficiency of the project is also considered to be fair.

The project has a certain degree of sustainability, given that related municipalities have signed a Memorandum of Understanding (MOU) to provide financial support to Eco Pliva, one of the umbrella associations. Moreover, Eco Pliva will appoint new staff, which will presumably increase the project's sustainability. Eco Velez, on the other hand, has not yet obtained a commitment agreement between the two supporting municipalities. Consequently, this will most likely result in continued activities in only one of the target municipalities. Therefore, the overall sustainability remains fair.

In light of the above, this project is evaluated to be partially satisfactory.

4.2 Recommendations

4.2.1 Recommendations to the Executing Agency

- Financial contribution to Eco Velez

Eco Velez needs the financial commitment from Mostar to ensure its operation. Nevesinje has been working to rebuild its administrative foundation to a certain extent through

provision of its office and staff. The ex-post evaluation suggested that by starting with consultations, these municipalities should make collective efforts to develop their local communities, including both Nevesinje and Mostar.

- Inter-entity consultation and the coordination

A potential coordinating body for such inter-entity consultation is the Ministry of Foreign Trade and Economic Relations (MOFTER) in the central government of BiH.⁹ The ex-post evaluation suggests entity governments and municipal agencies have a meeting to coordinate an inter-entity consultation process. Based on the outcomes, these relevant organizations need to redefine their respective commitment to Eco Velez.

4.2.2 Recommendations to JICA

None.

4.3 Lessons Learned

During the project period, an MOU signed by the related municipalities had mandated their financial contributions to umbrella associations. However, they suspended their assistance shortly after the project completion. Since the project's stakeholders of BiH and Japan had recognized such risks well in advance, they should have taken a preliminary measure to ensure policy commitment or a new MOU that would stipulate municipalities' post-project financial assistance.

To ensure financial sustainability of the government agencies with limited budgets, projects need to take into account their potential weaknesses in earmarking local project costs. Exchanging an MOU at its planning stage may assure their financial commitment. The implementation stage also requires safeguarding against such risk. At the time of the project's completion, a concrete plan for financing should be provided, including the signing of a new memorandum, if necessary.

⁹ MOFTER is one of the central government's ministries, and had served as a chair of the Joint Coordinating Committee (JCC) during the project implementation, comprising of entity governments and related agencies.