

VOL.4 - PART F

MASTER PLAN AND ACTION PLAN FOR VELEZ



Chapter F 1 Visions and Directions of Regional Development of Velez

Overall development goals and strategies are shown in Chapter D1. In this chapter are presented development visions and directions specific to the Velez Study Area in line with the goals and strategies described above.

1.1 Visions for Velez Region

(1) Visions for the Velez region

Visions for the Velez region were formulated to show how the region's tourism growth and tourism product diversity, people's livelihood and resource base would become by the targeted year of 2015. Also shown are the region's directions for growth driven by eco-tourism.

Velez Region encompasses the three areas of unique geographic, climatic and historic-cultural setting - Podvelez, Blagaj and Nevesinje. Economic and tourism linkages among the three areas will remain weak. However, Nevesinje will strengthen its ties with areas in the west through attracting international tourists flowing in from Dobrovnik and Adriatic Coast and day-trippers and weekend tourists from Mostar City and the Herzegovina Region. Regional economic ties will also be strengthened via newly introducing venture of an eco-House along the National Route 17 selling a variety of farm and dairy produce of Blagai, Podvelez and Nevesinje. A cluster of diverse sports tourism opportunities, available from the three unique areas, will also attract more tourists of outdoor special interest tours.

1.2 Directions for Velez Regional Development

1.2.1 Regional Context

According to the Regional Development Strategy of EU-RED, Velez Study Area belongs to one of the important regions of Herzegovina in BiH in terms of the economic development, where Mostar is expected to be the economic growth center of the region with a future road as the Corridor Vc (Pan European Transport Corridor) penetrating the country of BiH from the Adriatic Sea to the Corridor X in the north of Croatia through Sarajevo and Zenica.

Once Mostar is firmly established itself as the engine of the Herzegovina, the Velez as a fringe area of Mostar City can be incorporated into the economic development of the wider

region including the tourism sector. Especially, tourism flow would become more dynamic in future due to the two strongholds of tourism, Mostar and Medugorje. Priority issues will be addressed such as strengthening of linkage by stronger tourism products linkages and diversification of agriculture by agro-tourism products development.

Table F 1.1 Regional Context of Velez Study Area

	Mostar South East		Nevesinje
	Blagaj/Others	Podvelez/Others	
Socio-Economic Conditions	<ul style="list-style-type: none"> Administrative area covering Blagaj & Podvelez : 21,079ha Land use: forest/nature-84%, cultivate land-3%, pasture-5%, urban settlement:0.8% Population: 4,093 recovered by only 38% before war time 	<ul style="list-style-type: none"> Bosnian returnees have resettled from this town to outside towns again after the war. Questionnaire to potential labors <ul style="list-style-type: none"> 30% employed (out of total employment) Living conditions: Bad-63% Local economy: Bad-70% 	<ul style="list-style-type: none"> City area: 96,000ha Land use: forest/nature-65%, cultivate land-11%, pasture-20%, urban settlement:0.2% Population: 18,838 recovered by 128% before war time Serbian refugees into Nevesinje from FBiH are dominant rather than Bosniak or Croat.
Livelihood and Industries	<ul style="list-style-type: none"> Highest income in the study areas mainly by agriculture in the suburban area of Mostar Major industries: Fish farm, wine growing and lavender farm 	<ul style="list-style-type: none"> Lowest income in the study areas mainly by lack of domestic market and trading system Major industries: only livestock for self consumption 	<ul style="list-style-type: none"> Middle income in the study areas mainly by agriculture (collective farm and forestry before the war) Major industries: Livestock & agriculture and some forestry

	Mostar South East		Nevesinje
	Blagaj/Others	Podvelez/Others	
Environmental Constraints	<ul style="list-style-type: none"> Abundant Buna River gives better water quality where sewer or waste has not given serious impact on river environment. Except increase of settlement expected in future, there are a few environmental constraints. 	<ul style="list-style-type: none"> One of the severest environmental area in terms of water supply in the study areas mainly by Karst terrain due to lack of water source Owing to the remote area far from Mostar City of which Mostar JKP serves waste disposal services, this area faces illegal garbage dumping issues. 	<ul style="list-style-type: none"> Severer environmental area in terms of water supply mainly by Karst terrain due to lack of water source Owing to insufficient management of waste disposal system, illegal dumping sites have damaged good natural and historical environment.
Priority Issues	<ul style="list-style-type: none"> Well organized tourism product development to increase over-night international tourists and day-tripper from Mostar Encouraging agro-tourism through sub-urban agriculture development 	<ul style="list-style-type: none"> Encouraging agro-tourism as fundamental livelihood Appropriate scale of settlement with livestock operation taking account of limited water resource and soil capability 	<ul style="list-style-type: none"> Inevitable encouragement of agriculture and livestock industry with competitive product quality Enhancing agro-tourism and nature recreation product as eco-tourism destination

Source: JICA Study Team based on each municipal government, January-2004

1.2.2 Development Directions for Three Sub-Areas

Velez Region, situated at the periphery of the Mostar Metropolis, faces a stagnant economy, inflicted with a high unemployment rate and drain of younger population. In particular, noted are population re-drain (Podvelez), and an resettlement of returnees (Nevesinje) over pre-war level. However, Blagaj seems to enjoy access by tourists from Mostar.

Eco-tourism is hoped to trigger take-off of the Velez economy. It will exploit unique settings of the three sub-regions in Velez - a suburban historic-cultural town (Blagaj), a Karst highland (Podvelez), and a plateau with agro-forestry (Nevesinje). With the above background, the Region's Directions for Growth consists of the following three thrusts:

- (1) Establish Blagaj as a historic-cultural tourism base, by strengthening tourists' access from Dubrovnik and attracting day-trippers and weekend tourists from Mostar Metropolis.

Blagaj will succeed in attracting some of excursion tourists to Mostar from Dubrovnik. Tourism-driven economy will become one of main livelihood of the Blagaj people. Younger population will come back to re-settle there and be engaged in the tourism sector. Short-cut via Buna-place is rehabilitated to attract tourists over a straight shot-cut, bypassing Mostar, of tourists from Dubrovnik. Blagaj will be reputed for farm-produce supply to Mostar consumers as volume of a variety of crops, vegetables and flowers grown by greenhouse farming will increase. A network of tourist routes including Tekiya connected with Buna-riverbank promenade and the beautified Old Town will attract more tourists.

- (2) Promote Podvelez as the distinguished destination for nature-seekers, taking advantages of a unique combination of livestock pasturing in the Karst highland nature setting.

Podvelez will establish itself as a tourist base for nature-lovers and hikers with extended stay by its undisturbed and unique highland nature setting, coupled with a diverse outdoor activity offerings. A growing number of families participating in the milk-collection project will form a stable base for Podvelez people's livelihood and diverse and interesting dairy products as souvenirs for tourists. Livestock growth is maintained, however, carefully below the area's carrying capacity, considering available fodders and avoiding over-grazing.

- (3) Promote Nevesinje as an agro/forest village tourism and mountain destination with diverse nature on Velez Mountain range for special interest tour markets of sports and outdoor.

Nevesinje economy will continue to be led by agriculture and raising livestock, as it embraces a wide arable land and pasture. Its economy will face difficulties to recover pre-war status, as agro-industry and wood processing industry bases were destroyed. However, eco-tourism will take off to a level, reaching more than 500 rooms offering country lodging, attracting special interest tour market for sport and outdoor activities including repeaters of Italian family hunters. Sports-tourism facilities will increase its number and diversity. A variety of recipe from "Organic produce and organic dairy

produce” from Nevesinje will acquire a region-wide recognition and are entertained at restaurants specialized in local taste.

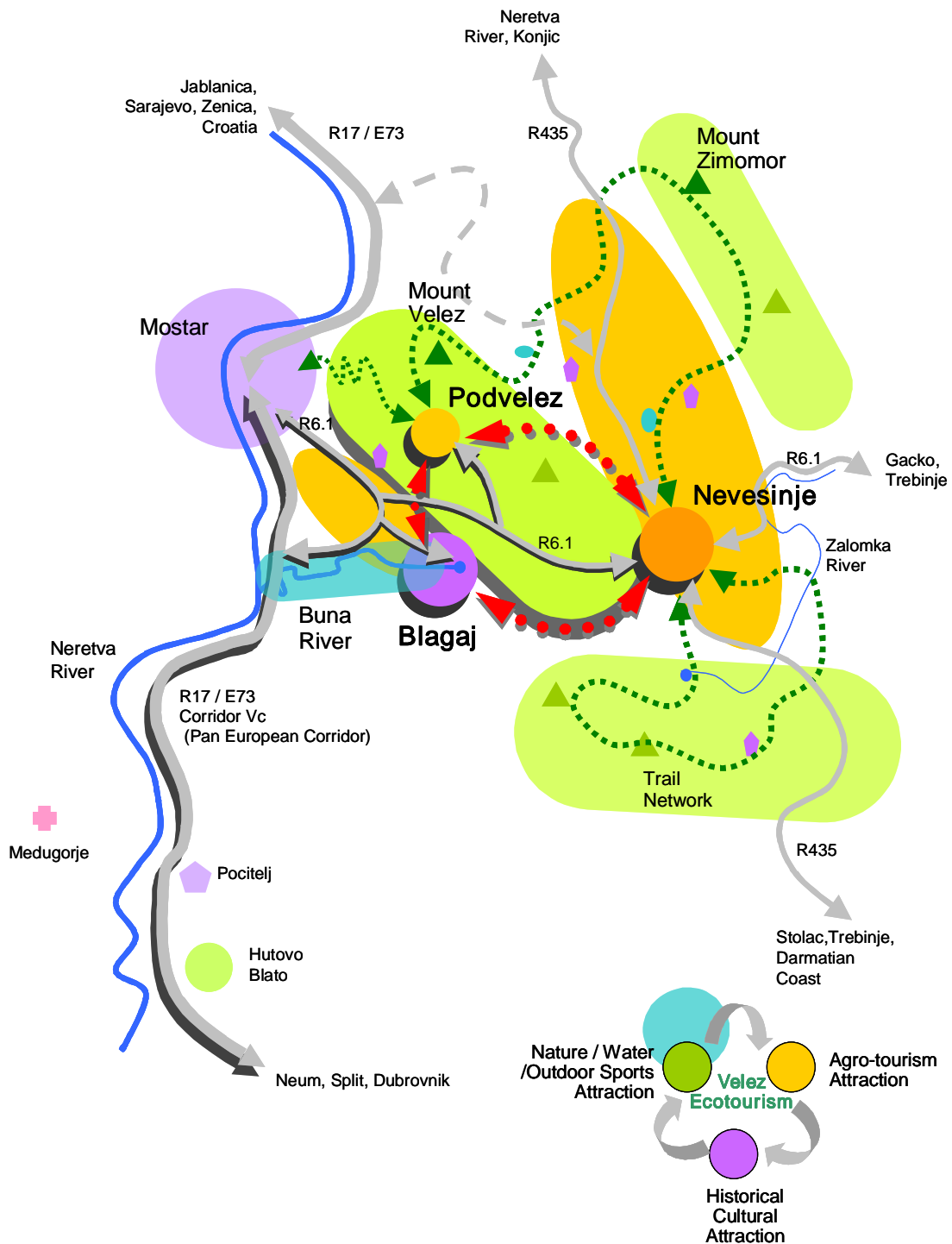


Figure F 1.1 Development Image and Structure for Velez Study Area

Chapter F 2 Proposed Tourism Products in Velez

2.1 Development Concept of Velez Tourism

Formulation of sound strategy for tourism development in the Study Area calls for the identification of travel patterns followed by current visitors; whether they are neighborhood locals, domestic visitors across the cantons, or foreigners from Dalmatian Coasts. The current travel patterns in the Study Area consist of the two main tiers of:

- Blagaj-centered pattern for visitors of general tourist interests; and
- Nevesigne and Podovelez-centered pattern for visitors seeking niche specialty activities.

(1) Blagaj

Current visitors of Blagaj can be categorized into the following three segments:

- Foreign visitors from Medugorje, Mostar or even Dublovnik who drop by as a part of packaged tour circuit;
- Foreign/domestic visitors all across BiH who desire Blagaj discovery (Tekija, Buna River spring); and
- Neighborhood local residents for one-day picnic/recreation.



A picnic ground on the Buna River for neighborhood visitors.



Souvenir stalls line along the way to Tekkiya.



Tekkiya and the Buna River Spring, the highlight tourist attraction of Blagaj frequented by both domestic and foreign visitors.



Riverside trout restaurant enhances ambience and comfort of Tekkiya/Buna River Spring.

Based on the travel patterns and visitor categories as identified above, the two strategies were worked out for Blagaj tourism to expand further:

- 1) To tailor Blagaj into a tourism core to draw more visitors of general interests (domestic, foreign expatriates in BiH, foreign holiday tourists or pilgrims) from major tourism centers (Mostar, Medugorje, Sarajevo, Dalmatian Coasts, etc.);
- 2) To establish Blagaj as a tourism hub of the Study Area from where visitors will disperse to pursue desired tourist activities of their own interest, preference or choice; and
- 3) To create water and sports activities utilizing Buna river.

The diagram shows the future conceptual position of Blagaj as related to the tourist flows and the major tourist centers influencing Blagaj development.

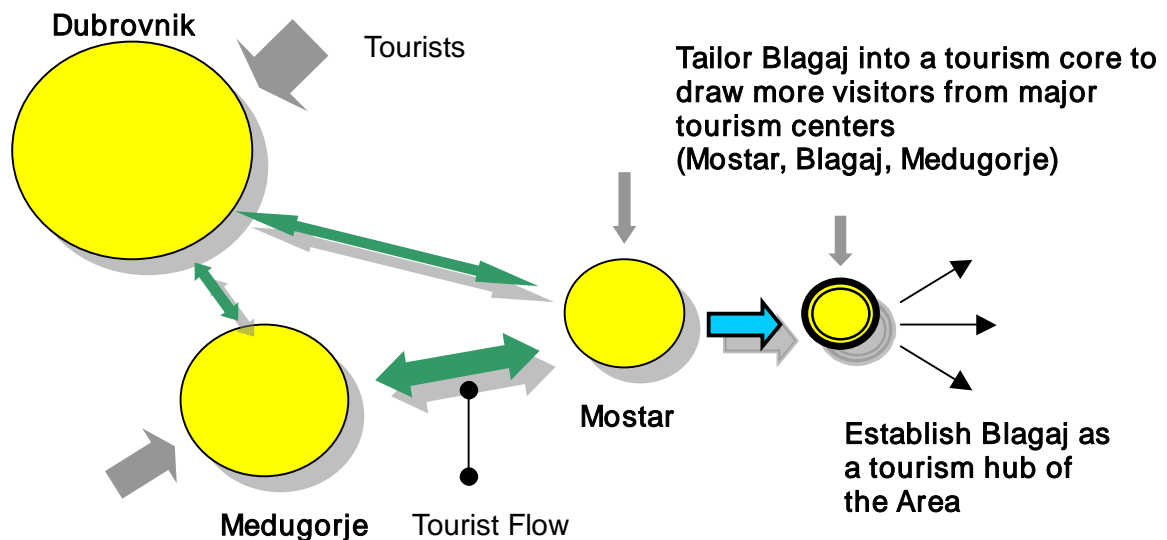


Figure F 2.1 Conceptual Position of Blagaj

(2) Nevesinje and Podvelez

Current visitors of Nevesinje and Podovelez can be categorized into the following three segments:

- Foreign visitors for niche specialty activities (e.g., hunting, hiking, trekking, etc.);
- Domestic visitors (inclusive of foreign expatriates in Sarajevo, EUFOR, etc.) for niche specialty activities; and
- Neighborhood local residents for one-day picnic/recreation.

In contrast to the resources and activities found in Blagaj that appeal to a larger tourist market of general interest, those identified in this Area are of the characters that meet the interest/curiosity of a smaller, niche market of enthusiasts like hunting. The resources in Nevesinje and Podovelez are therefore not suitable ones to be included as part of such tour circuits of general interests that cover Mostar - Medugorje or Mostar - Dubrovnik.



Scenic view of Mount Velez with a hunting hut at its foot. Hunters come from Italy.



One of stećaks, Bosnian Medieval tombstone. Important resource for eco-tourism as well as culture tourism.



Bee hives in Podovelez. Local produce like honey can be developed into a value-added tourist souvenir with branding/packaging.



A tourist home in a farming village in Nevesinje.

In working out applicable strategies for this Area, a special note is made of the resource characters on top of the consideration on the travel patterns and visitor categories as was done in the exercise of Blagaj. The four strategies are proposed to make tourism in Nevesinje and Podovelez a more promising and viable business sector:

- 1) To develop a series of educational and interesting eco-tourism programs and products making full use of all available resources in the Area;
- 2) To prepare indispensable basics for eco-tourism development, such as institution buildup, resource inventory, guide training, maps and brochures, etc.;

- 3) To initiate consolidated promotion activities covering the whole area toward targeted market segments; and
- 4) To create unique local dishes/cuisine that appeal and satisfy foreign visitors.

The conceptual diagram below summarizes inter-action of the players involved in the eco-tourism development.

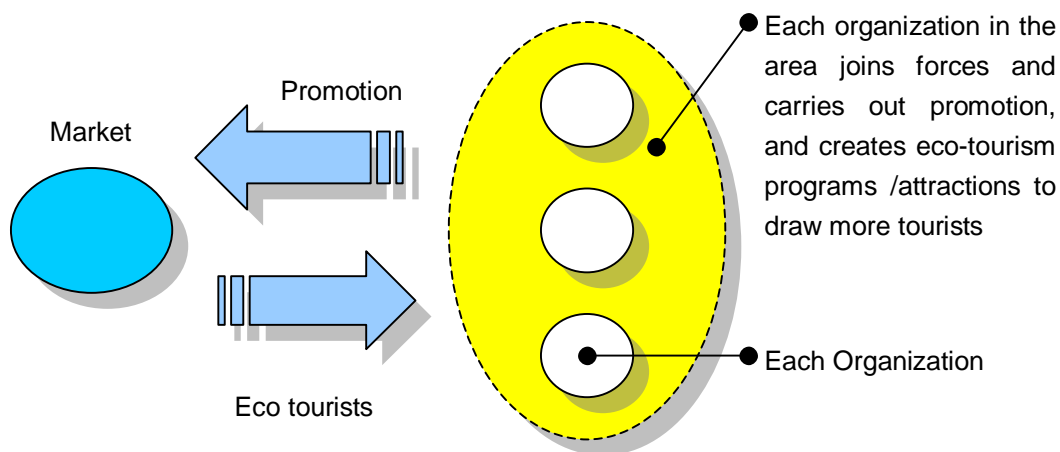


Figure F 2.2 Inter-action of Eco-tourism Players

Based on the exercises and analyses for the two sub-areas of Blagaj and Nevesinje/Podvelez in terms of:

- Travel patterns of current visitors;
- Visitor market segments (e.g., geographical, locals, neighboring countries, or product category, nature, culture, activities, special interest, etc.); and
- Characters of resources available in each Area.

The Study Team proposes the following conceptual direction, projects, and programs to be mobilized so that the whole Velez Study Area will become a model eco-tourism cluster in BiH in the nearest possible future.

(3) Conceptual Direction

- 1) Heritage and Cultural Tourism
- 2) Agro-Tourism
- 3) Nature and Sports Activities

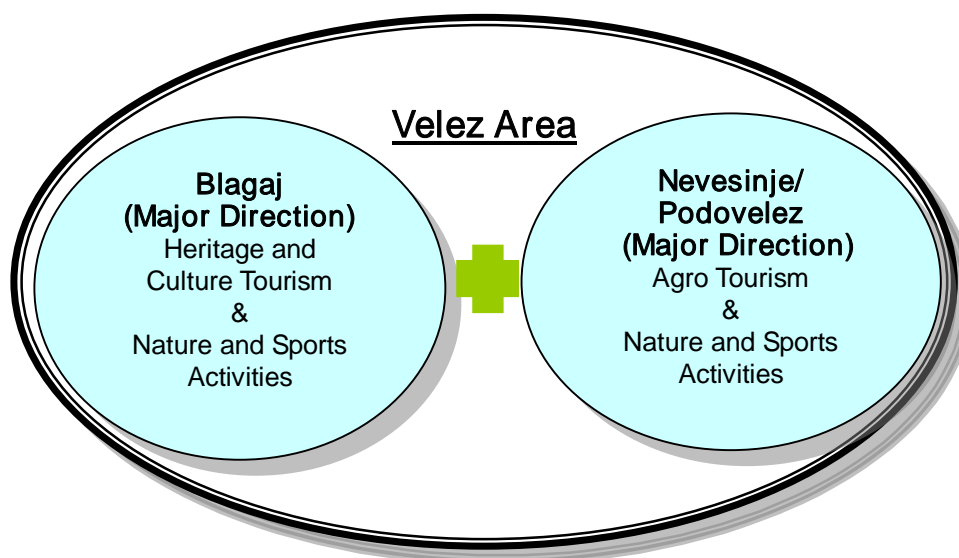


Figure F 2.3 Structure of Master Plan Project for Velez

Table F 2.1 List of Master Plan Projects for Velez

Project/Program		Program Component	
MASTER PLAN			
TOURISM PRODUCTS	Velez Heritage & Cultural Tourism	VH- 1) Blagaj Historic Trail VH- 2) Podvelez Forts Visit VH- 3) Nevesinje Necropolis Visit VH- 4) Cultural Events (Folklore Festival, Islamic Memorial Day)	
	Velez Agro-Tourism	VELEZ ECO-HOUSE	VA- 1) Product Improvement VA- 2) Sale of Local Products VA- 3) Eco-tourism Information Service
		VELEZ FARMING EXPERIENCE	VA- 4) Farm Lodging VA- 5) Fruits Picking VA- 6) Sheep Searing VA- 7) Bee Keeping & Herb Picking VA- 8) Milking & Cheese Making VA- 9) Lavender Farm Trip
		VELEZ GASTRONOMY CORRIDOR	VA- 10) Winery & Brewery Visit VA- 11) Local Food Restaurant Network VA- 12) Farm Visit for Lunch or Local Farm Products VA- 13) Improvement of Local Weekly Market

	Project/Program	Program Component
	MASTER PLAN	
	Velez Nature & Sports Activities	VN- 1) Bird watching & photo safari VN- 2) Flora and bird observation VN- 3) Wildlife observatory VN- 4) 4WD tour up & around Mt.Velez VN- 5) Horse back riding VN- 6) Mountaineering VN- 7) Fishing VN- 8) Hunting VN- 9) Mountain biking VN- 10) Rafting VN- 11) Sports Events (Nevesinje Olympic) VN- 12) Football for club training
SUPPORTING PROGRAM	Tourism Resource Management	VR- 1) Supporting the water quality monitoring VR- 2) Reforestration & Town Beautification Campaign VR- 3) Protected area management system VR- 4) Environmental management guideline for visitors VR- 5) Historic preservation registered monuments
	Marketing & Promotion	VM- 1) Product Development with Tour Operators VM- 2) Web-site Maintenance VM- 3) Contact to Sports Clubs/Associations VM- 4) Tourism Fair Participation VM- 5) Promotional material development
	Facilities & Infrastructure	VF- 1) Small-scale Accommodation Program VF- 2) Access Control and Traffic Management VF- 3) Development of Interpretative Information
	Institutional & human Resource Development	VI- 1) Velez Tourism Committee VI- 2) Training of guiding, hospitality, visitor safety, environment VI- 3) Nomination of great skill holders VI- 4) Training of Forest Guards VI- 5) Loan guarantee for small tourism/agro business

2.2 Velez Cultural Heritage Tourism

2.2.1 Rationale

Velez Study Area is rich with accumulated history and diversified culture. JICA Study Team supported Blagaj Historic Trail Pilot Project in 2004 and started the first step for strengthening this category of tourism. Cultural heritage tourism can be developed further in Blagaj and also in the other parts of Velez area.

The purposes of the cultural heritage tourism in Velez are to:

- 1) Further develop Blagaj as an established destination of cultural heritage tourism and as a gateway to the Velez Area;
- 2) Extend cultural heritage tourism to Podvelez and Nevesinje; and
- 3) Organize cultural events so that Velez becomes an all season cultural tourism destination.

Advantages of developing this category of tourism products in Velez are:

- 1) Velez Area has diversified cultural tourism resources from the Stone Age to the Austro-Hungarian period. Some of them have been registered as national heritage;
- 2) Local population keeps traditional way of life and folklore. For example, some people put on traditional dress for ceremonial occasions as attraction in all the three communities i.e. Blagaj, Podvelez, and Nevesinje;
- 3) Blagaj has several cultural events that can be easily adapt for tourist attraction;
- 4) Some CBOs are willing to promote cultural tourism; and
- 5) Local population has become more aware of their culture and history and can be motivated to conserve the historic heritage and culture.

2.2.2 List of Projects for Master Plan

VH- 1) Blagaj Historic Trail

The first stage of this project has been implemented as one of the pilot project during the Study period. As is mentioned in Chapter E 4, achievement of this pilot project include 1) preparation of tourist information kiosk, car parking, trail pavement, and information boards, 2) local guide training, and 3) various promotion.

VH- 2) Podvelez Forts Visit

At the edge of Podvelez Karsts Plateau, there are several forts built during Austro-Hungarian period. These ruins are remarkable landmarks that can be easily seen from the Mostar Valley. One structure is close to the starting point of a zigzag road that connects Podvelez and Mostar. The other ones are far from any main roads and only accessible by 4WD vehicles. The route that connects these forts offers excellent command of views and makes a nice hiking course. Only flocks of sheep occasionally visit these ruins. There are some potential guide persons who can take visitors to the sites.

VH- 3) Nevesinje Necropolis Visit

In Nevesinje there are many cultural heritage sites such as stone bridge, ruins of fortress, Orthodox churches, and graveyards for Muslims and Christians. Necropolis is a burial ground of medieval age and one of the most significant historic remain in this area and registered as National heritage of BiH. Cultural heritage sites in Nevesinje are generally undeveloped as tourism resource and rarely visited. The ex-mayor of the Nevesinje Municipality is a historian and available for a guide to this stone monument.

VH- 4) Blagaj Cultural Events Management

Since increasing number of visitors to Blagaj have been observed in 2004 season, it is an excellent timing to further develop this historic tourism destination. The two main events in Blagaj, Dervish day in May and Folklore festival in August are not directly connected to tourism promotion. This project expects a new organization "Friends of Blagaj" which totally manages the promotion of the historic town. Events of this project may include management of the Dervish day event, guided walking tours, street entertainment, Café Velagicevina upgrade, and new festivals. This project may enhance participation of the broader part of the local population and makes the beneficiaries of tourism industry much bigger than now.

2.3 Agro-Tourism in Velez

Upfront of almost each project idea a legal check should be done to learn about the needed licenses, certificates, bylaws and laws.

2.3.1 Rationale

(1) Velez Eco-House

The project aims to market local products to local population as well as tourists, nationals and internationals. Lessons learned from our project in Jaice could be applied here. As location is of utmost importance a new Eco-House should be established on the road M 17 Mostar - Metkovic, next to the junction Blagaj - opposite Interrex. Blagaj itself would be the second best location. Traditional foodstuff like cheese, meat, sausages, smoked fish, fresh fruits and vegetables, wine and brandy (slivovica) would be promising products. The product range could be increased by local knitwear and pullovers (typically from Nevesinje), hides and skins, and wooden tools as still used on the farms.

(2) Velez Farm Visit

Because of the farm size and its productivity, it is not easy for the farmers in Velez to compete in international agricultural market. An alternative way of improve productivity is to combine agriculture with tourism. Since there are diversified agricultural activities in the three communities of Blagaj, Podvelez, and Nevesinje, visiting these place for tasting or participating farming activities may make tourist attractions. Blagaj has many fruits farms and a lavender field. Podvelez is suitable to learn bee keeping, herb picking, and sheep shearing. Nevesinje can offer many food items for lunch and tasting such as rakja (spirit form fruits), processed meat, dairy products, and variety of breads. Given that all these farming activities are already there in the Velez Area, there is no necessity to make huge investment to begin agro-tourism.

(3) Velez Gastronomy Corridor

Velez Area has some attempts and many more potential resources to promote gastronomy. Typical examples are Norfish Restaurant in Blagaj, Natural local food offered in Eco-motel Sunce in Podvelez, and hand made food served at the country lodges in Nevesinje. Many food items are produced, processed, and sold in Velez. Visiting these places may make good attractions for tourists.

2.3.2 List of Projects for Master Plan

The following list of tailor-made project proposals for the Velez Area was done having in mind the improvement of the economic situation of the rural population in the area. More specifically the projects have been selected to connect farmers with tourism and to generate additional income through non-farming activities.

(1) Eco-House

VA- 1) Product improvement

In Velez Area (with the exception of Blagaj) main agricultural production is within livestock; meat, meat products, milk and processed milk like cheese, yogurt, etc. All these products need to be improved by training lessons in production technology, animal nutrition, fodder production, hygiene, slaughtering, processing like smoked meat. Furthermore more area-specific traditional products have to be developed/re-developed. Good branding and environmentally oriented packaging of products with longer shelf life would be an additional asset. Perishable fresh products like vegetables, table grapes and other fruits should be

available as supplementary goods. Similar training is needed here as well to improve the whole product range.

VA- 2) Sale of Local Products

Local products are sold in the shops and on the weekly market. This component wants to increase the sales, total revenues as well as margins. Therefore the component is looking for more clients and more products. Additionally the percentage of premium products that allow an extra margin has to be increased within the whole product range. Marketing did started with trading items on consignment base and has to shift towards buying and selling. By this approach better products could be purchased/ordered from Eco-House and higher margins obtained.

VA- 3) Eco-tourism Information Service

The Eco-House along the Main road M 17 would also be very strategic place for the tourism information service for whole Velez Area. A shopkeeper of the retail department could also work as information and reservation operator. Reservation for tour guide in Blagaj, farm visit, restaurant, nature tours and recreational activities shall be handled here at the information corner of the Eco-House.

(2) Farm Visit

VA- 4) Farm Lodging

Eco-tourists are looking for the original way of living/housing and need running water, but for example no satellite TV. To improve this component, houses in Velez Area have to be renovated and the farm lodging offer has to be promoted; web sites are one option.

VA- 5) Fruits Picking

Most farms have traditional orchards with plums, sometimes apples and others. Bigger plantations are not known in the area. Guest visiting a farm could be entertained by picking fruits; as a first step the existing orchards could be used, but enlargement of the plantations are necessary to have sufficient products for the guests. - Organic fruit production would be even more attractive.

VA- 6) Sheep Shearing

In Velez Area sheep shearing activities take place Mid-May. This is a necessity and could be marketed as a tourist attraction. Tourist could assist the shearing procedure or even shear the sheep themselves by hand. Some lambs (young sheep) will be grilled at this occasion and also sold to the tourists.

VA- 7) Bee Keeping & Herb Picking

Many farms, even very small ones, are involved in bee keeping in Velez Study Area as well. Also herb picking is an economic alternative for small farms and this activity could be done also together with tourists. Tourists would walk through nature and learn about local species while picking the herbs. At the end tourists will have a chance to purchase some packages of tea and other herbs of the kind they have picked during the day.

VA- 8) Milking and cheese making

Tourists could visit traditional looking farms and assist in cow milking in Velez Study Area. Furthermore they could watch cheese making. Besides looking at the production, some cheese will be served for tasting and sale (if possible in nicely packed environmental friendly wooden boxes or textiles). Try to avoid “mladi sir” (young cheese) and go rather towards hard cheese. Tourist will be happy to purchase some cheese if packaging and branding is nicely done.

VA- 9) Lavender Farm Trip

A British company is operating a lavender farm in Blagaj near the Mostar air port. Local people are employed to take care of this plant. This farm does not process its product in Blagaj. Lavender is one of the most popular flowers around the world. Perfume, potpourri and other products are processed from this flower. Its aroma has tranquilizing effects and used for aromatherapy. Even though this lavender farm has short history here, it has significant potential to become a tourism attraction.

(3) Gastronomy Corridor

VA- 10) Winery & Brewery Visit

Even if Blagaj is a Bosniak neighborhood wine has a long tradition as seen on huge vineyards all around Mostar. The small existing winery could be made open to the public or a

small new one to be established. Tourists could make a guided tour and learn more about the varieties and the production of wine. Afterwards wine tasting and sales should take place.

- Similar approach could be made with focus on traditional food and local beer in the existing restaurant-brewery “Ritter-Bräu” in Blagaj.

VA- 11) Local Food Restaurant Network

Local population is poor and therefore the gastronomic offer is rather limited to cheap traditional food with low quality. Rural tourism could be increased rapidly if a net of local good food restaurants would exist. In Velez Study Area it would be possible to link the Norfish Restaurant in Blagaj with Motel Sunce in Podvelez and a restaurant in Nevesinje or nearby; there is one 10km east of Nevesinje. Furthermore “Slow Food Movement” ideas exist to link in the Nevesinje region, organic food production and agro-tourism.

VA- 12) Farm Visit for Lunch or Local Farm Products

Farm visitors are looking for a unique landscape, nice farmer’s family, traditional homemade specialties, good meal at the farm and opportunity to purchase the already tasted farm produce. Therefore a well designed and tasty product range would be necessary and a nice, rustically eating room, eventually also a show room, where products will be finally purchased. Upfront of such a project it must be checked if a restaurant and maybe trade license is needed.

VA- 13) Improvement of Local Weekly Market

In Nevesinje the weekly market attracts visitors from Mostar, who are coming by bus. A broader product range and better public connections would make this market day even more successful. To overcome political disputes the market should be promoted as a regional Velez Market and additional producers from Podvelez and other areas should be present to market regional Velez produce.

2.4 Nature and Sport Tourism

2.4.1 Rationale

Velez Study Area is rich with unspoiled natural beauties and various flora and fauna. The pilot project “Velez Tourism Activities” has commenced preparing some active recreation in the nature, such as hunting, fishing, mountaineering, and mountain biking. However, these

activities are rather for special interest tourists than for general interest ones. In order to approach the wider tourist segment including seniors and families, Velez Study Area can offer much wider products. Nature observation is the typical example. Tourists who are not sport-oriented may be interested in observing and learning from nature.

The purposes of the Velez nature and sport tourism are to:

- 1) Improve and enhance existing recreational or sports activities available in Velez;
- 2) Create new nature based products to target wider range of tourist segments; and
- 3) Connect all of the sport and recreational activities and make diversified activities available in Velez Study Area.

Advantages of developing this category of tourism products in Velez are:

- 1) Local sports associations have been motivated to participate sport tourism and receive tourists. Therefore there is a base of sport tourism in Velez Study Area;
- 2) Velez Study Area preserves unique ecology that can appeal to the tourists and just preparing system to observe this ecology does not need big investment;
- 3) Some of the local population, especially members of hunting, fishing, mountaineering clubs, have abundant knowledge on the fauna and flora, even though they have little experience in guiding visitors. This means human resource for guiding and nature interpretation is available with some training;
- 4) Lodging house families supported by the pilot project will receive more tourists because of these nature based activities; and
- 5) Local population become more aware of the necessity to conserve ecology if they are engaged in nature based tourism and get income through it.

2.4.2 List of Projects for Master Plan

VN- 1) Bird Watching, Wildlife Viewing, and Photo Safari

The high winds and rocky conditions of the Velez Mountains create a perfect habitat for high soaring raptors such as eagles, hawks, and falcons. The winds allow the birds to fly with a minimum amount of effort and the Podvelez caves provide the type of nesting habitat these types of birds demand. The purpose of this project is to continue the nature guiding program that Nevesnija Youth Initiative has established that will enable tourists to see very rare species of raptors and other birds. The rare birds that can be seen include the rock pigeon, sparrow-hawk, eagle, owl, falcon, and little owl.

The Herzegovina wildlife experiences are unique. By example, Nevesinje provides critical habitat for thriving populations of European Brown Bear, Chamois, Wolves, Wild Boar, Wild cat (Lynx and Bobcat), and River Otter. These species are virtually extinct in the remainder of Europe. In addition, a total of 240 bird species have been positively identified in Herzegovina. The purpose of this project is to continue the nature guiding program that Nevesinje Youth Initiative has established that provides wildlife viewing and nature photography by means of nature hikes and guided tours. The region's excellent air quality and abundant sunshine provides excellent conditions for photographing wildlife.

VN- 2) 4WD Tour of Mount Velez

A road to the top of Mount Velez currently exists. Travel to the summit by 4WD Vehicle would provide tourists with opportunities to experience the beautiful vistas along the route of travel and at the summit. There are several benefits associated with this type of tourist activity. It is a safe method of travel because the route is in excellent condition and there are no mine hazards on the route. It is a very safe mode of transport for persons who have medical problems or who may not have the physical stamina to climb to the top of Mount Velez. And given the windy conditions and cold temperatures of the mountain, it is a very comfortable mode of travel that would produce excellent visitor satisfaction.

VN- 3) Horseback Riding

The purpose of this project is to provide tourists with both an enjoyable activity and to learn about the culture of the nomadic mountain people. The Podvelez Hill Horse is a very distinct type of horse that has been specifically bred for the steep slopes and cold conditions of the Velez Mountain Region. This horse is small, tough and extremely strong animal that has played an important role in the lives of the nomadic people who graze their livestock in this region. Tourist would have the opportunity to see how this animal helps the people and to experience ride on the Podvelez Hill Horse.

VN- 4) Mountaineering

The Velež Mountain Range offers a variety of challenging climbing and mountaineering experiences. Mount Velez is the summit of this range and this mountain is 1,958 meters above sea level. The ascent distance from the valley floor in Blagaj to the summit is nearly 1,900 meters.

The most challenging technical climbs in the Velez Mountains are located along the headwalls of the eastern face of the mountain range. These walls have extremely steep pitches and require expert technical mountaineering skills. The difficulty of these climbs is evidenced by the fact that mountaineers practicing their assault for Mt. Everest have used the climbs in this region.

The north and south flanks of the Velez Mountains offer rigorous climbing experiences that require basic mountaineering skills. Access to these routes can be time consuming, but the scenery along the routes and locations for camps will compensate the climber who chooses one of these routes.

The western side of the Velez Mountains is definitely the easiest route to the summit and requires minimal mountaineering skills and equipment. Good hiking boots and warm clothing define the essential equipment requirements for this route. The western side of Mount Velez is a relatively gentle sloping, treeless moraine. Views of the Buna River and Neretva River valleys may be seen continuously during this mountaineering experience.

Great caution is required for all backcountry activities in the Mount Velez region because of the continued presence of minefields in certain areas. Unfortunately, the easiest route to the summit along the western face has the largest number of mines. Most importantly, Nevesinje does NOT have land mines and therefore the eastern side of the Velez Mountain Range offers considerably safer mountaineering and hiking experiences. The use of ANY of these routes should be used ONLY with the assistance of an experienced mountain guide.

VN- 5) Sport Fishing

The purpose of this project is to continue strengthening the tourism and resource management capabilities of the Nevesinje fishing clubs. There are three major rivers located in the Mount Velež Region and a variety of smaller tributaries. Each of these rivers and streams has unique water conditions and fishing characteristics. The three major rivers are named the Zalomka, the Buna, and the Bunica. The Nevesinje region also has many large and small lakes. The largest lake is called Lake Alagovac and it large populations of trophy fish such as White Amur. In addition, the region has many small lakes and these are located in the upper elevations of the mountains that surround the Nevesinje Valley. By example, there is an especially attractive mountain lake located approximately 4km east of the Velez Mountain Range. Naturally occurring lakes along the floor of the valley have seasonal

characteristics. In the winter and spring they are generally full, but by the middle to the end of summer they can be nearly dry.

All of the regional rivers and lakes offer high quality sport fishing opportunities. Within these waters a diversity of large and healthy fish species may be caught by the sports angler. Both economic and natural resource benefits can be realized from this project. The benefits include habitat improvements, job creation through guide training, and commercial benefits from the sale of licenses, and the sale and rental of angling equipment.

VN- 6) Hunting

The Velez area provides essential natural habitat for a diversity of wildlife. Within this region the government has identified specific protected and non-protected hunting game areas and wildlife species. For the lands managed by Lumber Camp Velez, the protected species include roe deer, chamois, bear, wolf, wild boar, squirrel, and owl. The unregulated game species in hunting area include wildcat, marten, fox, badger, and other small game such as rabbit and squirrel. The Velez area is an extremely popular site for hunting game birds.

The environmental conditions and abundance of wildlife in the Mount Velez Region have resulted in a long tradition of hunting. Each of the three communities in the region has established hunting clubs that manage specific regions for controlled hunting. The hunting practices in this region are extremely regulated. The hunter may pursue large trophy animals such as wild boar and bear as well as birds such as grouse and pheasant.

VN- 7) Mountain Biking

The purpose of this project is to provide a Mountain Bike Trail System that will allow tourists to experience the many forest, river, and mountain attractions that the Nevesnija Region has to offer. The basic elements of the trail system would consist of existing forest roads and ancient roadways such as the Roman Salt Road and the Ottoman Caravan Route. The forest roads were originally built by the private forest industry. The Roman Road connected the Adriatic to Vienna and the Ottoman Caravan Route connected the Balkans to Turkey. In addition to mountain biking benefits, the trail would provide tourist opportunities for wildlife viewing, hiking, and Nordic skiing in the winter.

VN- 8) Rafting

Currently, no rafting occurs on the Zalomka or the other major rivers in the Nevesinje region. One commercial operator is proposing rafting on the Buna River. However, the potential exists to establish this type of sports activity. The purpose of this project is to evaluate the river and shore conditions to determine if rafting would be a feasible sport activity. Many rivers located in the Mount Velez Region have sufficient length, water flow and scenic beauty to be evaluated for rafting.

VN- 9) Sports Events

The purpose of this project is to continue and strengthen the Nevesinje Olympics. This unique cultural-sport event has maintained a long tradition that has lasted for more than 120 years. The events occur annually at Bratacki Lug during the second half of August. The sport activities last for three days and approximately 10,000 participants and visitors view the events. These people come from many areas of BiH, Croatian, Serbia, and Montenegro. Competitions include both human tests of speed, skills, and stamina and horse races. Thorough bred horses and mountain bred horses compete in the races.

The proposed methods for strengthening this activity are to: actively promote and market the Games; charge admission to visitors; generate revenues from the sale of food and beverages; generate sales from crafts and agricultural products; and provide parking services for hire.

VN- 10) Football for club training

Blagaj has two football fields; one at the entrance of the town and another one at the meeting point of Buna and Bunice River. Football is one of the most popular sports in BiH and major cities have their own football team. However, the long and snowy winter of Bosnia disturbs this activity. On the other hand, Herzegovina enjoys warmer winter with sub-Mediterranean climate and with less snow. This favorable condition offers a chance to tourism business. Blagaj could develop its capacity to accept football teams in winter season and offer them a first-rate training environment.

This product may need improved football fields, accommodation, and food variety. Since these infrastructures are already developed to some extent in Blagaj, no large investment is required.

Chapter F 3 Agricultural Development in Velez

In the study area Velez we could find Blagaj, Podvelez and Nevesinje and each village has a very different agricultural environment. Therefore the agricultural production differs enormous.

Blagaj with its warm climate is well suited for fruits and vegetables production, in open field as well as in greenhouses. Traditionally grapes are an important fruit, but apples, peaches and even kiwis could be found in the area.

Podvelez is located higher in the mountains and is a very rocky area; all kinds of herbs and medicinal plant could be collected here. As arable land is very limited, just livestock production with cows and sheep offer income opportunities. The present production methods are very extensive, as fodder like grain and corn has to be bought and even water is sometimes in summer very limited. These are constraints having in mind that a cow with 13.6 kg milk a day needs between 58 and 70 liter of water. Besides producing milk an additional opportunity would be some specific cheese to add-value on the raw milk.

Nevesinje is on a plateau and has excellent agricultural prerequisite for large scale farming (grain, corn, potatoes, seed potatoes, etc.) and livestock production. Beside meat, meat products and milk, that could be processed in the local dairy, also alternatives like pig production are feasible; also outdoor pigs under organic methods.

3.1 Development of Access to the Market

3.1.1 Direct Marketing (sale to the final consumer)

- Marketing on the farm to the final consumer; and
- Marketing in the village/neighborhood.

Presently both form of marketing are not very satisfying as final consumer on the farm as well as in the neighborhood have very limited purchasing power.

(1) Marketing on the nearest urban weekly market

Individual farmers in Nevesinje attend each Thursday the local green market that attracts some visitors from Mostar but no tourists. Farmers from Blagaj and Podvelez are rather oriented towards the small, but daily green market in Mostar and to the weekend market (Saturday and Sunday) in Vrbacici, a few kilometers north of Mostar and near the Merkur market.

Access to a market that is about 30km away from the farm could be made easier by forming a loose association of farmers that will coordinate their product range (not everybody should sell potato and soft-cheese) and enable joint transport facilities. Especially transport is getting expensive if the offered quantities are small as it is usually the case within Podvelez.

An Eco-House similar to the one in Jaice would be a very attractive access to the market, if located on the M 17 near Mostar.

The other forms of selling agricultural products are called indirect marketing as the farmer will sell his product to a processor or a trader who will later on sell the product to the final customer; sometimes more processors and/or traders could be included in this marketing chain.

3.1.2 Indirect Marketing

Sheep and cattle farmers from Podvelez transport their animals to Mostar where they keep close relation with butchers descended from Podvelez.

The milk collection project is the only exception where products are picked up almost daily from a trader; in this specific case it is the P.Z.BIOPRODUKT cooperative.

Also due to ethnic reasons it is not feasible to push for a regional branding. Eventually a quality branding would offer a way out for example by introducing HAPPAC methods for food safety. Velez farmers could also do regularly and more detailed health checks by intensifying the cooperation with local veterinarians and inspectors.

(1) Transport and sale to wholesalers

In Blagaj there are several wholesalers like Jaffa Commerce and in Nevesinje there is the cooperative CC Nevesinje that is getting increasingly involved in marketing farm products.

(2) Transport and sale to retailers by avoiding the margin of the wholesaler

Sales should be intensified to retailers in Blagaj and Mostar area, even in Medugorje. Also local restaurants in the area could be interesting clients as they are looking for fresh, traditional products at reasonable prices.

3.2 Local Products That Attract Visitors

The landscape differs very much from almost Mediterranean Blagaj towards the remote high plateau in Nevesinje. This landscape seen as a product is a good reason to attract visitors and hunters. To promote and market that area better it will be needed to solve the land-mines problem; at least a zoning has to be done where outdoor activities are safe.

Cultural events like the Dervish Festival in Blagaj and Green Markets like the weekly market in Nevesinje do attract visitors; appropriate marketing could improve the situation.

The Velez Study Area has two important restaurants; the fish restaurant Norfish in Blagaj close to the fountain Buna. It is one of the oldest fish restaurants in Ex-Yugoslavia and that model of its fish-pools is used for most of the existing fish farms in BiH. Beside this fish restaurant there is the Motel Sunce in Podvelez that is more directed towards very good local traditional food. Nevesinje has no similar restaurant for the time being but some restaurants could be adapted or improved. In summer times there is a well known restaurant around Odzak, 10km east of Nevesinje. These restaurants could form a Gastronomy Corridor to make the area more attractive. (See also Chapter 9.2)

3.3 Products and Activities for Farm Visit

As there is a broad choice of landscape in Velez, many very different ideas could be promoted and marketed. But first step is always to define the ideas and adapt them to the local conditions.

3.3.1 Products That Attract Tourists to Farms

Farming is aiming to get into a high-volume, low margin business and regarding livestock production that will turn animals into production units.

Small-scale farmers cannot and should not compete on the same level with corporate farms, but they may be able to produce a unique product that appeals to an upscale market. Therefore, emphasis should be placed on marketing the potential strengths and distinguishing features of the small farmer's product, such as taste differences due to diet and genetics, antibiotic-free status, and free-range, environmental, and animal welfare issues.

(1) Rare Indigenous Breeds

Highly mechanized livestock production requires usually a uniformed breed. As a result we face today the loss of local traditional breeds in Bosnia and Herzegovina and worldwide. The importance of maintaining traditional breeds can be seen in the disadvantaged mountain regions where traditional cattle and sheep breeds are very well adapted to the poor conditions and are therefore crucial to the maintenance of grazing on mountain pastures. As these animals look often very different to their high-tech-relatives they could be commercialized as a tourist attraction beside meat, meat products and milk. Additionally there are some associations to protect these rare indigenous breeds and co-financing to such a rare breed farm is not unlikely.

(2) Pasture-raised pigs

For those farmers who are not able or willing to produce hogs in an industrial way there is an other direction is toward more sustainable production of a smaller number of hogs and marketing them, through various methods, as part of a whole-farm operation.

Pigs who are raised on pastures (at least during the summer) grow slower but have a unique taste. Regarding agro-tourism pasture-raised pigs are an eye catcher, as they need a lot of space due to the pasture rotation system and small huts for the night. The live animals, meat or meat products could be marketed at a premium price directly on the farm. Visitors who may taste the products on the farm usually also buy the homemade products.

This alternative livestock production must be located in Serbian or Croatian areas due to religious eating patterns.

(3) Petting zoo

Farmers keep traditionally a lot of animals on the farm, such as cows, sheep, goats, pigs, dogs, cats, rabbits, poultry (chicken, ducks, peacocks); there is even a specialized ostrich

farm in Popovopolje, south-east of Velez Study Area. For few farmers it would be an economic alternative to set up a petting zoo with all these animals, maybe including mini sheep and mini donkeys.

If such a farm hosts a simple country style restaurant than it will be able to attract more visitors, as the petting zoo is an additional attraction, especially for families with kids. The children could see, feed and pet an array most of these animals.

(4) Energy farm

Modern farm attraction could be high tech energy farms with biomass energy generation, windmills and mini hydropower stations. The main purpose would be generating and selling electricity.

Podvelez is sometimes very windy and there are already pre-studies done to establish windmills. There would be no higher eye-catcher than a windmill to attract tourists.

3.3.2 Farm Activities That Attract Tourists to Farms

(1) U-pick crops

There are different products that could be picked by tourists in the Velez Study Area; among others there are:

- Fruits, grapes and berries on the farm; and
- Herbs, mushrooms and forest fruits in the forests.

Fruits that need a warmer climate could be found in Blagaj, more traditional ones also in Podvelez and Nevesinje. Besides the old typical orchards in the neighborhood of the farm, new plantations will be needed, if farmer decide to make a substantial part of their income from fruits. A professional marketing towards the wholesaler or the processing industry is required.

As a by-product tourists or persons from the area who want to save some money could also pick these fruits themselves.

The best message to promote this idea is the freshness if the picked products and the fun it is to do it with friends on a nice day. Regional agro-tourism events would strongly promote these activities, e.g. Apricot Festival in July and Grape Picking Festival in September.

Farmer must provide free of charge buckets and baskets for picking and could earn some more money if they are selling some transport-baskets, so that un-prepared tourists could take some fruits with them.

As customers while picking often taste the fruits, organic products would be even more attractive, especially if tourists are accompanied by their children.

Very similar to the above described idea is the picking of wild plants like herbs (medicinal herbs), mushrooms and forest fruits picking. Activities could take place in Nevesinje forests, if user rights are clarified upfront and if there are no land-mines in the foreseen areas.

(2) Lavender Farm Trip

As the lavender fields are next to the road Mostar - Blagaj, they could be easily seen and promoted. Many tourists could participate in a guided farm tour and learn about herbs, especially lavender, and its use for multiple purposes. A billboard on the main street would be a first step and as a souvenir visitors could get a small cotton bag with lavender.

(3) Sheep Shearing

Promotion for this yearly event in May could be done by restaurants, that prepare sheep from Podvezje Study Area. A flyer attached to the menu or the bill at the end would focus tourist's interest on such special farm events. More advertisement can be accomplished by writing short articles accompanied by photos about the last years event and the farm produce, that have to be submitted to magazines, radio shows, TV stations and local newspapers.

(4) Bee Keeping, Milking & Cheese Making

Although these activities do not have much in common, they could be promoted the same way. Even as many people eat often honey and cheese, they realize that they have not much knowledge about how these products are made. Therefore these on farm activities could be offered to curious people (often with children) to learn more about the rural life and traditional methods of preparing basic food.

(5) Farm Visit for Lunch or Local Farm Products

All the above mentioned farm activities are attracting visitors. Children could play on the playground and watch all kinds of animals. Guest could walk along beautiful forest paths, see nature and architecture monuments and have bonfires with grilled lamb and potatoes for lunch. Visitors will experience the local cuisine in warmth of fireplace and family hospitalities. It is the farmer's target to make sure that his guests stay for a small snack or lunch and/or buy his products in a farm shop. The rule of on-farm-selling is that everything that reaches the table like potato, tomato, sheep and smoked fish is an original farm produce.

(6) Farm lodging

For the time being it may be too early for BiH to develop "romantic weekends" on the farm: that would be a getaway from all troubles, and problems of everyday life, for new lovers and ones whom would like to spice up their love life with a glimpse of romance.

Farms in Velez Area need among others road signs with farm's name and point of special interest, a parking place, a welcome table with chairs (outside or inside) where tourists could talk to the farmer and prepared trails to the attractions (for example windmills 2km away from the farm house). Furthermore there should be at least a farm-shop, where products are exposed in (cooled) showcases and tourist could taste them. If the tourist will buy some of them, there must be a scale and good packing material.

Additionally it would be good, if the farmer starts a databank with the addresses of his clients, even if they are from abroad. This information could be used for mailing lists and building up a customer-relationship.

Chapter F 4 Tourism Resource Management in Velez

4.1 Community Initiative in Tourism Resource Management

4.1.1 Current effort of the community

Since the tourism is not prominent industry in Velez, the concept of “tourism resource” is not clearly established among the people here. Tourism resources in Velez include natural beauty and ecology, urban environment, and historical heritage. In order to conserve these items, local people are making various efforts;

1) Hunting Control

Local hunting clubs try to conserve the wild games so that they can enjoy hunting in a sustainable way.

2) Fishing Control

Local fishing clubs are controlling fish stock by selling fishing ticket. For example in Blagaj, visitors should pay 30KM per day per person to fish in Buna River.

3) Spontaneous Garbage Collection

A few years ago, the Blagaj Tourist Community (Mr. Basic) organized a garbage collection campaign in Blagaj. Many people participated this and picked up garbage from road and from rivers. The Municipality Government arranged garbage trucks and brought all the garbage to the dumping site.

4) Beautification Campaign

Corresponding to the supporting offer from the JICA Study Team, each community (Blagaj, Podvelez, and Nevesinje) has organized town beautification campaign. This included road cleaning, garbage collection, flower planting, and awarding of the best practices.

5) Traditional Events and Culture

Blagaj town has a folklore group that is organizing folklore festival once every year together with 8-10 groups invited from outside of Blagai. This group makes traditional dresses by themselves and makes training of folk dancing. These groups are very well motivated with ethnic identity. They themselves rather recognize their folklore as intangible cultural asset and not recognize as tourism resource.

Nevesinje has a long tradition of sports competition, which is now called “Nevesinje Olympic Game.” Local population enjoys their sports competitions for four days concluded by a horse race. They had a big party to celebrate 130 anniversary of this

event in 2004, where 30 local people in traditional dresses participated for attraction. Local people are very proud of this event and significant number of emigrants are coming back to participate this sports game.

4.1.2 Facilitation of the Local Effort

(1) Town Beautification

Above mentioned activities are conducted by the local population with intentions to improve their living environment, to sustain their sport activities, to keep their ethnic identity. However, these activities have potential as tourism resource management. If local population keeps their environment and society in a best condition, it can attract tourists to the area.

Since there are spontaneous efforts that conserve their environment, and since the public sector is not strong enough to manage this issue alone, the best solution of tourism resource conservation is community initiative with appropriate assistance from public sector and donors. JICA Study Team facilitated local group in each community (Novi Bal in Blagaj, OAZA in Podvezlez, and Nevesinje Youth Initiative in Nevesinje) to conduct beautification campaign. These groups are willing to improve their community through beautification activities. However, on the other hand, it might be difficult for them to conduct beautification campaign without any incentive if not compensation.

An idea of cleaning or town beautification is as follows;

- 1) Municipality organizes an environmental committee with various CBOs, schools, business owners, and key persons.
- 2) The committee specifies the dates with regular interval for conducting cleaning campaign
- 3) Community area is divided allocated to each organizations for cleaning
- 4) Municipality and CBOs call for broad participation of the community
- 5) Community conducts cleaning. This event can be combined with picnic, barbeque, sports meeting, and other entertainments.
- 6) Collected garbage is piled up in allocated places so that municipality trucks can lick them up for disposal.
- 7) In the future, when tourism businesses get sustainable revenue, they should make some contribution for this cleaning.

This idea can be integrated with an Action Plan Project “Town Beautification and Tree Planting ” described in F 9.4.

(2) Conservation of Traditional Event and Culture

Folklore or traditional way of life is also tourism resource. For example, Blagaj folklore festival, which is very photogenic, can be promoted with mass media and attract many more tourists to Blagaj. In order to make this happen, coordination among participating folklore groups, Canton Tourists Community, tour operators, Mostar Municipality, TV and radio station, tourism journalists, etc. is essential. This may generate more audience going to the folklore stage performance and make the folklore group members be more proud of what they are doing. If this event can be commercially successful, it can be developed into even international folklore festival. This conservation and promotion of rational event will be further discussed in F 9.1 Action Plan Project “Blagaj Cultural Events Project.”

Traditional life of rural area is well preserved in some part of Velez. For example, the food items, bread, milk, cheese, butter, meat, wine, rakja (spirit drink) served for dinner in a country lodging in Nevesinje are all home made. Farmers produce all the agricultural materials and process them. Their farming activities and food-processing skills have a potential to attract visitors, even though they are not aware of this possibility in general. Promoting their way of life as tourism resources are further discussed in F 9.2 Action Plan Project “Velez Farm Visit Project.”

4.2 Proposed Ecological Zones

4.2.1 Zoning Results

Figure F 4.1 shows proposed ecological zoning map for the Velez Region. Main points of the results are as follows:

(1) Preservation zones

No authorized preservation zone confirmed in the Velez Region. Any preservation zone could not be proposed within the Velez Region manly due to reliable wildlife habitat data.

(2) Conservation Zones

1) Authorized conservation zones

There are no authorized conservation zones as “buffer zone” in the Velez Region.

2) Characteristics of the other conservation zones.

Each area of the conservation zone for each Study Area by each municipality by each zoning category was shown in Part D, Table D3.6.

Approximately a 40% of the Nevesinje Municipality land in the Velez Region occupies “vulnerable forests areas”, which means the forests areas in more than 1,000m sea level. On the other hand, Southeast Mostar Municipality has the only 6.4 % of “vulnerable forests areas”.

These forests resources are easy to deteriorate by human pressures such as illegal logging. It will need to conserve the forests resources at first due to the huge areas. It means Nevesinje Municipality needs a special conservation measure for the vulnerable forest areas.

Also, there are many “Moors and Heathland”, which occupies a 26.7% of the total municipality land of Southeast Mostar Municipality. These “Moors and Heathland” are located mainly on karst geologies, which are easy to occur soil erosion and underground water contamination by inappropriate human activities such as inappropriate grazing activity (e.g. overgrazing) or illegal dumping, especially in Podvelez Study Area.

On the other hand, the grazing activity is one of the present main economic activities in Podvelez area. Therefore, it must be considered countermeasures for possible adverse impacts especially for overgrazing in Podvelez area.

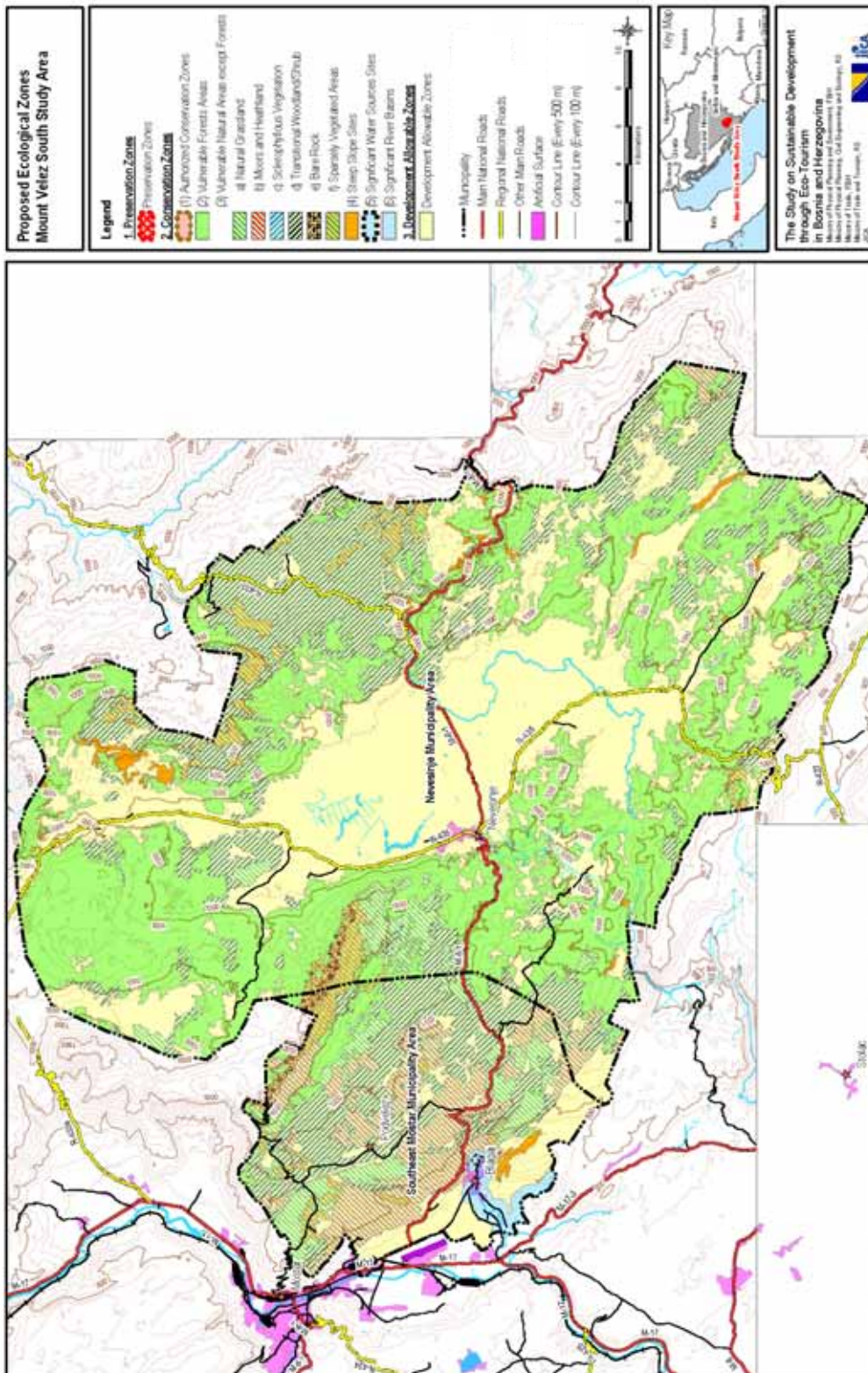


Figure F 4.1 Proposed Ecological Zones for the Velez Region

Concerning “Significant River Basin”, which is designated to prevent water contamination mainly due to the soil erosion in the mountainous areas in the Velez Region. In the Velez Region, it is designated along the Buna River taking into account of the importance of the water resources. These areas must be considered a special conservation zone as significant watershed areas in order to keep the water quality as well.

(3) Development allowable zones

Within the both Study Areas, Nevesinje Municipality has the most huge development allowable zone (35.8% of the total municipality land). On the other hands, former Southeast Mostar Municipality has the only 17.8% of the development allowable zone.

There are huge development potentials in Nevesinje Municipality from environmental conservation points of view.

4.3 Natural Environmental Management Plan

4.3.1 Natural Environmental Management Strategies

Natural environmental management for the Velez Region has the following two strategies:

- Strategy 1: Strengthen conservation of diversified vulnerable natural resources
- Strategy 2: Establish and function “Collaborative Environmental Management Bodies”

The first strategy should be done by establishing “a Protected Areas Management System” based on proposed ecological zoning for the Velez Region. Environmental vulnerable areas diversified from “vulnerable forests areas” to “Moors and heath land”, which are mainly composed of limestone areas, according to the ecological zoning results of the Velez Region. It is important to consider effective conservation measures for each vulnerable area. After completion of the Study, foreign expertise, who has ecological zoning skill, will be needed for establishment a protected area management system in BiH.

The second strategy is the same strategy as the Pliva Region. One of the objectives of the strategy is to improve environmental qualities such as water, forests, and flora as well as fauna. The other objective is to strengthen enforcement power for preventing possible water contamination relating illegal dumping and water shortage at Podvelez areas as well as

Buna River at Blagaj town. For example, the solution of illegal dumping is essential for enforcement power by public sectors, while the improvement of the environmental awareness of the local residents is very important to solve the problem.

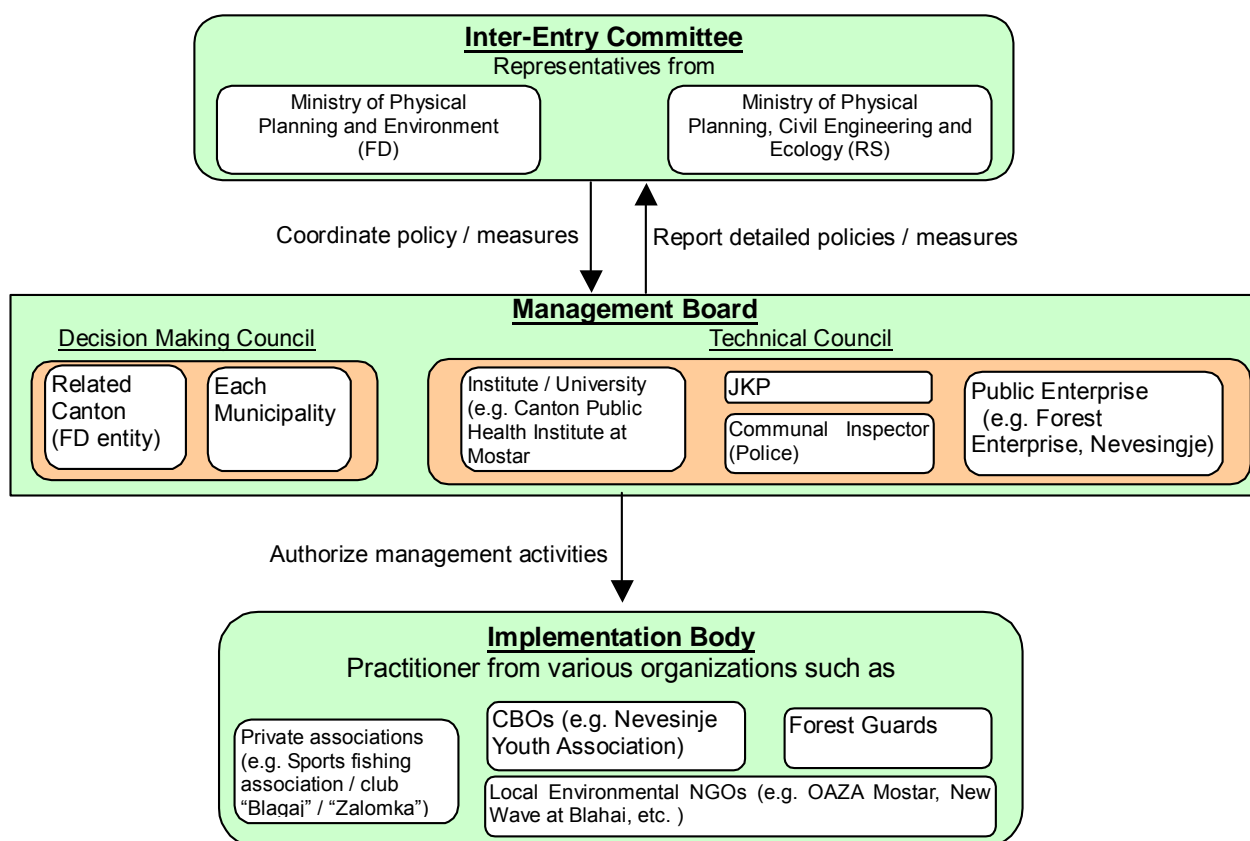
In accordance with the natural environmental management strategies, the key solution as long-term base is to establish and to function “Collaborative Environmental Bodies”. This is basically the same idea as the Pliva Region.

In terms of the forest management, related public sector such as Forest Enterprise in Nevesinje has each yearly and ten-year “Forest Management Plan”; however, the management actions, which are described the Plan, could not conduct effectively due to huge areas of “vulnerable forests areas” at Nevesinje Municipality. Appropriate forests resources management is also important for utilizing local natural resources at Nevesinje Municipality.

4.3.2 Proposed Environmental Management Bodies

The Velez Region has also both entities, therefore its institutional and legal status has to be regulated by the BiH State law. Nevertheless, a set of respective environmental laws at entity level. The Neretva sub-river basin encompasses three municipalities of the Velez Region. Therefore, natural environment of the Velez Region must be managed by an integrated management organization as well. This organization also needs a sense of collaborative management due to lack of human resources and capacities in terms of environmental management, in particular public sectors of both entities. Collaborative environmental management bodies for the natural environmental management should be established and functioned for the Velez Region.

Figure F 4.2 illustrates proposed structure of responsible and management organization in terms of natural environmental management for Velez Region.



Source: JICA Study Team

Figure F 4.2 Proposed Environmental Management Bodies in Velez

The proposed each organization should engage in the following main role and shall consist of the following members as follows:

(1) Inter-entity Committee

- The Inter-entity Committee should have main role for coordinating natural environmental management policies/regulations, and measures for the entire Velez Region among the related environmental government agencies, community organizations, and others; and
- The Committee shall consists of a governmental representative from FBiH entity and RS entity.

(2) Management Board

- The Management Board should has two responsibilities; i) decision making in terms of natural environmental management for the entire Velez Region (Decision Making

Council); ii) preparation of natural environmental management policies/regulations, and measures for the entire Velez Region (Technical Council); and

- The Board shall consist of one representative from i) each canton, ii) each municipality, and technical expert from iii) JKP or Communal Inspector on each municipality, and iv) Public Enterprises such as Forest Enterprise in Nevesinje, and v) Institute of the surrounding region (e.g. Canton Public Health Institute at Mostar).

(3) Implementation Body

- The Implementation Body should have responsibility to conduct actual environmental management works based on the decided and authorized technical measures by the Management Board; and
- The Implementation Body shall consist of practitioners from various local organizations such as Sports fishing association/club at Blagaj and Zalomka, CBOs such as “Nevesinje Youth Initiative”, and Forest Guard as well as local Environmental NGOs such as “New Wave”. It could be considered that some of the practitioners could be recruited and be trained in terms of the technical knowledge and skill.

4.3.3 Proposed Environmental Management Measures

In the Velez Region, there are many diversified vulnerable natural resource areas, especially for human pressures, including the possible tourism activities. On the other hand, the Velez Region is huge eco-tourism development potentials especially at the environmental vulnerable areas such as bare rocks and karst areas. Also, the Velez Region is suffering from lack of environmental management capabilities and financial resources.

As mentioned before in the Pliva Region, there are basically two environmental management measures i) direct access control measures; ii) indirect access control measures in order to control the human activities especially for the tourism activities.

The followings are the consideration points for the Velez Region.

(1) Direct access control measures

1) Control of the numbers of the visitors/vehicles

In the Velez Region, it is important to consider this measure. For example, although we propose “Off road 4 wheel driving to Velez mountainous areas”, the number of the vehicles should be controlled.

2) Strict access control of the zones

In Podvelez Municipality, there are many karst areas, which are easy to contaminate the underground water and led to soil erosion by inappropriate tourism activities such as uncontrolled off road 4 wheel driving. Therefore, it should be designated a zone, which prohibit a specific tourism activity.

(2) Indirect access control measures

1) Entrance fee to the tourism sites

The entrance fee shall be considered taking into account of the tourism resource values as well as disincentives of the visitors. Otherwise, it is obvious that the tourists will decrease due to the entrance fee. In the Velez Region, this entrance fee should not considered as main measure at short-term base taking into account of the present tourism resources values.

2) License or permission fee

This type of measure is another typical indirect control measure. In the Velez Region, some hunting license fee and fishing license fee are already applied as well. This measure will be useful for controlling the huge forest areas in Nevesinje, for example.

In addition, a fine measure can be considered as one of the indirect access control measure. A fine for garbage scattering at a certain tourism site will be effective especially for main roadsides in the Velez Region. Also, environmental education is one of the indirect environmental management measures as well. It is very important to raise the environmental awareness of the local peoples as well as the visitors for improving environmental qualities, particular in living environment qualities due to waste issues in the Velez Region as well.

(3) Environmental management matrix for the Velez Region

In order to understand the impact level of possible development activities and facility construction by each ecological zoning category, environmental management matrix, which is shown in Table F 4.1, could be proposed for the Velez Region. This matrix could be used for conducting each environmental measure by each zoning category, which is based on environmental vulnerabilities and present land use. Each item of possible activities and facilities development are focusing on tourism activities and tourism facilities development. However, the item includes possible future development activities as well as infrastructure developments for the both Study Areas. Therefore, this matrix could be used as a base for long-term (target year is 2015) environmental management tool as well.

Each level of the evaluation (from A to D) of the Table F 4.1 has the same means of the Pliva Region.

Compared with each level of the matrix of the Velez Region, some evaluation of “Vulnerable natural area except forest areas” in the Velez Region are more strict management level than the evaluation of Velez Region due to the spaces of the of “Vulnerable natural area except forest areas”.

Table F 4.1 Environmental Management Matrix Based on Ecological Zoning for Velez Study Area

Possible Activities/ Facilities/Development	Ecological Zones/Areas		1. Preservation Zones	2. Conservation Zones	(1) Vulnerable Forests Area (Broad-leaved forest/ Coniferous forest/Mixed forest)	(2) Vulnerable Natural Areas except Forests Areas	a) Natural grassland (rough ground)	b) Moors and heath land (bush, shrubs, and herbs)	c) Transitional woodland-shrub bush/herb with scattered trees)	d) Bare rock (cliff, rocks)	e) Sparsely vegetated areas (high-altitude vegetation)	(3) Steep Slope Sites (Slope Gradient over 50%)	(4) Significant Water Sources Sites	(5) Significant River Basins	(6) Other Areas (Small-scale settlement areas/pastures, etc.)	3. Development Allowable Zones
1. Scientific Research/Environmental Monitoring Activities includes monitoring station construction and operation	A		A		A	A	A	A	A	A	A	A	A	A	A	A
2. Tourism Facilities Development																
(1) Area Development for Hotel Accommodation Development	D		C		C	C	C	C	C	C	D	D	C	B	A	
(2) Information Center Development	D		B		B	B	B	B	B	B	D	C	B	B	A	
(3) Trail development/ improvement -1 (for vehicle)	D		C		C	C	C	C	C	C	C	D	C	B	A	
(4) Trail development/ improvement -2 (for foot path)	D		B		B	B	B	B	B	B	C	C	B	B	A	
3. Tourism Activities																
(1) Climbing	D		B		C	C	C	C	C	B	B	-	B	-	A	
(2) Skiing (Cross-country)	D		B		C	C	C	C	C	B	B	C	B	B	A	
(3) Hunting	D		C		C	C	C	C	C	C	C	C	C	C	B	
(4) Hiking/Trekking	D		B		C	C	C	C	C	C	B	B	B	B	A	
(5) Rough road driving (jeep, etc.)	D		C		C	C	C	C	C	C	C	D	C	B	A	
(6) Wildlife viewing, Birding	D		B		B	B	B	B	B	B	B	B	B	B	A	
(7) Auto-camping/camping	D		C		B	B	B	B	B	B	C	C	B	B	A	
(8) Herb and mushroom collection	D		B		B	B	C	B	B	B	C	C	B	C	A	
(9) Horse riding	D		B		B	B	B	B	B	B	B	C	B	B	A	
(10) Mountain Bike	D		B		B	B	B	B	B	B	C	C	B	B	A	
(11) Country Lodging	D		B		B	B	B	B	B	B	C	C	B	B	A	
(12) Sports fishing	D		-		-	-	-	-	-	-	-	D	C	B	A	
(13) Kayaking/Boating	D		-		-	-	-	-	-	-	-	D	B	-	-	
(14) Cave exploration	D		-		-	-	-	-	-	-	-	C	B	-	B	
4. Forestry																
(1) Logging	D		C		-	C	C	C	C	C	-	C	C	C	A	
(2) Forest roads development	D		C		B	C	C	C	C	C	C	-	C	C	A	
(3) Reforestation	D		C		B	B	B	B	B	B	B	C	C	B	A	

Possible Activities/ Facilities/Development	Ecological Zones/Areas													
	1. Preservation Zones	2. Conservation Zones	(1) Vulnerable Forests Area (Broad-leaved forest/ Coniferous forest/Mixed forest)	(2) Vulnerable Natural Areas except Forests Areas	a) Natural grassland (rough ground)	b) Moors and heath land (bush, shrubs, and herbs)	c) Transitional woodland-shrub bush/herb with scattered trees)	d) Bare rock (cliff, rocks)	e) Sparsely vegetated areas (high-altitude vegetation)	(3) Steep Slope Sites (Slope Gradient over 50%)	(4) Significant Water Sources Sites	(5) Significant River Basins	(6) Other Areas (Small-scale settlement areas/pastures, etc.)	3. Development Allowable Zones
5. Agricultures/Livestock														
(1) Intensive agriculture	D		C		C	C	C	C	C	C	C	B	B	A
(2) Farm Land Development	D		C		C	C	C	C	C	D	D	C	B	A
(3) Grazing	D		C		B	B	B	C	C	C	C	B	B	A
(3) Pasture Development	D		C		B	B	B	C	C	D	D	B	B	A
6. Mining														
(1) Excavation/quarrying	D		C		B	B	C	C	C	D	D	C	C	B
(2) Mining Area Development	D		D		C	C	C	C	C	D	D	D	C	B
7. Industrial Facilities Development														
(1) Factory Construction/ Operation	D		C		C	C	C	C	C	D	D	C	C	B

Legend: A: Allowable activities/development
 B: Controlled activities/development
 C: Permission required activities/development
 D: Not allowed activities/development
 - : Not much or not suitable

Note: Category of (5) *Significant River Basins* and (6) *Other Areas (Small-scale settlement areas/pastures, etc.)* are additional categories.

Source: JICA Study Team

4.3.4 Natural Environmental Management Guideline

A natural environmental management guideline in order to maintain or to improve the environmental quality/amenity of the tourism sites should be prepared for the Velez Region as well. There are some critical natural environmental management issues such as present vegetation damage issues, which are already one of the main barriers or constraints for eco-tourism development in the Velez Region. Also, the garbage scattering along most of the main roads from Blagaj to Nevesinje town by the visitors or the local peoples is already deteriorating the nature tourism values of the Region.

As one of the contents of the guideline, Table F 4.2 shows the main tourism activities and their management measures for the Velez Region.

Table F 4.2 Main Tourism Activities and Management Measures for the Velez Study Area

Tourism Activities	Adverse activities/ Potential impacts	Management Measures
Trail (Hiking) and all Tourism Related Activities	Garbage littering will be an increasing problem as visitor numbers grow.	Provision for sign board of prohibition of garbage littering by the Local NGOs and Private Associations (e.g. Fishing Associations/Club Blagaj and Zalomka)
Climbing and Mountaineering	Extensive destruction of the cliff vegetation	Strict instruction by the guides of the local mountain club (e.g. Prenj Mountain Association)
Mountain Bike	Present soil and vegetation damage	Special routes marked for mountain bike by management implementation body
Off road 4 Wheel Driving	Present vegetation damage as well as increase of erosion risk	Provide license and instruction by management board
Sports Fishing	Rapid change of present ecosystem for fish species	- Seasonal close of sports fishing grounds - Prohibition of exotic species intrusion
Bird and Wild Animal Watching	Feeding of bird and wildlife	Prohibition for feeding using leaflets of the instruction
Hunting	Irreversible disturbance of present ecosystem (fauna and flora)	Strict instructions by the Hunting Club based on the public hunting management plan.

Source: JICA Study Team

4.3.5 Proposed Environmental Management Projects

(1) Proposed master plan projects

The followings are the summaries of the proposed projects, which are listed as master plan projects in terms of environmental management for the Velez Region.

VR-1) Supporting of present water quality monitoring

Concerning present water quality, it was not observed that serious water contamination issues at the water quality sampling points of the Buna River. However, this analysis is not enough for judging the present water quality in the Buna River due to sampling frequencies and the sampling points.

On the other hand, the local method of water supply at Podvelez residential area has high risk for hygienic problems. There is no regular disinfection and no treatment. Concerning the water related contamination risks will be raised in the Velez Region as follows:

- Risks of water-borne disease due to Leachate of illegal or open garbage dumping (e.g. Podvelez karst area and Blagaj and Nevesinje town area); and
- Water pollution risks due to domestic wastewater (e.g. Nevesinje residential area).

It is reported that some serious bacteria problems are occurred at Podvelez residential areas, according to Canton Public Health Institute of Mostar.

Therefore, supporting of the present water quality monitoring is needed for the Velez Region.

VR-2) Town Beautification and Tree Planting

In the Velez Region, garbage scattering along the main roads and riverbanks of the Buna River is one of the critical barriers to promote eco-tourism development. Also, minimum cleaning of the Region is a prerequisite condition as a tourism destination. Solid waste management issues, including garbage scattering in the Region are mainly due to lacks of capacities of public services for garbage collection and waste disposal. However, garbage scattering problems could be improved by the citizen's cooperation in the Region.

Although the

On the other hand, forest resources are deteriorating in the Velez Region mainly due to the following reasons:

- Clear cutting for fire woods;
- Inappropriate grazing; and
- Weak forest resources management capacities by public sectors.

In terms of the clear cutting, during the war, domestic citizens and refugees, who were settled in the Velez Region had done clear cutting for firewood. Therefore, it is very important to protect soil cover and to prevent soil erosion by planting, in particular Blagaj and Podvelez hilly area due to their erosion natural conditions.

In the Velez Region, "Town Beautification" campaign also conducted by the local NGOs and school masters initiatives in 2004 under supporting from JICA Study Team. However, implementation capacity especially in Podvelez is not enough and the garbage scattering areas are very huge. Therefore, only supporting of the activities are not enough for the Velez Region. Furthermore, town beautification activity, which is combined with a tree planting activity is more effective and attractive in the Velez Region.

VR- 3) Establishment of a “Protected Areas Management System”

As mentioned before, some of the local natural resources are already facing quality degradations mainly due to the following main issues in recent years.

- Water contamination related to leachate from garbage dumping and scattering as well as insufficient wastewater treatment;
- Inappropriate grazing; and
- Illegal logging and forest fires.

These are caused by uncontrolled natural resources use, weak natural environmental management capacities by public sectors in the Velez Region. Therefore, It is imperative that some effective countermeasures for maintaining and upgrading the natural resources should be taken. The above issues in the Region could be mitigated through establishing and implementing a “Protected Areas Management System” based on the Proposed “Ecological Zoning” in the Velez Region for controlling inappropriate natural resources uses.

Velez mountain areas, there are most endemic or unique mammals and birds are founded. However, there are few reliable basic data and information mainly due to loss or disorder of the data/record by the war.

Therefore, it is important that the monitoring activities should be contributed for maintaining healthy natural environments as well as for capacitating future local natural resource managers for the Velez Region for eco-tourism development. Therefore, baseline wildlife monitoring should be considered for the Velez Region as well.

These monitoring data also should be used for improving the proposed ecological zoning for the Velez Region.

VR- 4) Preparation of a Natural Environmental Guideline

As mentioned before, a natural environmental management guideline in order to maintain or to improve the environmental quality/amenity of the tourism sites should be prepared for the Velez Region. Because, the vulnerable natural tourism resources in the Region (clear stream, and fishes) are easy to deteriorate due to inappropriate tourism activities such as uncontrolled tourism activities. This guideline should be prepared taking into account of the possible main tourism activities of a certain tourism sites.

The guideline should include the following main contents:

- Appropriate actual implementation body (organization) for each environmental management measures. For example, “OAZA Mostar” should conduct environmental education for the residents to decrease garbage scattering; and
- Methods of actual management measures (direct control measures, indirect control measures, etc.).

4.4 Urban Environmental Management Plan

This section describes urban environmental management plan for the Velez Region. Some of the descriptions include explanations of the following proposed environmental management projects, which mentioned within the natural environmental management plan:

- VR-1) Supporting of present water quality monitoring
- VR-2) Town Beautification and Tree Planting

In the Velez Region, it is indicated that increasing wastewater effluent loads (particularly Nevesinje) and increasing amounts of municipal solid wastes (Nevesinje, Blagaj and Podvelez) pose potential threats to degrading environmental quality of the Region. The prevailing situation, if not properly attended, will detract the Velez Region’s value appreciated by tourists. To counter the worsening urban environment, the following measures of urban environmental management for the Velez Region are elaborated.

4.4.1 Priority Measures

- To improve public response to people’s awareness on degrading environment; and
- To consider effective a sewer treatment system by municipal governmental staffs.

(1) Present Situation

Drainage at Nevesinje residential area is channeled to a pit without treatment. Podvelez and Blagaj are not provided with sewer systems. Such operations may have a potentially adverse impact on groundwater.

(2) Counter-measures

At first, counter-measure for the above situations is to raise environmental awareness of local residents and the visitors through conducting “Town Beautification” and “Ecological boat campaign for garbage picking”.

Then, It is recommended municipal department for physical planning to consider a plan to an effective sewerage treatment system by mandating domestic household.

- To complete a pilot environmental baseline survey spanning both Entities.

(3) Present Situation

The fundamental weakness in building an urban environmental management system is that there are few observed data of water quality available to understand the area’s state-of-the-environment.

(4) Counter-measures

Therefore, it is highly recommended to pilot such a baseline survey. If budget is not allocable, it is also a good practice to regularly keep records by conducting visual inspection within the jurisdictional territory on relevant environmental domain especially for the water quality

- To form an urban environmental management forum (UEMF) with representatives of all stakeholders - CBOs, hotel operators, restaurant owners, tour agents and farmers.

Although citizens’ awareness on environment is very keen, their perceptions on environment is not well-organized, due to lack of professional knowledge. However, it is important that stakeholders of urban environment can share information with academic and public officials by organizing an UEMF. By sharing facts based on individual observations will largely contribute to grasp environmental condition on daily basis without resorting to laboratory analysis.

4.4.2 Other Measures

- To designate stationary monitoring points for observation by citizens and for sampling of water quality.

After the establishment of environmental baseline, stationary monitoring points (water) shall be designated to facilitate tracking the environmental responses over the months and years. This will serve to build an urban environmental management model.

- To establish environmental quality goals to be achieved by reaches of the Buna River and the other major rivers in Nevesinje.

Both entities have established water quality criteria by suitable types of water usage. One of the goals of the Urban Environmental Management is to keep environmental quality below standard values. Therefore setting quality goals at designated points will serve to mobilize Plan-Check-Do-and-See cycle of environmental management in the Velez Region as well.

4.5 Management of Heritage Resources

4.5.1 Objectives

The master plan's objective is to upgrade key monuments in the study area so that they are well preserved, well presented, and can sustainably accommodate growing visitor flows in future years. It is fortunate that central and local government agencies are fully aware of the value of the heritage monuments in the town of Blagaj, on the mountain adjacent and on the Podvelez plateau.

The second objective is to create in Blagaj a new NGO that will undertake cultural activities for educational and entertainment purposes and also serve as a pressure group to push the central and local government agencies to undertake the needed cultural projects and provide good management of the heritage buildings in accordance with their responsibilities.

A third objective is to improve the offer of cultural and entertainment events staged at these towns so that the area can draw a larger share of the tourists that visit Mostar and increase their visiting time and expenditure in the town of Blagaj and in Podvelez.

4.5.2 Key Players

The master plan proposes the creation of an NGO in Blagaj to defend the interests of the area's heritage monuments, that could be called the *Friends of Blagaj Society*, with members to include organizations like:

- The HNK Tourism Community;
- The Southeast Mostar Association of Entrepreneurs [or other business group];
- The Blagaj Cultural-Educational Association;
- Novi Val Youth Club of Blagaj; and
- Kamarad Fine Arts Society of Mostar.

Membership in this society will also be open to individuals from Blagaj, anywhere in BiH or even to overseas Bosnians and concerned foreigners. Corporate memberships could include any company in BiH and firms like Norfish and the recently established lavender company, *Herba Naturale*, are likely prospects. Such organizations exist in many countries and can be very effective in promoting worthy projects in relation to cultural heritage.

4.5.3 The Built Heritage

Several projects requiring design and construction works are proposed in the master plan. The first project requires major construction works on an existing monument and is explained under the “built heritage” section. The others involve light works and interpretation and are explained under the “living traditions” section following. Because it is Blagaj that has most of the ancient buildings in this area, most [but not all] of these proposals relate to that town.

(1) Stjepan Herceg Castle Rehabilitation in Blagaj

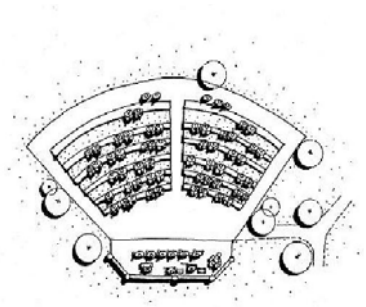
One project is the rehabilitation of the Stjepan Herceg Castle and its trail leading from Blagaj town. This is a monument of national importance and the state authorities already are aware of its symbolism and importance and are preparing to thoroughly stabilize and adapt it for tourism purposes. This master plan emphasizes that this improvement project would ideally be undertaken as soon as possible once the necessary academic research and diagnostic survey are completed, in order to open the property up to regular visitors as one of the country’s premier tourist attractions. Mostar Municipality and the *Friends of Blagaj* will need to ensure that development plans also provide sufficient parking for cars and busses, information signage regarding the trail and public telephone and toilets at both the beginning and end of the trail.

4.5.4 The Living Heritage

This section includes proposals relating to museums and similar facilities of a cultural nature. It does not include any major works on old buildings. The proposal on living traditions relates to activities and events.

(1) Other facilities

Three proposals are shown below which will substantially improve the experience for the cultural visitor to these areas. The Friends of Blagaj Society will vigorously push for the accomplishment of this work and for a high standard of quality of the work in the execution of the projects.



VH- 1) Blagaj Historic Heritage Trail

Additional works to complement the initial JICA touring trail project accomplished in 2004/5 can include more benches and lighting, additional multi-lingual information boards, and the construction of a small open-air seating amphitheater [for 100 persons] within sight of the castle above, for tourist and school groups to congregate and listen to lectures or for singing performances [see diagram on this page].

VH- 1 (continued) Stjepan Herceg Castle model located in Blagaj town

A facility related to the famed symbol of Herzegovina is a small interpretive exhibit such as a 3-dimensional scale model of the castle and of its interior one to two meters in height. This could be a simple structure providing the visitor with an excellent idea of the composition of the edifice. It would contain a transparent or open section depicting the interior levels and features of the structure. Posted information boards would display multilingual interpretive information. This model could stand under a roof or inside a building fully enclosed. Ideally it would be located in the central part of Blagaj on or near the riverside touring trail within clear sight of the actual castle on the hilltop above.

VH- 2) Ottoman Lookout forts of Podvelez

These forts offer stunning views of the Neretva valley below which hikers and campers will find most exciting at sunrise or sunset. These forts and the trails between them need to be carefully surveyed for explosives, and an information board can be posted at each one of

them providing background information on each one and on their role in history. This trail will form part of the Mount Velez trail system described elsewhere in this master plan.

VH- 3) Nevesinje Necropolis

In Nevesinje the network of trails will include some ancient artifacts found in this valley and also will include Nevesinje town and its necropolis where ancient *stecci* tombs are located. As part of the trail system all kinds of visitors will be able to see these tombs, which are quite common in Bosnia.

(2) Living traditions

It is vital for the growth of tourism to expand the cultural calendar for the benefit not only of visitors to the area but also of the local citizens themselves who offer many relevant skills and can even make crafts and props. The area has organizations that offer resources that can undertake different types of cultural projects. They include the ones already mentioned above in connection with the *Friends* society, plus:

- Nevesinje Youth Initiative;
- Handicraft Makers Association of Nevesinje;
- Novi Val Youth Club of Blagaj;
- Cultural-educational Association of Blagaj;
- Scout Organization, Blagaj; and
- Association of Entrepreneurs of Southeast Mostar, Blagaj.

These organizations can develop new events or expand upon existing ones by developing themes such as the ones listed in the table following. Two initiatives of this kind are profiled below, of which the first, which focuses on Blagaj, is adopted for the Action Plan. The second focuses on Nevesinje.

Table F 4.3 Potential Events to Promote Living Traditions

Type Event	Theme	Sponsor/Organizer
Gastronomic	Mushroom harvest & Gastronomy	Womens or cultural organizations of Blagaj & Nevesinje
Economic	Lavender harvest	Lavender plantation company <i>Herba Naturale</i>
Nature	Spring renewal celebration	Youth & pioneer clubs in 3 towns
Cultural	Herzegovina musical nights	Drama and fine arts societies
Sports/cultural	Musical performances at the Nevesinje Olympics	NYI, Municipality, music or arts society

VH- 4) Blagaj Cultural Events Project

Because Blagaj can serve as an excellent platform for entertainment and cultural events of different kinds, this proposal calls for the creation of the *Friends of Blagaj*, a culturally-oriented NGO to take initiatives to improve the town's offer of events reflecting local history and traditions, very much in line with the themes appearing in the preceding table. This NGO would support increased tour guide availability in Blagaj, and develop events and festivals to draw crowds of tourists to the area. It could even arrange in the future for a seasonal circus to locate in Blagaj and for competitions on the Buna River.

(3) Nevesinje Olympics improvements

The NYI can develop a cultural facet for this event to broaden its appeal by arranging for artistic performances around the same period of these sports events, using local and even out-of-town hired talent. It could reflect traditions of literature, music or crafts or ideally some combination of these. NYI can even draw on the resources of a fine arts society to co-sponsor the event.

Chapter F 5 Marketing and Promotion in Mount Velez

5.1 Tourism Demand and Growth Potentials

A similar lack of substantive tourism data readily available in the Study Area (visitor/guest register at tourist sites, hotels, guest houses, etc.) as was the case in Pliva Area makes quantitative estimation of the current demand volume extremely difficult, not to mention of qualitative assumption as to the visitor/tourist types, market segments or market sources.

In an effort to overcome this fundamental data deficiency and to obtain some reference indicators for visitor characteristics, the Study Team conducted two questionnaire surveys in Velez Area:

Survey 1 - Roadside Survey in August

Traffic count of all motor vehicle traffic at two road junctions of Blagaj and Podovelez, and interview of selected passengers who declared tourism as purpose of their travel.

Survey 2 - Facility Interview in July

Questionnaire interview of 3 popular tourist facilities located in 2 core locations within the Study Area, namely, Blagaj and Podovelez.

5.1.1 Tourism Demand - Current Patterns

Key observations and assumptions in Velez Study Area thus obtained are summarized below.

(1) Roadside Survey

Survey indicates the characteristics of current visitor patterns as follows. For more detailed summary of the survey results, please refer to Chapter E 2, Section 2.1.

- Substantive contrast in traffic volume observed between the North (Pliva in the order of 14,000 to 20,000) and the South (Velez in the order of 1,600 to 3,200), reflecting the local road characteristics of Road 6-1 for Blagaj and Podovelez;
- Passenger car dominant at about 80-90% (Blagaj 88% and Podovelez 76%), with all other categories (pick-up, motorcycle, bus, truck) less than 10%;

- Percentage distribution of Domestic/Foreign varies in two survey locations:
Blagaj - domestic 54% and foreign 46%, with very high foreign contingent reflecting Blagaj's international tourist appeal;
- Podovelez - domestic 64% and foreign 36% testifying dominant domestic visitation;
- Little variation between Weekday/Weekend visitation:
Blagaj - Compared to Podovelez, Weekday 48% and higher Weekend 52%; and
Podovelez - Compared to Blagaj, almost no difference between Weekday 49.5% and Weekend 50.5%.
- Passenger interview reveals the following points of major interest:
 - Number of passengers per vehicle: 4 passenger per car 29%, 2 passengers 27% and 3 passengers 23%, or 2 - 4 passengers per vehicle accounts the majority of 79%;
 - Country of residence: BiH 50%, Germany 16%, France 7%, Italy 5%, Croatia 4%, Slovenia, Austria and Serbia-Montenegro 2% respectively;
 - What kind of Tourism: 84% says visit related in some ways to Tourism (37% for culture tourism, 21% for eco-tourism, 9% for sport tourism, 2.5% respectively for spa and winter tourism);
 - Purpose of trip: Tourism strong dominance of 60%, Visit Friends/Relatives (VFR) at 26%, with the remaining 14% citing combination of purpose such as Tourism/VFR or Business or Personal;
 - Eco-House: Fairly high 65% expresses desire to utilize Eco-House for local produce/product shopping/purchase. 18% says Maybe, 12% say Depend on Price, 5% gave No answer; and
 - How many days in BiH: 48% for less than 7 days, 20% for 2-3 weeks, 19% for 1-2 weeks.

(2) Facility Interviews

Three popular facilities selected:

- Norfish Restaurant, Blagaj;
- Tekija, religious Holy site under the control of Islamic Society; and
- Motel Sunce in Podovelez.

Summary results of Questionnaire interview:

1) Norfish Restaurant, Blagaj

- Opened in June 1964, with seating capacity of 100 inside, 300 outside in the garden and 25 for seminar/meeting inside;

- Peak month from May to September. 2003 volume increased 40% over 2002; and
- Three major guest segments of 1) neighborhood locals from Mostar, 2) BiH locals transitting from Sarajevo, Tuzla, etc. and 3) foreign from EU, neighbor Balkans (Slovenia, Croatia) and BiH residents expats (diplomats, NGOs, SFOR).

2) Tekija, Blagaj

- Visitor number in 2003 around 100,000, of which local/domestic accounts 75% (Sarajevo Canton 45%, Tuzla Canton 15%, Other Cantons 15%) and foreign 25% (expats in BiH 17.5%, Germany, Italy, Slovakia 3.8%, BiH diaspora 2.5%);
- Visitor trend: every year on the increase both for domestic and foreign; and
- Peak month: May. Second Saturday of May, the traditional religious fete. School excursion coaches throughout the weekends of May.

3) Motel Sunce, Podovelez

- Opened 2002 with a capacity of 8 rooms;
- Guest volume: 2003 volume increased 40% over 2002;
- Peak month: from February, April to May, September to December. A small number of guests trickles in every month all-year-round; and
- Three major guest segments of 1) Local BiH 40% (Sarajevo 28% and Tuzla 8%), 2) Neighborhood local 20% and 3) foreign (BiH resident expats and US, UK, Germany, Norway, Italy, Hungary).

(3) Potentials

There is definite potential for several types or segments of tourism. The following types of tourism products in particular show substantial potential in Mount Velez Area.

- Tourism products satisfying the wants of “general culture seeker” typically represented by Blagaj proper with Tekija, Stjepan Castle. Deeper culture interest for Ottoman lookouts in Podovelez linked further with Pocitelj or Stolac. Focus market segments may range from coastal tourists for short optional trip ex Mostar, Balkans/EU tourists on a tour circuit of BiH ex Mostar, BiH resident expats and SFOR, and BiH domestic all across;
- Family-oriented products, mainly focused for domestic market including BiH diaspora on Visit Friend/Relative (VFR) home visit, Balkans of former Jugoslavia repeat visitors (clubs, schools, summer/youth camps). Products and activities range from

picnic, recreation, scenic stroll/discovery, easy/light sports, family leisure/amusement to fishing (Buna River);

- Tourism products broadly defined as “Nature-based” that include:
 - Hunting for which niche enthusiast clienteles already exist in the Balkan and West European markets (groups and individuals);
 - Velez mountain climbing/trekking - efforts being already made successfully by Motel Sunce in collaboration with Green Vision Sarajevo for BiH resident expats;
 - Soft adventure (para-glide, hang-glide, etc.); and
 - Caving for deep special interest (Blagaj cave).

The master plan presents strategies for expanding these and other types of tourism.

5.2 Marketing Plans for Target Tourist Segments

These actions are identified according to the targeted categories and segments of tourists. The responsible actor, called the “promotion captain” is the NYI, which is to take charge of these activities. Other interests such as the country lodging families and the local organizations for sports and nature are to volunteer the help of their members on a limited and unpaid basis to assist in hosting visiting tour operators or journalists. In particular, because foreign language ability is so scarce in Nevesinje and Podvelez, NYI may need on a limited basis to ask the help of bilingual persons from these other organizations when dealing with foreign travel representatives. It is assumed that the HNK Tourism Community will continue its promotional work as usual and continue to emphasize the attractions at Blagaj and Podvelez as it has done in the past.

5.2.1 Promotion Actions per Tourism Category

(1) Category: Cultural Tourism

Three types of tourist activities are recognized in this area that attract culturally motivated visitors: the town of Blagaj for general interest visitors, the famed StjNYIn Castle and Ottoman lookouts which attract visitors of stronger cultural interest, and the nearby towns of Stolac and Pocitelj to the south in the Neretva valley, which form a strong cultural circuit when combined with Blagaj. The main visitor segments to be targeted include tourists staying on the coast seeking optional excursions to Mostar, Balkans and EU tourists on tour circuits in BiH, expatriates [diplomats, foreign NGO workers, EUFOR] living in BiH and nearby countries, and the domestic market.

1) Market Development - short term

Steps to target EU tourists staying on the Dalmatian coast

- a) Collaborate with the tour operators in Mostar and Croatia [Dubrovnik, Split, Makarska, etc.] to include Mt. Velez trips in their promotions as a convenient excursion using mail, fax, telephone and sales calls and making full use of sales/promotional materials in hard copy and digital form;
- b) Offer free familiarization/inspection tours to the Mt. Velez Area to the above Croatian parties to see the Velez product;
- c) Arrange web site links to Croatian web sites of the targeted Mostar and Croatian tour operators; and
- d) Conduct similar but more limited outreach to auto-clubs and other travel web sites in major sources markets (Austria, Germany, Italy, Balkans, etc.).

Steps to target Balkan/EU tour groups on circuits

- a) Initiate direct sales approach to Balkan/EU tour operators [via mail, fax, telephone, email, personal calls] making full use of new sales materials [both in print *and* digital versions] and web site outreach to introduce new tourist products of the Velez Study Area. This builds on momentum already started by promo efforts in 2004; and
- b) Raise frequency of sales contacts with tour operators via increased web site outreach [e-inquiries and eventually hotlinks and e-bookings] reinforcing personal approaches.

Steps to target BiH expatriate community and EUFOR

- a) Approach EUFOR recreation officers and embassy recreation/cultural attachés to present Velez products emphasizing broad information posted on the web site, and ease of travel from Sarajevo for weekends and holidays;
- b) Organize familiarization/inspection tours to the same targets in the preceding item. Seek co-sponsorship with partner tour operators like Green Visions and Fortuna; and
- c) Collaborate with BiH operators [as above] in organizing special packages for new cultural discovery [Herzegovina heartland by jeep safari to remote villages, sheep shearing, new festivals, etc.].

Steps to target domestic travelers

- a) Approach to the Islamic Society [responsible for Tekija Dervish House and the annual Dervish Day] to introduce and recommend additional cultural events, activities and products in the area for weekend/holiday visits; and
- b) Approach local schools and universities to include Blagaj and its additional cultural events and activities in their excursions and regular field visits.

2) Market Development - Long term

Steps to target EU tourists staying on the Dalmatian coast

- a) Repeat the activities as in the short term but with updated information, introducing material translated into new target languages [Italian, French, Hungarian, etc.]; maintain frequent contact and provision of information; and
- b) Increase web site outreach incorporating hotlinks with participating tour operators, added web pages in new target foreign languages, providing reliable fulfillment of e-inquiries and introducing e-booking capability if feasible.

Steps to target *Balkan*/EU tour groups

- a) Repeat the activities as in the short term but with updated information, introducing material translated into new target languages [Italian, French, Hungarian, etc.]; maintain frequent contact and provision of information; and
- b) Organize familiarization/inspection tours in target Balkan/EU countries where market potentials are deemed to be high.

Steps to target BiH expatriate community and EUFOR

- a) Repeat the activities as in the short term but with updated information, introducing material translated into new target languages [Italian, French, Hungarian, etc.]; maintain frequent contact and provision of information; and
- b) Organize a promotional road show event in major expatriate places [Sarajevo, EUFOR bases] promoting Mount Velez and Blagaj attractions.

Steps to target domestic travelers

- a) Repeat the activities as in the short term but with updated information; and
- b) Test new ideas as to events and appropriate forms of entertainment to introduce such as commemorations of historic events [for example from Herzegovina's history].

(2) Category: Family-Oriented Tourism

NYI and HNK Tourism Community can undertake this promotion jointly. The tourist products to emphasize include:

- Picnicking;
- Recreational activities;
- Leisure time strolling;
- Easy/light sports;
- Family amusements, leisure pursuits at playgrounds; and
- Fishing [domestic/local market level].

Blagaj and Podvelez will be the favorite destinations for families. The lake north of Nevesinje and the Mt. Velez sports base and easier trails will also draw some of this type of activity. The target segments include areas of BiH and neighboring countries but do not include the EU nations.

1) Market Development - Short term

Steps to target neighborhood locals/families

- a) Initiate direct sales approach through local sales channels (municipalities, schools, clubs, youth organizations, etc.) via mail, fax, telephone and sales calls making full use of the new sales/promotional materials to introduce tailored attractions and programs; and
- b) Organize and offer free familiarization/inspection tours to youth/community leaders to give them on-site experience.

Steps to target the BiH expatriate & domestic families visiting Mostar

- a) Initiate direct sales approach to key cities of BiH (Sarajevo, Zeneca, Tuzla) via mail, fax telephone and sales calls making full use of the new sales/promotional materials to introduce tailored attractions and programs; and
- b) Collaborate with Mostar's tourism service providers [motels, pensions, holiday homes, tour operators, car rental/coach companies] to display the newly created promotional materials at their counters and to familiarize their personnel with these new products.

Steps to target the Diaspora Bosnians visiting Herzegovina

- a) Mobilize channels/contacts for overseas Bosnians with links to Mostar and Nevesinje, through the municipal offices, local NGOs to encourage more frequent homeland visits, accompanied by family and non-Bosnian friends, making use of new promotion materials;
- b) Post Blagaj and Mt. Velez information on web sites of Bosnian organizations in foreign countries [of EU, Americas, Oceania] with information on attractive homeland visit packages and hotlinks to relevant tour operators [in Bosnia and in foreign countries]; and
- c) To www.veleztourism.ba add information in Bosnian and English languages on homeland visit packages and also add hotlinks to cooperating tour operators.

Steps to target families from Serbia & Montenegro and Croatia

- a) Re-activate prewar tourism channels/contacts that had previously organized group holidays to the Herzegovina area, making best use of new promotion materials to promote the area's new attractions and programs; and
- b) Organize and offer free familiarization/inspection tours to the social tourism organizers of the former days to motivate them to include the new attractions and activities in their programs.

2) Market Development - Long term

Steps to target neighborhood locals and families

Repeat activities of the short term, constantly updating information on new attractions and events, and boosting reliance on less expensive web site activities. Increase frequency of sales contacts through increased Internet activity.

Steps to target the BiH expatriate and domestic families visiting Mostar

- a) Repeat activities of the short term, regularly updating information on new attractions and events, and boosting reliance on less expensive web site activities [e-newsletter]. Increase frequency of sales contacts through increased Internet activity;
- b) Reinforce e-inquiry effort by making web site more informative, attractive and functional and by adding e-booking capability with secured online payment feature; and
- c) Establish web site links with the different types of providers of tourism services in the Mostar area.

Steps to target Diaspora Bosnians visiting Herzegovina

- a) Repeat activities of the short term, regularly updating information on new attractions and events, and boosting reliance on less expensive web site activities. Increase frequency of sales contacts through increased Internet activity; and
- b) Reinforce/expand web site linkages between www.veleztourism.ba and additional foreign BiH Diaspora organizations located in additional target markets of EU, Americas and Oceania.

Steps to target families from Serbia & Montenegro and Croatia

Consolidate established channels/contacts through more frequent contacts via sales calls, web site actions like the e-newsletter, to publicize new products and proposals.

(3) Category: Nature-Based Tourism

The NYI bears prime responsibility for promoting this market since it is a special interest category focusing on different sports and nature topics available on Mt. Velez and in the Nevesinje meadows. It will be strongly supported by the HNK Tourism Community's general promotion efforts. Key sports to highlight are: fishing, hunting, rock climbing on Mt. Velez, trekking and hiking on Mt. Velez, soft adventure activities like para-gliding and hang-gliding, and caving (spelunking). Four major target segments are identified as follows: a) Balkans, EU enthusiasts [both as individuals and in groups], b) school groups, teams and clubs, c) the expatriate community and EUFOR troops, and d) neighborhood locals.

1) Market Development - Short term

Steps to target Balkan and EU sports & nature enthusiasts:

- a) Use direct sales actions [email, telephone, fax, sending brochures] relying on the personal contacts of the officers of the different mountaineering, hunting, canoeing, fishing sports clubs to create lists of enthusiasts in target countries;
- b) Use the same channels to form active contacts with counterpart sports clubs in the Balkan, EU countries. Maximize value of personal contacts and memberships of the officers of the local sports clubs;
- c) Identify the specialist tour operators in the EU to invite on familiarization trips. Collaborate with our BiH operators [Zepter Passport, Unis, Green Visions] to jointly sell. Identify any in-house or appointed tour operators of the foreign sports clubs and target those as well;
- d) Establish web site linkages with the clubs and associations for e-inquiries and e-bookings;

- e) Use web site materials aggressively [package sheets, bilingual sports newsletter, "sportsman's guide"] to email the beautiful color materials internationally; and
- f) Generate a growing emailing list and send a quarterly Velez sports e-newsletter to clubs, sports editors, and sports enthusiasts internationally.

Steps to target school groups, sports teams & clubs

- a) Use direct sales actions just as described in item 1 above to create lists of officers in target schools and clubs to cultivate; and
- b) Solicit new school groups, teams and clubs in BiH, Croatia and Serbia to select Mt. Velez for their annual summer programs.

Steps to target the expatriate community and EUFOR

- a) Use direct sales actions just as described in item 1 above to approach recreation officers for troops and international organizations and missions to inform them of the Velez offer of products for weekend and holiday outings. The EUFOR base in Mostar can easily use Mt. Velez for 1-day recreational and sports activities;
- b) Organize and offer familiarization/inspection tours of the Velez Area's nature tour products. Seek co-sponsorship with partner tour operators such as Fortuna in Mostar and Green Visions in Sarajevo; and
- c) Collaborate with tour operators of BiH to organize special packages for the new nature discovery activities.

Steps to target the neighborhood locals

- a) Initiate direct sales approach through local sales channels (municipalities, schools, clubs, youth organizations, etc.) via mail, fax, telephone and sales calls making full use of the new sales/promotional materials to introduce tailored attractions and programs; and
- b) Organize and offer free familiarization/inspection tours to youth/community leaders to give them on-site experience.

2) Market Development - Long term

The Velez Area will be able to promote its products to new target populations as it improves the quality of its sports and nature services, adds capabilities to handle new sports and nature services, adds staff with foreign language ability, and extends its Internet marketing capabilities. In general the Velez Area's reliance on web site outreach is to increase as NYI

becomes more proficient in using the Internet. It is indispensable for NYI to increase its skill in promotion of the Velez products via the Internet, by learning to consistently update material and to contact clients more frequently with highly appealing materials.

Steps to target Balkan and EU sports & nature enthusiasts

- a) Use the same direct sales actions [email, telephone, fax, sending brochures] as for the short term and incorporate updated materials, in additional foreign languages as available; and
- b) Reinforce e-inquiry/e-booking efforts and shift outreach to be more internet-based and more attractive and appealing, and user-friendly.

Steps to target school groups, sports teams & clubs

- a) Use the same direct sales actions [email, telephone, fax, sending brochures] as for the short term and incorporate updated materials, in additional foreign languages as available; and
- b) Reinforce e-inquiry/e-booking efforts and shift outreach to be more internet-based and more attractive and appealing, and user-friendly.

Steps to target the expatriate community and EUFOR

- a) Use the same direct sales actions [email, telephone, fax, sending brochures] as for the short term and incorporate updated materials, in additional foreign languages as available;
- b) Conduct similar outreach to EUFOR troops in nearby nations; and
- c) Reinforce e-inquiry/e-booking efforts and shift outreach to be more internet-based and more attractive and appealing, and user-friendly.

Steps to target neighborhood locals

Use the same direct sales actions [email, telephone, fax, sending brochures] as for the short term and incorporate updated materials on product innovations.

5.2.2 Practical Steps for 2005 / 2006

NYI as the chief actor must seek donor funding for its promotional activities in the short term from different sources. Basically NYI and the sports organizations have the same goal and must collaborate in this effort. The Country Lodging families have less of a role in promotion, but since many pursue sports interests they will be willing to promote the area's sports products on a limited basis without pay. There are three thrusts to the area's promotional

efforts, targeting the general markets, the sports ones and the school ones. The approach for each is explained below.

(1) General promotion activities

www.veleztourism.ba: NYI must have an employee to maintain and expand its content and in provide fulfillment of all the enquiries received. This person can be the same one running the booking service for country lodging homes.

- **E-newsletter quarterly**: NYI can distribute a bilingual newsletter digitally and perhaps get a teacher to write the text each quarter;
- **Partner tour operators**: It must encourage these to promote and also seek new partner operators from Croatian and Serbia;
- **Familiarization trips**: Two per year can be held, one general interest with tour operators and journalists, a second focusing on specific sports and nature-based activities;
- **Automobile & touring clubs**: NYI will send all the Velez information to such clubs in the target countries;
- **Diaspora target**: NYI needs to air some efforts to Bosnians living foreign countries like Austria and Germany from the Herzegovina area;
- **Sister city relationship**: NYI and the Municipality can select a city to start cultural and economic exchanges. A German, Austrian or Swedish city would be ideal; and
- **Cultural events development**: NYI must work with the Municipality, fine arts, drama and youth clubs to create exciting events for holidays and summer weekends.

All of this can be accomplished within the promotion priority project of the action plan having code VM1 [see section F9.5].

(2) Sports events development

- **Sports competitions**: Fishing and other sports competitions can be organized at the Balkan level. Nature-based activities like mushroom collecting can also be organized;
- **Outreach to foreign clubs**: The directors of the fishing, canoe, mountaineering and hunting clubs have many valuable contacts for clubs in the Balkan and EU nations

which can be tapped to promote Velez. Sales trips and familiarization trips need to be designed to create partnerships with these foreign clubs to stage training and competition trips; and

- **Memberships in European clubs:** The promotion budget of NYI may be used to cover membership or travel costs of a Velez representative to attend the meetings of Balkan and EU federations and clubs for the target sports activities mentioned above.

(3) School outreach

- **Reopening of dormitory lodging:** The school & youth groups will need inexpensive overnight lodging, possible with camping arrangement. However, the area must re-open some of the dormitories and lodges in the forests to host the groups adequately. Country Lodging homes can also host small groups if necessary; and
- **Outreach to BiH expatriates schools:** NYI can approach directors of schools of any level favored by foreigners to publicize the Velez Area's attractions. It can also approach schools of higher income Bosnians.

The officers of NYI and the local sports associations will undergo some different types of training to learn about marketing and promotion skills, about building partnerships with private companies to co-fund activities of mutual benefit. The human resources section of the Action Plan calls for different types of training for the association directors [see VI-2].

In the long term, these associations can easily rely on increased web site efforts to update the beautiful promotional materials more often, to add materials in new foreign languages [German, Italian, Dutch, Swedish], and to maintain frequent contact with lists of many clients and prospects in foreign countries. It may even be possible after some years to rely relatively less on telephone/fax and more on the Internet.

Chapter F 6 Infrastructure and Tourism Facilities in Velez

This chapter covers infrastructure and facilities improvements with respect to tourist accommodation, to accessibility and to panoramic scenery, all of which directly improve the appeal of destination Velez.

6.1 Accommodation Development

This section reviews aspects related to the vitally important accommodations sector, specifically a) the type of accommodation needed, b) the quantity of accommodation and c) the specific project proposal in support of the expansion of accommodation in the Velez area.

6.1.1 Directions for Development

(1) Provision of Various Type of Accommodation

The development strategy in Velez Mountain area targeting “cultural-seeker, sports-related and wildlife tourism” could direct its type of accommodation facilities to meet each tourist’s palatability or preference by each activity.

Based on the type of accommodation, appropriate mix of several facilities including hotel, motel, pension, rented room (farm lodging), guesthouse, cottage and camping site needs to be formulated in each destination in the Velez Mountain area. The following table shows basic consideration of accommodation development according to market potential in the area.

Table F 6.1 Accommodation Supply Serving the Target Markets

Tourism Target Market		Tourist Volume Potential			Tourist Preference and Target		
		Blagaj	Podvelez	Nevesinje	Hotel* Est.	Other** Est.	Cottage /Camping
Cultural seeker	Excursionist	high	small	small	●/□	□●	---
	Pilgrims	high	---	---			
Nature- based	Holiday-maker	small	high	high	○	●	●/□
	Weekender	medium	high	medium			
Family-oriented	Holiday-maker	medium	medium	high	○	□	●/□
	Weekender	high	high	medium			

Source: JICA Study Team

Note: Hotel (hotel, motel, hotel Apt.), Others (Refer to Table A4.11; Similar Establishment, Other Collective Establishment as small-scale accommodation)

Legend: ● = high potential, □ = medium, ○ = low and limited, --- = not applicable or suitable

(2) Directions of Growth for Each Municipality in the Velez Area

Accommodation development in the Velez area should take into account of magnitude of target tourists, site condition, constraints of environment and good positioning strategy utilizing environmental characteristics and their advantages as follows:

1) Blagaj area

Utilizing richness of river environment of Buna River and cultural heritage represented by Tekija, accommodation such as motel, pension, country lodging in garden and agro-tourism farm (lavender farm, grape farm, etc) and other *small-to-medium scale facilities* could be provided into the waterfront area avoiding riverbank deterioration and taking harmonious design with river-scape into consideration. The old Turkish bey House compound appears to possess a potential to become a world-class accommodation.

2) Podvelez area

Majority of buildings are consisting of farmers' houses in villages forming characteristic village landscape (sub-Mediterranean vegetation and stone enclosure for livestock) and with rocky mountain. *Small-scale tourist accommodation* including farm stay and guesthouse type would be suitable to accommodate tourists who enjoy hunting and mountain recreation taking into account of facilities development harmonious with the environment and carrying capacity limited by water source availability.

3) Nevesinje area

Nevesinje has wider plane land in combination with pasture, lakes and mountains but without year-round rivers. This environment would give good opportunities to develop farmer's guesthouse within harmonious rural landscape as one the best potential and traditional accommodation styles for international tourists such as hunters and other nature recreationalists. Also some other mountain lodges for rock-climbing, hunting, trekking and skiing in winter season could be developed in potential nature areas.

6.1.2 Accommodation Development Targets in Velez Area

(1) Application of Slovenia Case to Velez Development Target

The development target for accommodation facilities in Velez Area is formulated through examination of a model to be followed as an advanced tourism destination in European countries, in terms of target type of accommodation operated mainly by local people and similar tourism products for eco-tourism or rural tourism to Velez Area.

The Julian Alps Tourism Region in Slovenia where many international and domestic tourists enjoy its rural and mountain resort destination could give a good example to pursue desirable tourism development goal, taking account of its tourism character in terms of development and utilization density of accommodation facilities. The following criteria are adapted to Velez Area in order to set the long-term development numerical goal to be achieved in terms of effective economic contribution to Velez development.

Table F 6.2 Development Criteria referred to Advanced Eco-tourism Destination

Planning Criteria	Target Criteria	Reference
Accommodation Utilization Density	1 accommodation (country lodging) per 30 households in rural area	Julian Alps region average (1 accommodation* per 30 households) Bohinj as a center of JA region (1 accommodation* per two households)
	1 accommodation (country lodging) per 50 households in urban area	
Accommodation Environmental Density	1 accommodation (country lodging) per 1 square km	Julian Alps region average (1 accommodation* per 1 square km)

Source: JICA Study Team based on Slovenia Tourism Statistics 2003

Note: One accommodation facility is calculated three rooms in average of Julian Alps region according to the statistics of Slovenia

Based on this assumption as target criteria for accommodation development, number of facilities in Velez Area for the mid (2010) term and long-term (2015) is set as the following Table F 6.3, taking account of appropriate balance between hotel establishment including motel and apartment hotel necessary to be encouraged in order to attract excursionists of Herzegovina region and other establishments as small-scale accommodation in Velez Area. These targets requiring every effort, especially on marketing and promotion would be considerable volume to enable the Velez Area to sustain economically through eco-tourism unless other industries would succeed in future in this region.

Table F 6.3 Target Numbers for Accommodation Growth in Velez Area

EU category	Item	2004	2010	2015
Hotel Establishment*	Facilities	3	10	20
	Room	64	200	400
Others Establishments**	Facilities	(15) ^{***}	100	200
	Room	(46) ^{***}	300	600
Total	Facilities	3	110	220
	Room	64	500	1,000

Source: JICA Study Team

Note1*: Hotel (hotel, motel, hotel Apt.), Others (Refer to Table A4.11; Similar Establishment, Other Collective Establishment)

Note2**: Number of rooms is assumed by 30 per hotel establishment in average and by 3 rooms per other establishments in average.

Note3***: Figures of (10) are the accommodation by the Pilot Project.

(2) Future tourist arrivals

This capacity of accommodation facilities in future has been examined by numerical target of future tourist arrivals and guests to Velez Area. Details of examination are shown in Chapter F 9.7 Economic Impact.

6.1.3 Proposed Project VF-1) Small-scale Accommodation Program

The objectives, lessons learned and key components with respect to accommodation are discussed below. In Chapter E 5. a detailed description of the key program components is provided, relating to funding, marketing & promotion, institution building and sanitary facilities improvements. This proposal represents a road map for the development and maturation of the Velez lodging sector.

(1) Objectives

This program aims at encouraging and disseminating accommodation business into the people who lives in Velez Area, in order to enhance and expand Country Lodge Pilot Project program taking account of the following objectives.

- Providing alternative business opportunities for people who lives in Velez Area to generate income through lodging business;
- Promoting rural area environment awareness through country lodging program as part of eco-tourism focusing on experience program such as farm visit, nature and historical cultural environmental education program; and
- Expanding accommodation capacity by country lodging in order to enable more tourists to visit and stay at Velez Area through local initiatives and partnership formulation.

(2) Lessons Learned from the Pilot Projects in Velez Area

Through the pilot project for country lodging program, important issues to achieve successful expansion of the country lodging capacity and to improve the quality of existing facilities have been identified.

- Lack of legislation procedure of the lodging business in Velez area
- Lack of adequate common organization for accommodation business due to lack of common platform of activities and geographical separation;
- Establishment of certain level of capacity building program of accommodation business and hospitality service training for entrepreneurs;
- Lack of promotional activities with immature partnership between the entrepreneurs and other tourism-related organization such as travel agents and other associations;
- Lack of guest awareness program for environmental protection and appropriate accommodation infrastructure such as sewerage treatment and solid waste disposal; and
- Lack of funding for initial investment of improvement of accommodation facilities due to high rate of interest in commercial banks and difficult access to micro-credit finance program

(3) Key Program Components

The Small-scale Accommodation Program as a priority part of accommodation development is proposed to implement for the Velez Area. The proposed sub-programs is summarized below Table F 6.4 and illustrated in the following description in detail.

Table F 6.4 Small-scale Accommodation Program Components in Velez Area

Component	Major Project/Program	Location	Implementation Body	
			Primary	Support
Early Stage Programs				
1. Institution Building and Consolidation	<ul style="list-style-type: none"> Adequate legislation system and introduction of accreditation program Establishment of sustainable funding for country lodging business 	Blagaj, Podvelez, Nevesinje	Proposed Country Lodging Association/ Local Gov.	Local Gov./ Cooperative Bankers/ International Donors
2. Market and Promotion	<ul style="list-style-type: none"> Visitors satisfaction survey and research Promotion and material development on web-site, media and exhibits Formulation partnership with travel agents and other organization 	Blagaj, Podvelez, Nevesinje	Proposed Country Lodging Association	Nevesinje Youth Initiative / Travel Agents
3. Hospitality Business Capacity Building	<ul style="list-style-type: none"> Service skills training course development (house-keeping, sanitary and safety, foreign language, cooking and beverage, etc) Lodging management and business skills for owners or operators Guideline/Handbook development 	Blagaj, Podvelez, Nevesinje	Proposed Country Lodging Association	Nevesinje Youth Initiative
Later Stage Programs				
4. Country Lodging (CL) Expansion	<ul style="list-style-type: none"> Call and selection of candidates for CL Registration of CL(hospitality business) Development of accommodation facilities, etc 	Blagaj, Podvelez, Nevesinje	Proposed Country Lodging Association	Nevesinje Youth Initiative
5. Ensuring Quality Management	<ul style="list-style-type: none"> Environment awareness and facilities management Monitoring and evaluation of hospitality services and facilities 	Blagaj, Podvelez, Nevesinje	Proposed Country Lodging Association	International Donors/ Professional Assistance
6. Associated Program for Sanitary Improvement	<ul style="list-style-type: none"> Preparing septic tank for country lodgings Incentive program formulation Financial assistance program Technical assistance program Program awareness 	Blagaj, Podvelez, Nevesinje	Proposed Country Lodging Association/ Local Gov.(JKP)	Local Gov./ International Donors

Source: JICA Study Team

Through the lessons learned from the Country Lodging program in Velez Area, key activities are proposed in the short term to initiate and sustain key projects in the Velez Area.

Supporting or non-urgent activities are proposed for the long term. It is essential for Velez area to promote all related programs and projects in integrated manner, like funding, marketing and promotion, institutional building, quality assurance and sanitary improvements.

6.2 Access and Transportation Improvement

6.2.1 Direction of Development

In Velez Area almost of major roads are under fair condition except local approach roads to tourist attractions, and can absorb future demand of tourist traffic in near future. Some potential destinations often face traffic problems of road and parking area congestion in peak time when tourists come for special cultural and other events.

Velez Area has minimum transportation service for local communities by bus network of private companies connecting with local towns and villages by major local roads. There might be a few tourists who use public bus network except inter-entity and/or international travelers, while almost of all tourists are utilizing their private cars. However, tourist transportation service demand is expected to increase its need of linkage between major public transportation and feeder transportation such as tourist taxi or coach to destinations or accommodation from the bus terminal in Nevesinje from long-term point of view. It is proposed to improve those tourist transportation services in future by private enterprise in Velez Area.

Access control system including parking, walkway and some means of transportation in combination with traffic regulation on some road network should be established in major destinations in Velez Area, taking into account local traffic movements and their adequate control. It should be noted that a tourist transport system for access control would contribute not only to comfortable environment with well-organized traffic, but also to formulation of attractive amenity of tourist destination.

Access information on travel such as traffic signage and visitor's signage also play an important role in guiding to tourist destinations effectively without unnecessary consuming time. Coping with insufficient signage in Velez Area, effective facilities of signage should be introduced, taking account of adequate location to set them. The following Table F6.5 shows desirable measures for access and transportation improvement in Velez Area.

Table F 6.5 Measures for Access and Transportation Improvement

Measures	Associate Measures	Valuable Heritage Area			
		Historical Town/Village	Historical Site	Protected Area	Natural Attraction
Access Improvement	• Improving/development access road in adequate method and location	○	○	---	○
	• Providing parking area in adequate location without damage on attraction	●	○	---	●
	• Providing walkway linking with tourist attraction and parking area	●	●	○	●
	• Tourist transportation improvement by private sector enterprise by introduction of tourist coach or vehicle	●	●	---	○
Access Control and Traffic Management at attractions	• General vehicle access control (truck, lorry, tourist bus, private car, etc.)	●	---	●	○
	• Introducing park & ride system	●	---	○	---
	• Providing public (tourist) transport mitigating environmental impact	●	---	○	---
	• Encouraging local community transport awareness	●	---	●	○
Access & interpretive signage	• Preparing traffic guide and sign information (parking, regulation, etc)	●	●	●	●
	• Providing interpretation information and guide	●	●	●	●

Source: JICA Study Team

Note: ● =desirable, ○ = adequate and careful treatment, --- = limited or not suitable

6.2.2 Proposed Projects

VF-2) Access Control and Traffic Management

Access control system including parking and some substitutive means of transportation should be developed in Velez Area, taking into account of optimum density and capacity of each tourism destination area such as Blagaj old town and other natural attraction area in Nevesinje Municipality. The following Table F 6.6 shows direction of access system in the area.

Table F 6.6 Proposed Access Control and Traffic Management in Velez Area

Destination /Resource	Major Route	Access Improvement		
		Parking	Pedestrian, etc	Access Control
Blagaj	To Buna Spring (To Tekija) from Gate Town	● Tourist Bus/Car	● Pedestrian / Horse coach	● Tourist Bus/Car
	To Stephan Castle from Town Center	● Tourist Bus/Car	□	□ Ordinal Truck/Car
	To Grude park from Blagaj	● Tourist Bus/Car	Riverside Cycling and walkway	○
Podvelez	To Castles from Visitor Center	● Tourist Bus/Car	□	□ Ordinal Truck/Car
	To Velez Mountain from Sipovac	□ Adequate Place	----	● Ordinal Tourist Car
Nevesinje	To Nevesinje Lake from R435	● Tourist Bus/Car	----	○
	To Dilijenovo lake from Culjci	● Ordinal car	----	● Ordinal Tourist Car.

Note: ● = compulsory, □ = desirable, ○ = low and limited, ---- = not applicable or suitable

VF-3) Development of Interpretive Information

Interpretation facilities function as catalyst for enhancing tourists' enjoyment and appreciating local nature and culture. Velez area has many historical and natural resources without adequate signage and information, such as access guide signs to destination, interpretation boards, warning sign for protection, etc. Table F 6.7 and Figure F 6.2 illustrate direction to introduce interpretation facilities and sign-information system into major destinations in Velez Area.

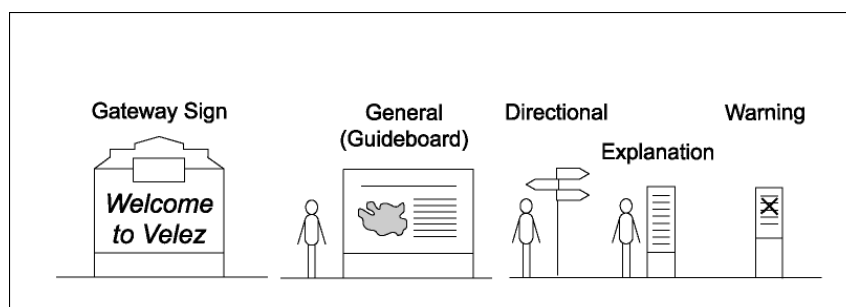
- 1) Interpretation information and guide for natural and historical-cultural attraction or site
 - Providing basic information of attraction by permanent information board (guide map, location and name of resources, time-distance, characters, etc);
 - Providing signage for route guide or interpretation of tourism resources;
 - Introducing site-museum with attractive exhibits about attraction; and
 - Preparing leaflets, pamphlets about introductory information for attraction.

- 2) Road signage and guideboard on routes to tourist attractions
 - Providing traffic sign with names and distances of major tourist attractions;
 - Providing guideboards in sites of tourist attractions to visitors

Table F 6.7 Guidelines for Interpretation Facilities (IF) Development

Destination/Resource		Necessity of Developing IF			Sign and Information System			
		Blagaj	Podvelez	Nevesinje	General Map	Direction	Explanation	Warning
Cultural/ Historical	Museum	● Stjepan Museum	---	□ Village Life Museum	● Town Center	●	●	□ In case of necessity
	Historical site/ building	●	●	●				
Nature Sports-related	Cycling route	□	○	□	● Town Center	●	○	□ In case of necessity
	River / Lake walk	● Buna Riv.	---	□				
Wildlife	Nature Center	---	□ Velez Mt.	● Velez Mt.	● Nature Center	●	□	□ In case of necessity
	Nature Trail	---	● Velez Mt.	● Velez/Crvaj Mts.				

Note: ● = compulsory, □ = desirable, ○ = low and limited, --- = not matching or suitable



Source: JICA Study Team

Figure F 6.1 Guidelines for Signage

On the other hands, every destination in Velez Area does not have adequate road signage along major road or in necessary intersection to guide direction to the destination.

Table F 6.8 and Figure F 6.3 illustrates direction to introduce road signage into major roads and access roads in Velez Area.

There is a possibility to introduce a village life museum in rural area to introduce traditional farmer's life in villages of Podvelez and Nevesinje, taking hints from some countries in Europe while avoiding static exhibition and creating attractive presentation.

Box F 6.1 Village Life Museum

Potential Village life Museum to Nevesinje

In Nevesinje, it is very difficult to recognize traditional life style and related product for tourists in ordinary area or daily life, however there are a lot of products such as traditional clothes, wainages and other traditional products for their livelihood.

Traditional Daily Life Products in Nevesinje



Source: JICA Study Team

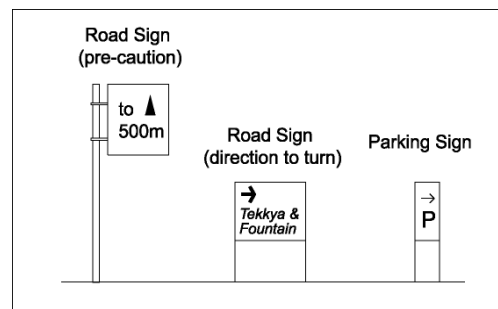
Table F 6.8 Road Signage for Major Points of Interest in the Velez Area

Destination	Major attractions	Major Road	Minimum No.		Local Road*	Minimum No.	
			RSa	RSb		RSb	RSc
Blagaj	Tekija, Buna fountain from M17	M6-1	2	2	La	1	1
	Stjepan Castle from Blagaj TC	-	-*	-	Lb	1	1
	To Grude park from Blagaj TC/M17	-	1 (M17)	1	Lc	1	1
Podvelez	Village center from M6-1 (south access)	M6-1	1	1	Ld	13	-
	Givnine (Velez) Mt. from VC	-	-*	-	Le	1	1
	Castles (Mali grad, etc) from VC	-	-*	-	Lf	1	1
	VC from M17(south access)	-	1	1	Lg	1	1
Nevesinje	Nevesinje lake from TC	R435	1	1	Lh	1	1
	Diljenovo lake from TC	R435	1	1	Li	1	1
Total		--	7	7	--	21	8

Source: JICA Study Team

Note: RSa = Road Signage Type A, RSb = Road Signage Type B, RSc = Road Signage Type C,

* is common use of same road signage.



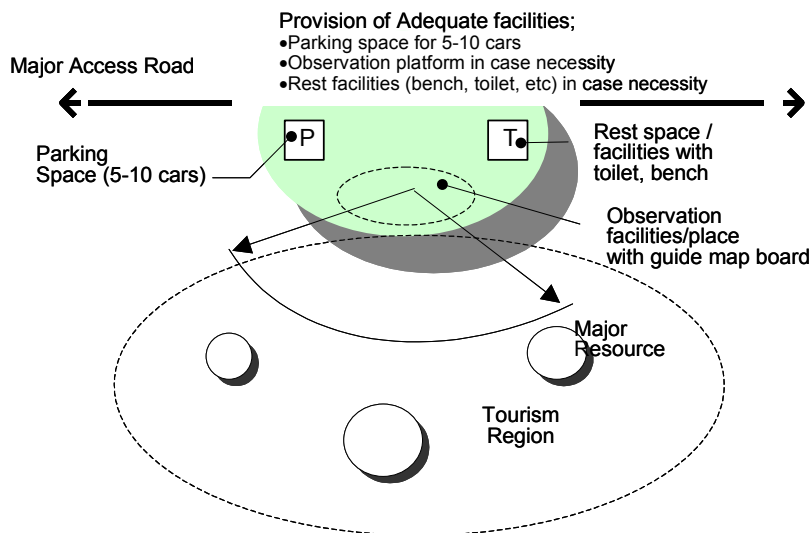
Source: JICA Study Team

Figure F 6.2 Guideline for Road Signage Provision

6.3 Panoramic Observation Facilities

Velez Area has some spectacular viewpoints on major access roads in Velez Mountains where tourists can enjoy panoramic view of natural landscape, historical area view and bird’s eye view of townscape. Adequate observation points should be developed, where tourist can make a stop over and take rest while they enjoy panoramic view. Candidate points can be proposed as follows:

- Places where tourists can enjoy panoramic view “Stjepan Castle” and “Mostar Valley including Buna river basin” on R6.1; and
- Places where tourists can enjoy panoramic view “Nevesinje Town” and “Nevesinje Valley with view of Crvanj Mountain” on R6.1.



Source: JICA Study Team

Figure F 6.3 Conceptual Diagram for Panorama View Point Development

Chapter F 7 Institutional & Human Resources Development for Velez

7.1 Institutional Framework for Implementation

The primary responsibility for promoting the interests of tourism in the Velez Mountain region lies jointly with the HNK Tourism Community and NYI. They must work actively with a variety of interests in the region and even at the entity levels to push for funding and implementation of the master plan's proposals. This section explains how these organizations can work and interact each other to achieve the goals of expanding eco-tourism.

7.1.1 Government Organizations

As a community based effort this master plan does not call for major roles for government institutions of the state or entity levels. The municipalities of Mostar and of Nevesinje are advised to name officers for business development, for heritage and for tourism, with which these two organizations can conduct business on a regular basis. Many, and perhaps most of the programs recommended in this master plan will require interventions by government agencies at some level, perhaps in helping secure funding from foreign sources, or in supporting the spirit of the plan. HTC's status as an official trade association should hopefully facilitate its access to other government agencies in FBiH. Similarly, NYI enjoys excellent relations with its municipality and should develop good access to the relevant RS government institutions.

Because the growth of eco-tourism activities depends directly on the good management of environmental resources this plan makes recommendations about reforms for land management [zones] and categories for different uses pertaining to responsibilities of the ministries and agencies at the entity level. The HTC and NYI in their capacity as defenders of the interests of sustainable tourism are to advocate such changes and as appropriate by participating in committees and events intended to solicit community support for them. The creation of a fully serviced trail system on Velez Mountain will require coordination in the two entities that these two organizations must together facilitate. Another issue linking the two entities is the proposed Central Dinaric Alps eco-tourism strategy to get the municipalities to support eco-tourism. It is important for HTC and NYI to follow this effort and support it if it promises to support eco-tourism principles across a broader area.

7.1.2 Community Based Organization (CBOs)

(1) Initiative of CBOs in regional development

One of the particular points of this master plan is initiative of the CBOs. Either in tourism or agriculture, CBOs are one of a few realistic engines for the regional development. Merits of CBOs' participation to the regional development are as follow:

1) Project Beneficiaries

The managing organization of pilot projects and Action Plan Projects Programs, such as Nevesinje Youth Initiative and farmers cooperative "Bioprodukt", have been advocating the benefit of the communities. They are facilitators of social development as well as economic development.

2) Tourism resource management

Local communities, municipalities, and CBOs are well aware of the necessity of town beautification and heritage conservation. The town beautification campaign facilitated by JICA Study Team has proven that CBOs and communities are ready to take action for the clean environment in Velez Study Area. Some of the CBOs are even conscious with ecology and a CBO OAZA, Mostar, has a group of environmental experts. If they recognize economic effects of this nature and culture, they would be much more enthusiastic to protect tourism resources. And this is what eco-tourism is expected by its definition.

3) Complement of insufficient public or private initiative

Unfortunately, neither of public and private sector (governments and companies) is capable enough to strongly lead regional development in Velez region with some exceptions of restaurants in Blagaj and Eco-motel Sunce in Podovelez.. In order to begin the eco-tourism development from the very beginning, CBOs are one of a few institutional resources.

Some professional services of private company, such as tour operation (Fortuna tour, Astra tour, Green visions) and web site design and maintenance are available in Sarajevo and Mostar. Close collaboration with these companies is much desired.

(2) CBOs in Velez Study Area

It is amazing that there are so many CBOs active in Velez. JICA Study Team has identified 16 CBOs active in Blagaj, 2 in Podvelez, and 7 in Nevesinje. These are very precious institutional resource in the area. Table F 7.1 shows the names of CBOs in Velez Study Area.

Some of these CBOs are very active, however, it is a pity that they do not have mutual recognition. When JICA Study Team had a series of CBO focus group meetings in Velez in June 2004, many of them met for the first time with each other. Donors could support them by offering chances to communicate with each other in order to build synergy effects among them.

Table F 7.1 CBOs Identified in Blagaj

No.	Name of CBO	Field
1	Youth club "Novi Val" Blagaj	Youth
2	Eco section "Blagaj"	Ecology
3	Football Club "Blagaj"	Sports
4	United Soldiers Organization	War Veterans
5	Cultural-educational Association	Cultural/Social
6	Hunters Association "Golub" Blagaj	Hunting
7	Scout organization "Blagaj"	Scouts
8	Social development Center "Dracevice"	Social Development
9	Beekeepers' Association "Uliste" Blagaj	Beekeeping
10	Agricultural cooperation "GEA"	Agricultural Coop
11	Association of Agriculturalists and cattle breeders Blagaj	Agriculture and livestock
12	Association of Entrepreneurs of Mostar Southeast	Business association
13	Sports Fishermen Association Blagaj	Sports Fishing
14	Citizens Association "Koraci Nade"	Women's
15	Citizens Association "OAZA" Mostar	Environment/Ecology
16	Association of Citizens "War Invalids"	War Veterans

Table F 7.2 CBOs Identified in Podvelez

No.	Name of CBO	Field
1	Hunters Association "VELEZ"	Hunting
2	Agricultural Co-operative "BIOPRODUKT"	Agricultural Coop

Table F 7.3 CBOs Identified in Nevesinje

No.	Name of CBO	Field
1	KOMUS Nevesinje (public company)	Public works/ Waste Disposal
2	Football Club "VELEZ" Nevesinje	Sports
3	Hunters Association "Buck" Nevesinje	Hunting
4	"Nasa Deca" Association Nevesinje	Children Association
5	Nevesinje Youth Initiative	Youth
7	Volleyball Club "VELEZ" Nevesinje	Sports

JICA Study Team observed that many local personnel are willing to work for CBOs even without compensation. For example, every participant to the focus group meetings are sincerely looking for chances to work for communities. These CBOs are usually registered as "association" or "cooperative" and implementing their activities for the common benefit of the members and community. All these associations can be mobilized to direct or indirect economic development through eco-tourism.

(3) CBOs Expected to be active in Action Plan

In case of the proposed Action Plan, the CBOs in the Table F 7.4 are expected to take initiative for the implementation of the projects.

Table F 7.4 CBOs Expected to be active in Action Plan in Velez Study Area

	Action Plan Project	Name of Leading CBO
1	Cultural Events in Blagaj	A proposed organization Friends of Blagaj Society With existing organizations such as Youth, War veterans, Cultural educational, Women's association
2	Farm Visit	Nevesinje Youth Initiative Farmers cooperative BIOPRODUKT
3	Nature and Wildlife Observation	Nevesinje Youth Initiative, Hunters clubs, Fishing clubs, Mountain clubs
4	Tree Planting & Town Beautification	"New Wave Blagaj" Podvelez Schoolmasters with support from Citizens Association "OAZA" Mostar "Nevesinje Youth Initiative"
5	Collaboration with tour Operators, Clubs and Associations	Nevesinje Youth Initiative, Neretva Herzegovina Canton Tourism Community, with Sports associations
6	Human Resource Development for Eco-tourism	Nevesinje Youth Initiative Neretva Herzegovina Canton Tourism Community And all the relevant sports associations

7.1.3 Private Sector Interests

Both HTC and NYI are encouraged to strengthen their membership bases with business memberships as much as possible. The HTC needs to maintain good communications with the Blagaj Entrepreneurs Association, and NYI similarly with any business group that would start in its municipality. In particular NYI needs to communicate to local businesses its efficiency in running the programs funded by donors to gain their support in future programs. Both HTC and NYI will eventually need to tap local businesses to share promotional costs [such as the cost of web site management] so their function of private sector liaison is important.

In the case of NYI if it does not publicize its managerial capabilities it runs the danger of being seen as just a passive recipient of donor funds generating few benefits for business while the reality is the opposite. It is hoped that NYI will instill a spirit of collaboration among the businesses in the three towns.

Another population to cultivate for membership and resources is that of the Diaspora Bosnians living in European countries and maintaining their links to family in the homeland. These people are already investing substantially in home renovations and area setting up some businesses, and they will wholeheartedly support the principles of sustainability on which eco-tourism depends. NYI can use their web site outreach to encourage memberships from Bosnians living abroad and from foreigners as well.

7.1.4 Donors

Because of the reliance of some of the master plan proposals on donor funding, and because of the high quality technical assistance that donors can arrange, it is indispensable that HTC and NYI familiarize themselves with JICA, USAID, GTZ, EU Cooperation and other donors. They need to understand how they do business for their own fund-raising interests, and to assist local interests [such as the Velez Sports and the Country Lodging programs] in securing donor support for future assistance. The better HTC and NYI understand the workings of the donor community, the more collaborations they will be able to arrange for all types of stakeholders.

To facilitate relations with the donor community ideally an officer from each of HTC and NYI who is proficient in English or German languages, and also Internet proficient, would handle this important liaison function. If none of the association's officers has these capabilities,

then a member could be asked to fulfill this role. The Velez Study Area is in a sense a privileged one because there is such strong donor interest in tourism to Herzegovina to the degree that HTC must attempt to coordinate programs to avoid wasteful duplication.

7.1.5 Institutional Coordination

The master plan calls for action on a group of priority projects [which form the action plan], and also for further support for the pilot projects. There are a large number of subject areas for activities and it is probable that collaboration with several donors will be needed during 2005 and 2006. In their role of godfathers, HTC and NYI can conduct quarterly meetings gathering together a range of stakeholders from the region to consider key issues, the level of business, promotions and the priority projects for which to seek financial and moral backing. These can be called quarterly *Eco-tourism roundtables* to have a clear agenda circulated in advance for all to prepare for. It is recommended that these *roundtables* be open to any local interests to voice their views on activities and situations. It may be best to permit outside interests to participate only upon invitation. This meeting is intended to fulfill an essential coordinating role keeping all stakeholders informed and engaged in key activities. HTC and NYI may wish to schedule such meetings separately in their respective municipalities, and once a year or so schedule a joint event for the entire Velez Study Area to attend and exchange points of view.

The two master plan sponsors will wish to encourage good relations with key players outside of their immediate areas, keeping them informed of important developments, achievements in eco-tourism, and upcoming projects. For this purpose they can jointly hold on a yearly basis a *Velez Eco-tourism Update* meeting for ministries and donors to attend to discuss “*How are we doing?*” and “*Where is Velez Eco-tourism headed?*” and hold discussions on the state of eco-tourism and its lessons. The first *Update* could be held in October/November of 2005 drawing lessons on performance to date and presenting upcoming programs. HCT and NYI can also facilitate coordination through use of their web sites to post information on current and intended programs. If a second JICA eco-tourism project is launched, they can possibly fulfill a role in the second project and facilitate interventions by other organizations for the new program.

7.1.6 Capacity-Building for Institutions

Part of establishing a thriving tourism industry that is governed in part by these associations will require the cultivation of a *hospitality culture* or *tourism culture* among the directors and members, through the development of a set of basic skills like:

- Hospitality services and hosting visitors;
- Professional guiding services;
- Foreign languages;
- Marketing and promotion;
- Basic business management; and
- Background of local society and BiH society.

The directors of HTC and NYI associations are to undergo such training as soon as the program can be arranged. The officers of the area's key associations and community-based organizations are strongly encouraged to undergo such training as well to obtain a good understanding of how the industry works internationally. In addition, training in association management will attune the directors to skills in association management, financing strategies, program management, government relations and membership development. These skills will strengthen the skills of the managers of these organizations and help them survive and grow. The programs of human resource development described below will provide this kind of training in addition to the training for guides. The NYI is gaining valuable experience in arranging training programs and may be able to arrange future training programs under this master plan.

7.2 Human Resource Development

7.2.1 The Key Issues

Different types of training are addressed in this master plan, but since the most critical lack is that of outdoor guides trained to facilitate all the sports and recreational activities in a framework of safety and order, guide preparation is covered in the greatest depth. The preparation of additional community groups is also included in the master plan.

(1) Outdoor Guide preparation

Tourism is a set of services consumed by the traveler, and is becoming more experiential in nature. Ecotourism, particularly as planned in the Mt. Velez region, relies on providing high

quality nature-based experiences and culturally motivated ones to the visitor and requires a high level of sophistication on the part of its facilitators. When it comes to the sports and nature-based activities that the Mt. Velez region can offer, it is the visitor's guide that plays a vital role that to a great extent can determine the visitor's level of satisfaction and fully ensure his safety. The skills required to develop the outdoor activities are multi-faceted as explained in this section. At present the private sector tour operators are filling the need for general interest and cultural guides in Herzegovina, so the key focus of this program is on filling the need for outdoor guides¹.

(2) Preparation of other community groups

As mentioned above, it is the guides and service providers in general that need to adopt a *hospitality culture* or *service-minded tourism culture*. However, similar sensitization is needed for an even broader population of shopkeepers, lodging and restaurant workers, policemen, and taxi drivers all of whom serve the visitors in major and minor ways. As tourism grows it is ideal to also sensitize more of the business community and farmers to the special needs of the tourist industry. In addition, the officials of Nevesinje municipality also will benefit from similar training. These target populations all require a standard set of skills that can include hospitality and hosting foreigners, local and BiH society, foreign languages and the others as mentioned in the preceding sections. The school children also constitute a target population. All of this can come under a program of community awareness and training.

7.2.2 The Solution

A program for training is proposed in this master plan under the term *Guide and host training* for which details are provided in section F9.8. The populations that it targets are the ones mentioned above [guides, shopkeepers, host families, lodging and restaurant workers, farmers, policemen and taxi drivers and association officers. This program can develop a basic set of skills for all of these groups such as:

1. Basics of tourism and a *tourism or hospitality culture*
2. Basic tourism laws of BiH / RS
3. The political system of BiH / RS
4. Geography of BiH and Herzegovina
5. History of BiH and Herzegovina
6. Significant Monuments and Historical Sites

¹ As a part of the Study activities one-week outdoor guide training was organized in Nevesinje.

7. Site Management And Resource Protection.
8. Land Mines especially on Mt. Velez

For the specific category of outdoor guides, a specialized set of skills could include:

1. Climate and weather conditions
2. Terrain conditions [particularly mountain terrain]
3. Wayfinding – map reading and compass skills
4. First Aid and, if appropriate, Water Safety certification
5. Rescue and evacuation skills and protocols
6. Transport equipment training
7. Communication equipment training and protocols
8. Basic recreation equipment training – binoculars, fire starting, emergency shelter, etc.
9. Knowledge of Plants and Animals
10. Backcountry waste disposal
11. Fuel transport, storage and disposal
12. Food, water and other provisions – their preparation, delivery, and waste disposal

Of course specific courses will be tailored for the needs of specific populations, but the first set of skills listed mentioned above is one of general relevance for all groups. To arrange such training the NYI will need to seek cooperation from specialized local organizations to develop the specific programs to ensure no duplication of efforts and achieve a high quality of content. For tourism-specific know-how NYI can call on the collaboration of HNK Tourism Association. For sports specialties, it can tap the relevant local sports clubs from anywhere in Herzegovina. NYI must learn to build such partnerships to tailor the training programs to the needs of the target trainees.

Two very major advantages that the Mt. Velez region has is the proximity to Mostar where organizations already have some familiarity with tourism because Mostar is already an international destination. Secondly, the work of a few donor programs in training, rural development and tourism already focuses on the Herzegovina region, and NYI can tap into these programs somewhat easily.

NYI will need to tap a variety of organizations for example: the Prenj Mountain Club, the local hunting and fishing clubs, the Red Cross Society and the NYI itself which already has computer skills and English instruction capability. The sports clubs of the Mt. Velez region

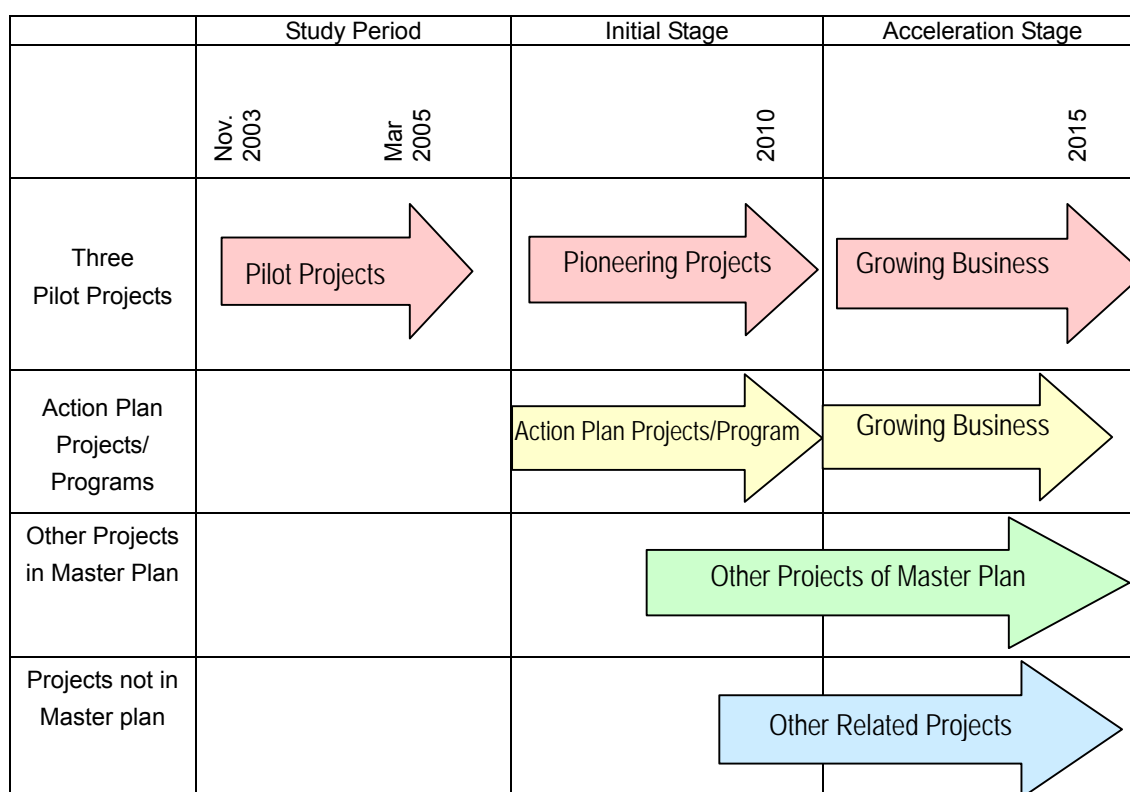
will be called on to arrange specialized sports training. NYI must work with specialized organizations to learn about key issues such as the licensing of trained guides and the best way to get specialist instruction up to international standards in the local language².

² As a part of the Study, a guide training manual has been developed in English and local language.

Chapter F 8 Selection of Action Plan Projects/Programs

8.1 Summary of Project Ideas for Master Plan

Figure F 8.1 shows role of all the proposed pilot projects, action plan projects/programs, and other projects which are taking account of the study periods and the strategic development stages for Velez Area.



Source: JICA Study Team

Figure F 8.1 Role of All the Proposed Projects/Programs

8.2 Criteria for Selecting Action Plan Projects/Programs

For the master plan of the Velez Study Area development, JICA Study Team together with local stakeholders identified 46 projects and described in the previous chapters of this report from Chapter F 2 to F 7.

Even though all the project ideas proposed for the master plan are worth consideration for the development of the eco-tourism in Velez Study Area, their feasibility and relevancy in

view of the Region's "Development Strategies" and "Directions for Development" (as formulated in the Chapter D 1) need to be examined.

Therefore it was decided to prioritize projects, using screening criteria that reflect the Region's development strategies and directions, from among 46 ideas proposed by local people. The Consultants then formulated an Action Plan for a realistic development program.

These 46 projects and their screening results are shown in the Table F 8.1. These ideas include the three pilot projects implemented as a part of Study activities.

Concerning the three pilot projects implemented as a part of the Study activities, they have been recognized as success and therefore are included in the Action Plan. Details of the further development of pilot projects are presented in Volume 4 Part F 9.2, and therefore are not repeated in this chapter.

In order to prioritize projects, the following criteria have been applied. They facilitate project screening and provide means of scoring in each criterion.

(1) Relevance

By "Relevance" is assessed overall consistency of the project ideas in terms of alignment with the stated Development Objectives, Strategies and Directions as stated in the Chapter B 1.

1) Consistency with Development Approaches

Development approaches and strategies for this master plan are described in Chapter B 1. Consistency with them is most important to be eligible for the priority project.

2) Urgency

Some projects need immediate implementation, and others do not. Urgency refers to the degree of necessity for early implementation.

(2) Economic Development

The criterion "Economic development" measures the extent and the size of potential regional impact to be realized by the project.

- 1) Economic impact

The sub-criterion measures potential economic impact of the proposed project.

Table F 8.2 show the summary of criteria and scored for action plan.

- 2) Job opportunity

The ability of the project to create jobs is an important criterion. The sub-criterion measures the size of job opportunities to be created by the project.

- (3) Social development

Local population should acquire the ability to develop their community by themselves and be proud of; their way of life.

- 1) Solidarity and collaboration

If the project enhances the solidarity and spirit of collaboration among people and among communities, it should be given a high priority, particularly when it encourages the collaboration across the entity border.

- 2) Poverty and gender

If the project offers chances of participation to marginalized segments of the community, it should be given a high priority.

- (4) Tourism Resource Management

Tourism resources include beautiful scenery, flora and fauna, water, air, historic and cultural heritage, which lend itself an attractive destination. Tourism resource management is essential for the sustainable tourism development.

- 1) Contribution to Environmental Improvement

Exploitation and conservation of environment should be balanced in a sustainable way.

- 2) Contribution to historic conservation

Despite effort of “the Commission to Preserve National Monuments of BiH,” many of the registered built heritages are in poor state. A project can have a positive impact in this regard.

(5) Project Maturity

1) Managing Organization

One of the major lessons the JICA Study Team have learned from the pilot project implementation is that “good managing organization” is essential for success.

2) Fund availability

Needless to say, availability of fund makes a project readily implement able.

Table F 8.1 Project Selection for Action Plan Velez (1/2)

Project/Program Category	Project	Relevance		Economic		Social		Resource		Maturity		Total		
		Consistency	Urgency	Impact	Job	Solidarity	Poverty	Environ't	History	Fund	Organization			
TOURISM PRODUCTS	VELEZ Cultural Heritage Tourism	VH-1) Blagaj Historic Trail	2	2	2	1	0	0	0	2	1	1	11	
		VH-2) Podvelez Forts Visit	2	0	1	1	0	0	0	2	2	2	10	
		VH-3) Nevesinje Necropolis Visit	2	0	1	1	2	0	0	2	0	0	8	
		VH-4) Cultural Events (folklore fest, Islamic memorial day)	2	2	2	1	0	0	0	2	2	2	13	
	VELEZ Agro-tourism	Eco-house	VA-1) Product Improvement	2	1	2	2	2	2	0	0	0	1	12
			VA-2) Sale of Local Products	2	1	2	2	2	2	0	0	0	1	12
			VA-3) Eco-tourism Information Service	2	1	1	1	2	0	1	1	0	0	9
		Farm Visit	VA-4) Farm Lodging	2	2	2	2	2	0	0	0	2	2	14
			VA-5) Fruits Picking	2	1	1	1	1	1	0	0	1	1	9
			VA-6) Sheep Searing	2	2	1	1	1	1	0	0	1	1	10
			VA-7) Bee Keeping & Herb Picking	2	1	1	1	1	1	0	0	1	1	9
			VA-8) Milking & Cheese Making	2	1	1	1	1	1	0	0	1	1	9
			VA-9) Lavender Farm Trip	2	0	1	1	1	1	0	0	0	0	6
		Gastronomy Corridor	VA-10) Winery & Brewery Visit	2	0	1	1	0	0	0	0	1	1	6
			VA-11) Local Food Restaurant Network	2	1	1	1	1	0	0	0	1	1	8
			VA-12) Farm Food Service (for lunch or tasting of local food)	2	0	1	1	1	0	0	0	1	1	7
			VA-13) Improvement of Local Weekly Market	2	1	1	1	1	1	0	0	1	1	9
	VELEZ Nature and Sports Activities	VN-1) Nature and wildlife observation	2	1	1	1	1	0	1	0	1	1	9	
		VN-2) 4WD tour up & around Mt.Velez	2	0	1	1	1	0	1	0	0	1	7	
		VN-3) Horse back riding	2	1	1	1	0	0	0	0	1	1	7	
VN-4) Mountaineering		2	1	1	1	2	0	1	0	1	2	11		
VN-5) Fishing		2	1	1	1	0	0	1	0	1	1	8		
VN-6) Hunting		2	1	2	1	1	0	1	0	1	2	11		
VN-7) Mountain biking		2	1	1	1	0	0	0	0	1	2	8		
VN-8) Rafting		2	1	1	1	0	0	2	0	2	2	11		
VN-9) Sports Events (Nevesinje Olympic)		2	2	2	1	0	0	0	1	1	2	11		
VN-10) Football for club training		1	0	2	1	0	0	0	0	1	1	6		

Pilot projects or what has been supported by JICA Study Team

Action Plan Projects selected

Table F 8.1 Project Selection for Action Plan Velez (2/2)

Project/Program Category	Project	Relevance		Economic Dev.		Social Dev.		Resource Manag.		Maturity		Total	
		Consistency	Urgency	Impact	Job	Solidarity	Poverty	Environmt	History	Fund	Organization		
SUPPORTING PROGRAM	Tourism Resource Management	VR-1) Supporting the water quality monitoring	2	2	0	0	0	0	2	0	1	2	9
		VR-2) Tree Planing	2	1	0	0	0	0	2	0	1	2	8
		VR-3) Town Beautification Campaign	2	2	0	0	0	0	2	1	1	2	10
		VR-4) Protected areas management system	2	1	0	0	1	0	2	0	1	1	8
		VR-5) Environmental management guideline for visitors	2	1	0	0	1	0	2	1	1	1	9
		VR-6) Historic preservation of registered monuments	2	2	1	1	1	0	0	2	1	2	12
	Marketing & Promotion	VM-1) Product Development with Tour Operators	2	2	2	2	2	0	0	1	1	2	14
		VM-2) Contact to Clubs/Associations	2	2	1	1	1	0	0	1	1	1	10
		VM-3) Web-site Maintenance	2	2	0	0	2	0	1	1	0	2	10
		VM-4) Tourism Fair Participation	2	2	0	0	2	0	0	0	1	1	8
		VM-5) Promotional material development	2	2	0	0	2	0	1	1	0	2	10
	Facilities & Infrastructure	VF-1) Small-scale Accommodation Program	2	2	2	2	1	0	0	0	1	1	11
		VF-2) Access Control and Traffic Management	2	2	0	0	2	0	0	1	1	1	9
		VF-3) Development of Interpretative Information	2	1	0	0	0	0	0	1	0	2	6
	Institutional & human Resource Development	VI-1) Velez Tourism Committee	2	2	0	0	2	0	2	1	1	1	11
VI-2) Training of guiding, hospitality, safety, environment		2	2	1	1	1	1	2	2	1	1	14	
VI-3) Nomination of great skill holders		2	1	1	1	1	1	1	1	1	1	11	
VI-4) Training of Forest Guards		2	2	1	1	0	0	2	0	1	2	11	
VI-5) Loan guarantee for small tourism/agro business		2	2	2	2	0	1	0	0	0	1	10	

Pilot projects or what has been supported by JICA Study Team
 Action Plan Projects selected

Table F 8.2 Criteria to Select Projects for Action Plan

		CRITERIA		SCORE	
1	Relevance	Consistency with Development Approach	The project idea aligns well with the stated Strategies and Directions of Development.	0	No correspondence
				1	Some correspondence
				2	Large correspondence
		Urgency	The project needs urgent implementation.	0	No urgency
				1	urgency
				2	Extreme urgency
2	Economic Development	Economic Impact	The project brings economic impact to the Region	0	No impact expected
				1	Some impact expected
				2	Large impact expected
		Job Opportunity	The project offers job opportunities to the residents of the Region	0	No opportunity
				1	Some opportunity
				2	Good opportunity
3	Social Development	Solidarity and Collaboration	The project enhances solidarity and collaboration among people and among communities of the TWO entities	0	No collaboration expected
				1	Some collaboration expected
				2	Broad collaboration expected
		Poverty and Gender	The project offers the chance of participation to the marginalized segments of the community	0	No chance to participate
				1	Some chance to participate
				2	Large chance to participate
4	Tourism Resource Management	Contribution to Environmental Improvement	The project facilitates environmental improvement and conservation	0	No improvement expected
				1	Some improvement expected
				2	Large improvement expected
		Contribution to Historic Conservation	The project facilitates historic conservation	0	No contribution expected
				1	Some contribution expected
				2	Large contribution expected
5	Project Maturity	Fund Availability	If the project has a good chance to be funded by private, public, or donor sector	0	Difficult to get funded
				1	Some potential to get funded
				2	Fund source identified
		Managing Organization	If managing organization has been identified and ready for implementation of the project	0	Not identified or weak
				1	Identified but need enhanced
				2	Identified and capable

Source JICA Study Team

8.3 Selection of Velez Action Plan Projects/Programs

JICA Study Team has evaluated each of the project ideas in the master plan with the above-mentioned criteria. Table F 8.3 shows the resulting rating of the project ideas for master plan.

Selected projects for action plan are as follows:

Table F 8.3 Action Plan Project Selected for Velez

	Name of project/program for Action Plan	Code No. ^{*(1)}	Project/program Category
1	Cultural Events in Blagaj	VH-4	Velez cultural heritage tourism
2	Farm visit (including fruits picking, sheep searing, bee keeping & herb picking, milking & cheese making, farm food service)	VA-4 VA-5 VA-6 VA-7 VA-8 VA-9	Velez agro-tourism
3	Nature and wildlife observation (including 4WD tour up & around Mt.Velez, and horse back riding as a means of transportation)	VN-1 VN-2 VN-3	Velez natural and sports activities
4	Tree planting together with town beautification campaign	VR-2 VR-3	Tourism resource management
5	Collaboration on Tourism Product Development with tour operators and clubs	VM-1 VM-2	Marketing & promotion
6	Human resource development for Eco-tourism	VI-2 VI-3	Institutional & human resource development

^{*(1)} Code numbers are given in Table F 8.1.

8.4 Integrated Concept of the Action Plan

The six projects/programs selected for the Velez Action plan would produce a synergy effect when implemented together and with the on-going pilot projects. All these projects/programs will develop Velez as a regional brand and receive maximum number of tourists with minimum investment. The structure of the Action Plan is shown below.

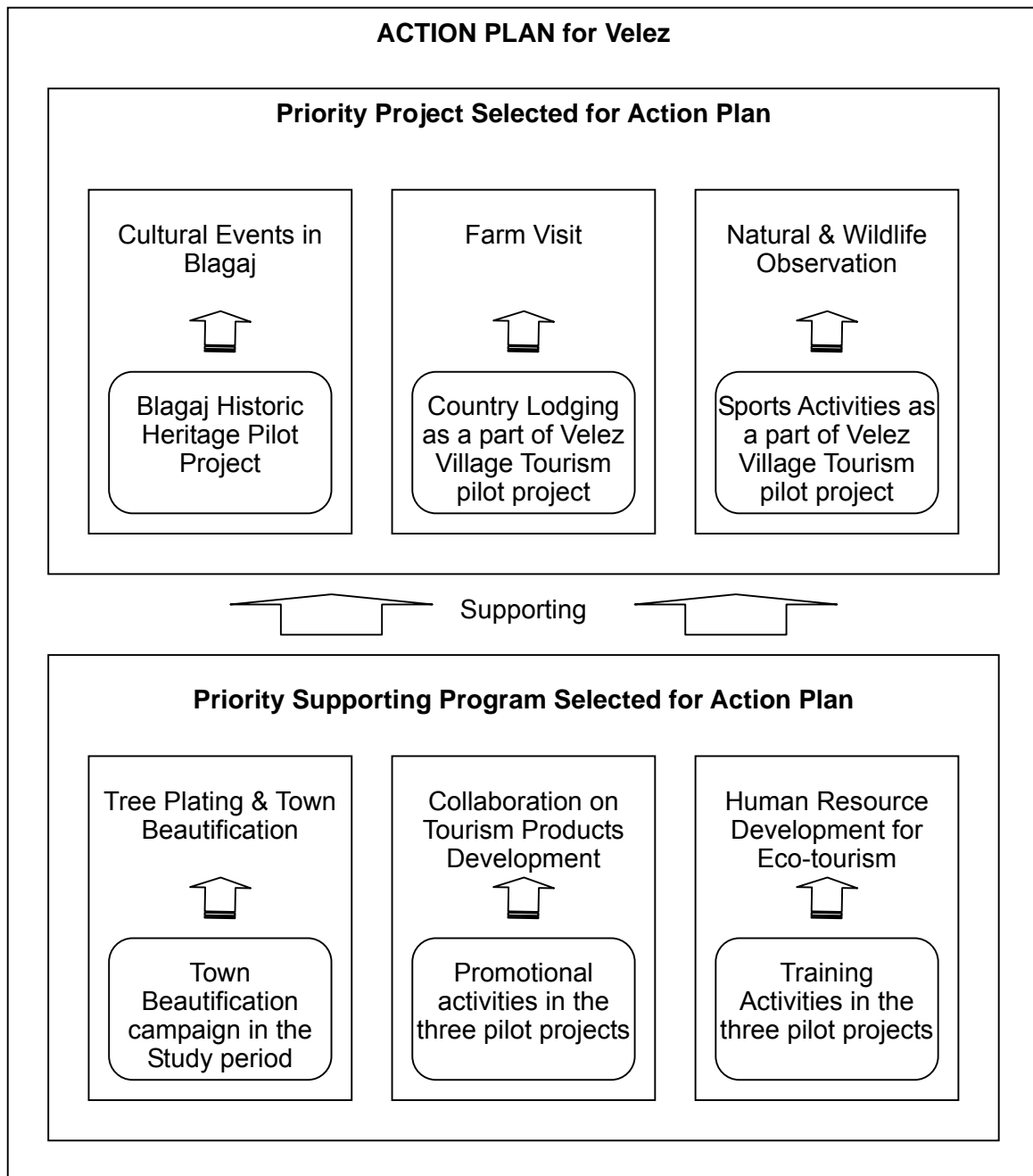


Figure F 8.2 Structure of Action Plan

Figure F 8.2 indicates that most of the Action Plan Projects/Programs have their root in what JICA Study Team assisted during its Study period such as pilot projects and beautification campaign. Three supporting programs support three projects.

Figure F 8.3 shows the special distribution image of Action Plan Projects/Programs.

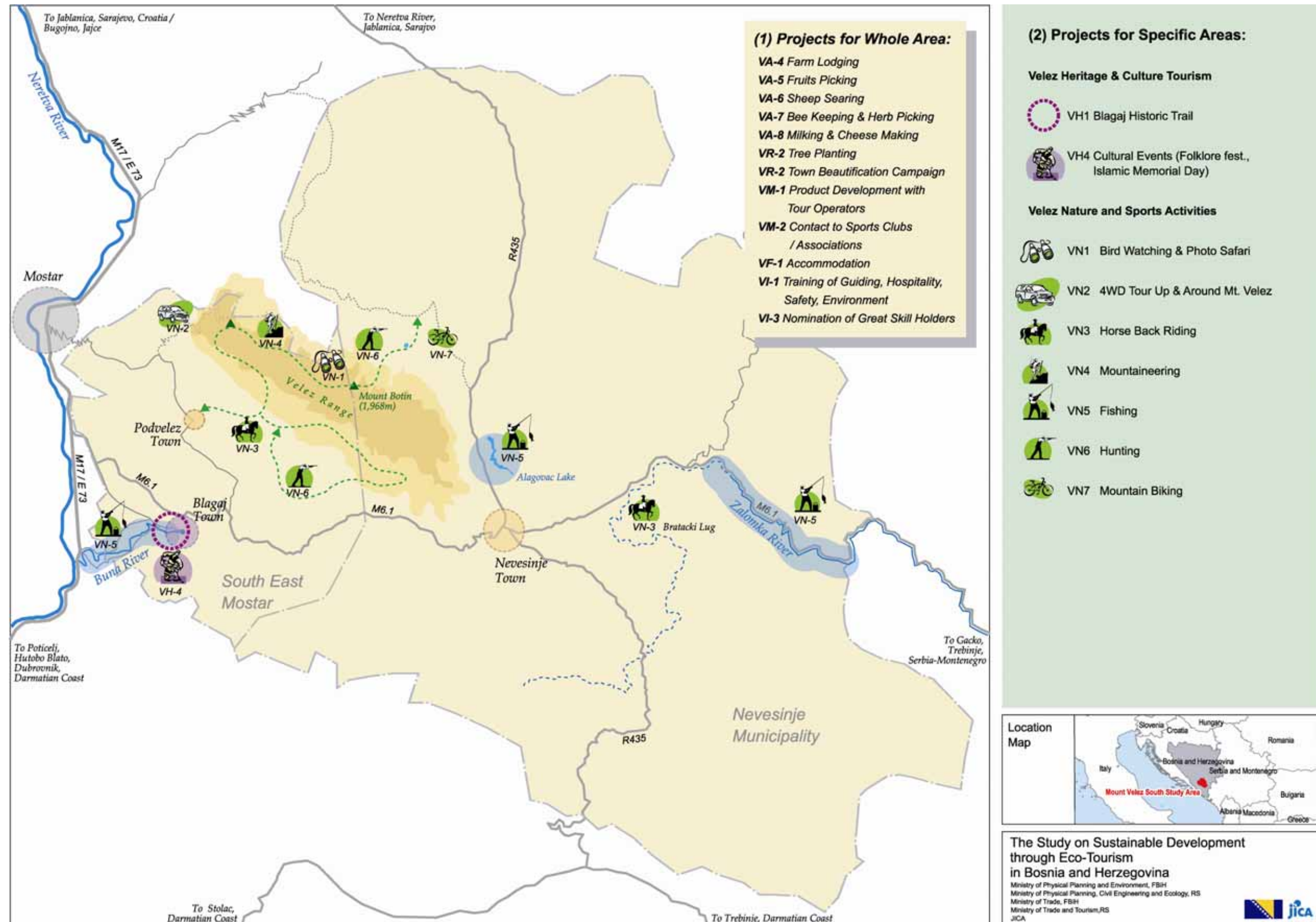


Figure F 8.3 Action Plan Projects/Programs of Velez Area

Chapter F 9 Outline of the Proposed Projects/Programs

9.1 Outline of Action Plan Projects/Programs

9.1.1 Cultural Events in Blagaj

(1) Project Brief

The project is based upon the activities of a to-be-created cultural NGO called the Friends of Blagaj which will bring about the more professional management of events in the town, raise the quality of events, start some new events and cultural services and promote them more actively than at present. Friends will rely on the initiative of local persons and companies that join it and will work with the municipality and existing culturally-motivated organizations in Mostar to liven up the town during the peak summer period and gradually start new activities in the spring and fall seasons. Friends will make use of local talent and materials in all of its work.

(2) Project Summary Table

Table F 9.1 Cultural Events in Blagaj Project Sheet

Project Code / Title	VH-4 Cultural Events in Blagaj
1. Objectives & Expected Output	<ul style="list-style-type: none"> - Stimulate cultural tourism to Blagaj & environs - Make use of local artistic & management skills - Make use of local crafts production skills outputs - Increased days in each year with special culturally-themed public events drawing local and foreign visitors - Increased food, beverage and souvenir employment and sales in Blagaj - Improved operation of events drawing larger crowds each year
2. Location	Blagaj town
3. Background	This town has a beautiful natural setting at the spring of a river, and at the foot of a mountain, celebrated in much art work. It also enjoys high symbolic importance as the location of the last castle of the old Hum kingdom of Herzegovina, and the Tekiya House, revered by Bosniaks. This combination makes it a favorite destination for recreational and tourism purposes, but it is not yet reaching its full touristic potential.
4. Tasks & Schedule	2005, 2006 & 2007 a. New organization 2005: A cultural NGO called Friends of Blagaj will be created to sponsor local guides, assist the Info-center, stage

Project Code / Title	VH-4 Cultural Events in Blagaj	
	<p>events to draw tourists. The director will be paid a small fee to defray expenses.</p> <p>b. Improved event management 2005: Dervish Day and the August folklore events to get improved management for increased performances, crowd controls, paid parking, public toilets, first aid station, shuttle service innovations for 2006/7.</p> <p>c. Scheduled guided walking tours 2006: Friends to organize guided tours on weekends in local language and English on demand, coordinated with tour operators. Friends to develop a plan for a corps of multi-lingual local guided tours in summer.</p> <p>d. Hired street entertainment 2005: To liven up the town on summer weekends Friends and the business association can hire street entertainment [troubadours, acrobats, clowns, mime artists, etc.] for improved family atmosphere.</p> <p>e. Velagicevina Café upgrade 2006: Adopting hours open to public, with entertainment & limited menu after 2005 limited operation.</p> <p>f. Performance equipment 2006: Portable stage, sound & lighting systems, basic props for staging of cultural performances at different indoor and outdoor locations in the town.</p> <p>g. New events 2006/7: Creation of a Herzegovina Nights festival using local folkloric themes and talent. Creation of a harvest festival for plums, wine, lavender or other local product on a biannual basis. These will draw tourists from coastal resorts and from other areas to Blagaj.</p>	
5. Development & Management Organizations	To be created Friends of Blagaj Society supported by the Kamarad Fine Arts Society of Mostar, possibly by the Sarajevo Arts Society. Municipal Office of Southeast Mostar to assist.	
6. Main Beneficiaries	Local businesses & employees especially shops, cafes and restaurants, hotels and country lodging families. Performing troupes and artisans are also beneficiaries.	
7. Initial Cost	<p>a. Registration formalities for organization</p> <p>b. Operating cost first 3 years resources shared with other NGOs or municipal office</p> <p>c. Costs covered by sponsors of events</p> <p>d. Training of 5 guides in local and English languages</p> <p>e. Troupe hired for 8 summer weekends 2005/6</p> <p>f. Private operation requiring no funding</p> <p>g. Grant-funded equipment supply</p> <p>h. Hired entertainers for 3-weekend series of events for 2006 & 2007 seasons @6,000KM/year</p>	<p>2,000KM</p> <p>30,000KM</p> <p>---</p> <p>5,000KM</p> <p>8,000KM</p> <p>---</p> <p>15,000KM</p> <p>12,000KM</p>
8. Financial Resource or Potential Donor Support	72,000KM budget over 2-3 years covered by grants from donors and companies including tour operators.(2005-2008)	
9. Revenue	Friends to fund itself from individual & corporate membership fees, advertising, events management fees, corporate grants, donor grants for initial years to 2007.	

(3) Specific Considerations

Target markets/Clientele

The direct clientele consists of local residents and tourists visiting Blagaj at any time of the year and the large volumes of visitors attending events staged there. The tourists include Bosnian ones and foreign ones such as Diaspora Bosnians and tourists visiting from the coastal resorts of Croatia. School and youth groups are also included both as observers and visitors, and also in an active role as performers in some of the cultural events.

Key Resources to be utilized/Enhanced

The key resource is the managerial skill of the directors of Friends and also the very limited administrative support of a part time office, and assistant for its headquarters. Financial resources will include assistance in kind or in cash from the municipality, from existing cultural NGOs of Mostar and Sarajevo, and from BiH and foreign donor institutions. Real resources will include the different types of tour guides, entertainers and performers from local cultural NGOs of Mostar and from other locations.

Management Considerations

This project is based on developing a capacity to create and execute cultural events in Blagaj that will stimulate its local economy and use specialized local personnel. The Friends society will learn the skills of event management and work closely with the municipality and HNK Tourism Community to execute them smoothly while expanding the size and frequency of such events.

Supporting Structure

The society will rely on moral support and guidance from the former Southeast Mostar municipal office, from the HNK Tourism Community, from the Kamarad Fine Arts Society and possibly even from the Sarajevo Arts Society which itself gets donor funding. The society can promote its memberships to prominent companies in the area that can help it fund some of the activities.

9.1.2 Velez Farm Visit

(1) Project Brief

The program aims to generate additional farmer's income by combining their self-sustainable economic activities with agro-tourism. Agro-tourism is sometimes called

entertainment farming and therefore proposals have been developed how to entertain domestic and international visitors.

For Velez Study Area the following have been chosen; fruit picking (mainly in Blagaj), herb picking, sheep shearing, milking and cheese making (mainly in Podvelez and Nevesinje) and bee keeping everywhere.

(2) Project Summary Table

Table F 9.2 Velez Farm Visit Project Sheet

Project Code / Title	VA-4 to VA-9 Velez Farm Visit
1. Objectives & Expected Outputs	<p>Objectives:</p> <ul style="list-style-type: none"> - To combine commercial and subsistence farming with agro-tourism - To make farmers familiar with new, but sustainable income generating programs like agro-tourism - To preserve the local environment while using agro-tourism activities for increased commercial and recreational purposes <p>Expected Outputs:</p> <ul style="list-style-type: none"> - Additional farm income through the eco-tourism involvement - More farm income through improved facilities - More employment in the rural area
2. Location	Velez, whole area
3. Background	<p>Fruit growing is done in Blagaj area since a very long time; grapes, apples, plums, peaches and even kiwis could be found in the area. Bee keeping would complement fruit farming.</p> <p>Podvelez is a very rocky area and arable land is not sufficiently available; livestock production with further added value like cheese production is done since many generations. Herbs could be found in large quantities and bees are kept by many families in the neighborhood of their farmhouses.</p> <p>Nevesinje is the best agricultural area with the exception of fruits that need a warmer climate. The area fit for livestock production, milk processing as well as for bee keeping, herb collection and distilling alcoholic drinks.</p> <p>In all three communities farmers are rather poor and need alternative incomes.</p>
4. Tasks & Schedule	<p>Short term measures to 2010:</p> <ul style="list-style-type: none"> Setting up the management Organizing pilot farms Training of guest handling Marketing and promotion

Project Code / Title	VA-4 to VA-9 Velez Farm Visit
	<p>Product improvement including quality, grading and packing, labeling, branding</p> <p>Getting a more professional approach towards cheese production by more efficient technology and new cheese varieties</p> <p>Getting a more professional approach towards marketing of products</p> <p>Long term measures-after 2015:</p> <p>Increased number of participating farmers</p> <p>Investment for expanding the business</p> <p>Improved marketing of the area and of the local traditional products, also on international fairs like Slow Food</p>
5. Development & Management Organizations	<p>Nevesinje Youth Initiative with already existing country-lodging program could implement and manage these programs. Farmer's cooperatives as for example P.Z.BIOPRODUKT may assist the program.</p> <p>Municipalities could assist by enabling an advisory service.</p>
6. Main Beneficiaries	<p>Farmers in Velez</p> <p>Population in Velez due to intact landscape, secured food production and better socially balanced society</p>
7. Initial Cost	<p>Total cost is 32,000KM in 2006</p> <p>Fruits picking:</p> <p>1 ha new plantation for apples, plums, peaches, kiwis and others requires, beside the farmer's workforce:</p> <p>800 - 1000 young trees @ 3,000KM</p> <p>800 - 1000 wooden stakes @ 1,000KM</p> <p>Sheep sharing:</p> <p>Purchasing 100 young sheep for breeding @ 18,000KM</p> <p>Renovation or building of a barn (price depends on existing conditions)</p> <p>Purchase or making of fodder for the winter time (price depends on existing conditions)</p> <p>Bee keeping & herb picking:</p> <p>No additional costs as interested farmer have already their beehives and herbs are picked in the wilderness.</p> <p>Milking & cheese making:</p> <p>Several milk cows; 1 milk cow @ 2,000KM</p> <p>Between 5 and 15 liter of milk are needed for 1 kg of cheese</p> <p>Basic equipment like pasteurizing equipment, centrifuge</p> <p>Storage facilities or cellar</p> <p>Packaging material like nicely packed environmental friendly wooden boxes or textiles</p>
8. Financial Resources or Potential Donor Support	<p>Financial support by the international donor community is welcomed and needed mainly for the out of the farm activities; i.e. public relation, advertisement, organization of the festivals.</p>

Project Code / Title	VA-4 to VA-9 Velez Farm Visit
9. Revenue	<p>Farmers will increase profitability due to reduced harvest costs. Farmers will get revenues through entrance fees for various farm-entertainment-packages.</p> <p>Fruits picking: In year 3 after plantation one could expect 20 tons/ha apples, or 10 tons/ha plums, or 6 tons/ha peaches, or 20 tons/ha kiwis. Assuming a low price of 0.50KM/kg, the program would result in additional revenues of 3,000 - 10,000KM/ha.</p> <p>Sheep sharing: This farm entertainment cannot be sold as stand alone activity; but sheep shearing combined with a meal of grill lamb and local brandy could be sold at estimated 10KM/visitor. Assuming that the sheep have to be sheared within one month and further assuming 20 visitors per day, the program would result in additional revenues of 6,000KM per farm. (Calculation: 10KM x 20 visitors/day x 30 days = 6,000KM)</p> <p>Bee keeping & herb picking: This farm entertainment cannot be sold as stand alone activity; but honey making and/or herb picking on the pastures and in the forests combined with a meal and a herb-tea with honey could be sold at estimated 10KM/visitor. Assuming that these activities will be carried out within four months and further assuming 10 visitors per day, the program would result in additional revenues of 12,000KM per farm. (Calculation: 10KM x 10 visitors/day x 120 days = 12,000KM)</p> <p>Milking & cheese making: A package of milking by hands, a visit into the farm dairy and the cheese cellar storage room and a delicious cheese plate with homemade bread and red wine and/or tea could be sold at estimated 10KM/visitor. Assuming that these activities will be carried out within the 6 months and further assuming 100 visitors per months, the program would result in additional revenues of 6,000KM per farm. (Calculation: 10KM x 100 visitors/month x 6 months = 6,000KM)</p> <p>Farm shop: Farmers will get revenues due to sales of farm products to visitors during their farming activities like picking and milking. Assuming that each visitor will spend 20KM in the shop and further assuming 100 visitors per months, the program would result in additional revenues of 24,000KM per farm.</p>

(3) Specific Considerations

Target Markets/Cientele

The main target group to visit farms is international tourists from the Dalmatian coast, taking a few days to explore BiH. Additionally visitors to Mostar and Medjugorje should be attracted, as they are already in the neighborhood.

Key Resources Utilized

The project makes use of the varied landscapes and the traditional farming activities and therefore will keep the initial cost low. Foreign expertise will be needed mainly to bring international tourists into the Velez Study Area.

Management Considerations

Improved agricultural production of fruits, honey, cheese and greater number of livestock, especially sheep and cows, are a priority. Additionally livestock farming must get more profitable, among others by using better fodder technology and artificial insemination for genetic improvement of the local breeds. Also herb-picking activities need better planning regarding location of herbs and timing during the year.

Farmers need to improve their management capabilities and to learn about tourism so that they could offer entertainment facilities and manage them properly.

The Nevesinje Youth Initiative that is already involved in the country-lodging program could manage the project. They are experienced in project management and tourism activities in the area. Within this project they could take over the management activities within the whole Velez Study Area.

Farmer's cooperatives as for example P.Z.BIOPRODUKT will also assist in it.

The project will help to build up the management capabilities of the NGOs, farmer's cooperatives and municipality in managing the agro-tourism component for further replication in related projects.

Supporting Structure

Regarding the eco-tourism part of this project, support from the Cantonal and Regional Tourist Community as well as from tour agencies in Mostar, Medjugorje and the Dalmatian Coast will be needed. BiH authorities could also help in setting up a farm-holidays association. This association should promote BiH's opportunities and channel the demand towards the farms.

Regarding the agricultural part of this project, support from the Municipalities would be needed in enabling, not necessarily providing, relevant extension and veterinary services to farmers interested in a farm-visiting-program. Municipalities could further assist the herb picking activities by clarifying the legal environment like user-rights in state forests.

9.1.3 Velez Nature and Wildlife Observation

(1) Project Brief

There are numerous sport and recreation activities such as sport fishing, mountaineering, wildlife viewing, hunting, and mountain biking located throughout the Mount Velez Region. The goal of this project is to efficiently establish connections between those diverse activities in order to achieve both economic and environmental benefits. Specifically, there is a great need to improve access to the Mount Velez recreation activities because they are scattered throughout the region and it is now very difficult for people to pursue nature tourism. It is also necessary to provide visitor services such as signage, picnic areas, trash collection, rest huts, and a visitor center. All of these project elements would make positive impacts on the visitor experiences, the tourism businesses, and the environmental management of the region.

It is very important to note that a variety of transport modes will be used for this project. Some parts of the Mount Velez Recreational Transport System will use 4WD Vehicles. Other parts of the transport system will consist of trails that are dedicated to hiking, mountain biking, and, in the winter, Nordic skiing. There are specific locations such as Podvelez where horses can be used on trails. Finally, the river and lake areas are excellent locations for rafts and kayaks.

(2) Project Summary Table

Table F 9.3 Velez Nature and Wildlife Observation Project Sheet

Project Code / Title	VN 1, 2, and 3 Velez nature and wildlife observation
1. Objectives & Expected Outputs	<p>Objective: To improve and facilitate the visitor satisfaction of the recreation and sports activities in the Mount Velez Region.</p> <p>Expected Output: Diversity is one of the most positive characteristics of the sport and recreation activities in the Mount Velez Region. But in order to realize the visitor enjoyment that these activities can offer, it is necessary to have efficient access and accurate signage.</p> <p>Objective: To create recreation facilities, signage, and infrastructure improvements, especially access, that will directly contribute to the economic efficiency of the tourism businesses and the economic development of the Mount Velez Region.</p> <p>Expected Output: Sport and recreation facilities located in the Mount Velez Region are widely scattered throughout this enormous geographic area. The use of a well designed transport system with excellent signage will help the tourism businesses of this region.</p> <p>Objective: To implement trash collection and pollution prevention measures that will directly improve the environmental quality of the region.</p> <p>Expected Output: Improve environmental quality and the scenic beauty of the Mount Velez Region.</p> <p>Objective: To use the transport system to monitor the region's natural resources.</p> <p>Expected Result: To provide Resource Managers with the access needed to frequently and competently evaluate the quality of the environmental conditions in order to sustain them.</p>
2. Location	Blagaj, Podvelez, and Nevesinje
3. Background	<p>The purpose of Hiking and Mountain Bike Trails is to provide tourists opportunities to experience the many forest, river, and mountain attractions that the Nevesnije Region has to offer. The basic elements of the trail system would consist of existing forest roads and ancient roadways such as the Roman Salt Road and the Ottoman Caravan Route. The forest roads were originally built by the private forest industry.</p> <p>A road to the top of Mount Velez currently exists. Travel to the summit by 4WD Vehicle would provide tourists with opportunities to experience the beautiful vistas along the route of travel and at the summit. It is a safe method of travel because the route is in excellent</p>

Project Code / Title	VN 1, 2, and 3 Velez nature and wildlife observation
	<p>condition and there are no mine hazards on the route.</p> <p>The purpose of a designated Horse Trail is to provide tourists with both an enjoyable activity and to learn about the culture of the nomadic mountain people. The Podvelez Hill Horse is a very distinct type of horse that has been specifically bred for the steep slopes and cold conditions of the Velež Mountain Region.</p> <p>Access to Mountaineering: Trail heads will provide starting points for a variety of unique mountaineering experiences. The most rigorous recreation mountaineering experiences are the challenging technical climbs located at the headwalls of the eastern face of the Velež Mountains. The western side of the Velež Mountains is definitely the easiest route to the summit and requires minimal mountaineering skills and equipment.</p> <p>Access to Sport Fishing: All of the regional rivers and lakes offer high quality sport fishing opportunities. Within these waters a diversity of large and healthy fish species may be caught by the sports angler.</p> <p>Access to Hunting: The Velež area provides essential natural habitat for a diversity of wildlife. The Velež area is also an extremely popular site for hunting game birds. Improved access to hunting would improve both the economic benefits and the sport experience. A series of recreation facilities will be located along the trail such as platforms that may be used for sport fishing, wildlife viewing, and picnic. Additional facilities will include benches, picnic areas, trash collection containers, nature and heritage information signs, and directional signs.</p> <p>It is extremely important to construct a Visitor Center as a vital part of the Recreational Transport System. The purposes of the Visitor Center are to provide visitor information, safety services, communication resources, transport services, and economic benefits. The visitor information can include exhibits and presentations.</p>
4. Task & Schedule	<p>Short term measures to 2010:</p> <p>a) Establish Cooperative Agreements-2006: In order to start this project, cooperative agreements with the Mine Action Center and the Lumber Camp Velez and other private land owners need to be established.</p> <p>b) Mount Velez Scenic Road and Trail-2007-2009: The existing road to the summit of Mount Velez will be surveyed to determine its suitability for tourism. It is expected that very minimal improvements such as signage will enable this road to be immediately used for tourism. In addition, a Horse Trail Route should be surveyed.</p>

Project Code / Title	VN 1, 2, and 3 Velez nature and wildlife observation
	<p>c) <u>Lumber Camp Velez Road System-2007-2009:</u> The forest roads located in the Lumber Camp Velez are attractive locations for hiking and mountain biking. These roads need to be surveyed to determine their recreation potential and maintenance conditions. Detailed site assessments will be performed along this section. The facilities that should be constructed in this region should include inclement weather shelters, picnic tables, fire pits, and parking areas.</p> <p>d) <u>Zalomka and Buna River Trails-2007-2009:</u> Access to attractive sport fishing locations located along the Zalomka and Buna Rivers need to be identified. The access roads offer locations to transport anglers, but not necessarily the most scenic or suitable places to fish. A trail system along the Zalomka would improve this situation. The Buna River also has road access to various locations and a small length of road that parallels the river near its source. Based on site assessments, several Buna River locations may benefit from the construction of fishing platforms that may also be used for picnic and wildlife viewing.</p> <p>e) <u>Heritage Trails-2007-2009:</u> An ancient circular route connects the entire Nevesnije - Zalomka Valley. This route was originally established in pre-historic times, was then improved by the Romans, and was then rebuilt and used by the Turks for their Ottoman Caravan Route. The location of these remarkable heritage sites may be found on the heritage map provided in the Technical Appendix to this Master Plan. This route represents an extraordinary way of connecting both the recreation attractions and the heritage attractions located in this region.</p> <p>Long term measures-after2010: Visitor center design and construction</p>
5. Development & Management Organizations	<p>Nevesnije Municipality Community of Blagaj Community of Podvelez Nevesnije Youth Initiative Lumber Camp Velez Podvelez Mountaineers Prenj Mountaineering Club Nevesnije Mountain Club Sportfishing Clubs Hunting Clubs Youth Associations Other Relevant Forest Owners</p>
6. Main Beneficiaries	<p>(a) Tourism Businesses: operators, guides, traffic, accommodations, and restaurants (b) Residents - Children and adults (c) Tourists</p>

Project Code / Title	VN 1, 2, and 3 Velez nature and wildlife observation
7. Initial Cost	1,675,000KM (2007-2009)
8. Financial Resources or Potential Donor Support	This tourism could start with a small investment by tour operator such as Green Visions and Fortuna Tours. EURED, USAID, GTZ, WB may have relevant program to support this tourism development.
9. Revenue	<Direct revenue> - License for fishing and hunting <Indirect revenue> - Touring trails: tour operation and guide fee - Transportation: 4WD, mountain bike, horse rental charge - Accommodation charge

(3) Preliminary Design

There are four type of trails involved in this project. Components involved in the project are summarized in Table F 9.4.

Table F 9.4 Development Components of the Velez Nature and Wildlife Observation

Components	Notes
Mount Velez Scenic Road and Trail	- Road for 4WD, improving existing road - Direction signage installation - 4WD road (L=25km), Horse trail (L=35km)
Lumber Camp Velez Road System	- Trail for hiking and mountain biking - 3 picnic sites: shelter, picnic tables, fire pits - L=10km
Zalomka and Buna River Trails	- Access roads for anglers - 3 fishing platforms - L=3km
Heritage Trails	- Ancient heritage site circular route utilizing the Old Romans Road and Ottoman Caravan Route - L=30km

Source: JICA Study Team

(4) Cost Estimate

Costs of the facilities to be provided by the project are summarized in Table F 9.5. The total cost is estimated at KM.

Table F 9.5 Cost Estimate for Velez Nature and Wildlife Observation

Unit: KM

Items	Quantity	Unit Cost	Cost	Notes
Mount Velez Scenic Road and Trail	25km (4WD)	20,000	500,000	Reuse of existing road including signage
	35km (Horse trail)	15,000	525,000	Reuse of existing road including signage
Lumber Camp Velez Road System	10km	20,000	200,000	Reuse of existing road, 3 picnic sites, and signage
Zalomka and Buna River Trails	3km	50,000	150,000	Road construction and 3 fishing platforms
Heritage Trails	30km	10,000	300,000	Reuse of existing road including signage
Total			1,675,000	

Source: JICA Study Team

9.1.4 Tree Planting Together with Town Beautification Campaign

(1) Project Brief

The Project consists of two components. One is to conduct town beautification; the other one is to conduct tree planting on the backyard hill of the Blagaj town to contribute for protecting soil cover and preventing soil erosion as well as improving the tourist site image on the backyard hill of the Blagaj town. Town beautification includes i) environmental awareness seminar; ii) garbage collection campaign, iii) flowering along the main streets.

It is essential that both components should be involved with the local peoples in order to raise environmental awareness of the residents and visitors.

The Project enable the Velez Region to improve natural tourism resources as well as to prevent possible adverse environmental impacts such as water contamination by garbage and soil erosion. In terms of the tree planting, total 1ha area could be proposed at first stage because it needs a time to monitor the planting suitability in terms of the planting and maintenance methods as well as planting species. Therefore, ecological effects by the Project will not be observed in recent years, but the effects would be observed in the future by the tree maintenance and continuous planting by the local initiatives.

(2) Project Summary Table

Table F 9.6 Tree Planting together with Town Beautification Campaign Project Sheet

Project Code / Title	Velez Tree Planting Together with Town Beautification Campaign
1. Objectives & Expected Outputs	<p>Objectives:</p> <ol style="list-style-type: none"> 1) To clean up scattering garbage to improve main tourism sites in the Velez Region. 2) To conduct tree planting on a hillside at a tourism site to improve the tourist site image and to contribute protecting present soil cover on the hill 3) To raise environmental awareness and sense of the local resident (students, adults) and the visitors <p>Outputs:</p> <ul style="list-style-type: none"> - Reduce the scattering garbage along the main road from Blagaj to Nevesinje - Improve the tourism site image by the clean up and tree planting - Creation small-scale green area at the deforested area near Blagaj town - Reduce soil erosion at the tree planting site (long-term effect) - Enhance environmental awareness of the local peoples.
2. Location	Blagaj, Podvelez, Nevesinje residential areas, Blagaj town backyard hill (1 ha.)
3. Background	<ul style="list-style-type: none"> - Garbage scattering along the roads and riverbanks is one of the critical barriers to promote eco-tourism development in the Study Areas. <p>Also, minimum cleaning of the Areas is a prerequisite condition as a tourism destination. Solid waste management issues, including garbage scattering in the Region are mainly due to lacks of capacities of public services for garbage collection and waste disposal in the Region and not be solved without improvement of public sector's capacity. However, garbage scattering problems could be improved by the citizen's cooperation in the Region.</p> <ul style="list-style-type: none"> - In terms of the tree planting, during the War, domestic citizens and refugees did some clear cutting of wood for supplying firewood on the hillside of the Velez Region.
4. Tasks & Schedule	<p><u>Short term measures to 2010:</u></p> <p>a) Town Beautification</p> <p>2006 - 2010:</p> <ul style="list-style-type: none"> - Environmental awareness seminar (2 times/year) - Conduct garbage collection at main tourism sites at each municipality (2 timed /year)

Project Code / Title	Velez Tree Planting Together with Town Beautification Campaign
	<ul style="list-style-type: none"> - Conduct flowering at main streets at each municipality (1 time/year) b) Tree Planting 2006 – 2007 (2years) - Preparation necessary documentation for tree planting - 6 months - Conduct tree planting include seedling - 6 months - Monitoring and maintenance - 1 year <p><u>Long term measures-after 2010:</u></p> <ul style="list-style-type: none"> a) Town Beautification: Continue seasonally activities b) Tree Planting - Expand the tree planting areas based on the short-term experiences - Create a chance to participate in tree planting events for the visitors.
5. Development & Management Organizations	<ul style="list-style-type: none"> a) Town Beautification Overall management organization: The following each organization or representatives conduct the Project cooperation with each municipality and JKP - Blagaj: “New Wave Blagaj” (Local NGOs) - Podvelez: Podvelez Schoolmasters - Nevesinje: “Nevesinje Youth Initiative” b) Tree Planting Overall management organization: Southeast Mostar Municipality should manage and provide permission to conduct tree planting. The actual tree planting will be conducted by the following organization - Former agriculture official in UMCOR - Forestry company (seedling and planting and their technical advise for the participant)
6. Main Beneficiaries	<ul style="list-style-type: none"> a) Local governments of Southeast Mostar Municipality and Nevesinje Municipality by reducing garbage collection and forest management costs b) Local residents at Blagaj, Podvelez, and Nevesinje to get job for tree planting and reduce garbage pollution risks c) Visitors to the tourism sites at Project sites
7. Initial Cost	<p>Total cost is 436,500KM (2006-2010)</p> <ul style="list-style-type: none"> a) Town Beautification (year) <ul style="list-style-type: none"> - Environmental awareness seminar 6,000KM - Garbage collection 42,000KM - Flowering 30,000KM b) Tree Planting <ul style="list-style-type: none"> - Surface preparation work 11,200KM - Digging/Planting seedling work 13,500KM - Professional supervise/maintenance work 17,300KM - Materials (Seedling for 1 ha) 4,500KM

Project Code / Title	Velez Tree Planting Together with Town Beautification Campaign
8. Financial resources or potential donor support	- Possible Financial Support from the Federal Ministry of Physical Planning and Environment - Potential Donor: Regional Environmental Center at Sarajevo, EU RED, USAID
9. Revenue	Some workers for surface preparation by tree planting

(3) Specific Considerations

Target markets/Clientele

This Project enables Velez Region to create a clean up image for eco-tourism destination. These basic continuous beautification and greening activities would receive a growing number of visitors and repeaters. Because, visitor's participation to the tree planting as a long-term phase of the Project could be increase the numbers of the repeaters. The results and effects of the tree planting take long time, but there are easy to confirm the achievement. Concerning the town beautification, it is possible to create a slogan for promoting waste free/flower town image for tourism destination. Environmental conscious visitors could be main target.

Key Resources Utilized

The Project must be utilized each leader, who initiated and performed "Beautification Campaign funded by JICA", 2004. Because, each leader have similar experiences and learned from the lessens of the campaign. They could be prepared and be performed more attractive and effective activities based on the lessons.

Concerning the tree planting, foresting experts from a local foresting company should be supervised for the tree planting, because the maintenance is need of high skilled expertise for growing the trees for a long-term on the severe natural conditions area.

Management Considerations

"Town beautification" component should be managed and initiated by each own arrangement by the local NGOs. However, an integrated campaign per year among the three municipalities could be managed by a conference member such as each mayor..

In terms of the tree planting, local government officials of Canton ministry of the Physical Planning and Environment and Southeast Mostar Municipality should be functioned as management officials to provide public authority for smooth and safe tree planting activities, although the permission work takes for 6 months more.

Institutional Aspects (Supporting structure)

Concerning the town beautification component, each one local NGO should be initiated and coordinate beautification activities. However, garbage collection is essential the support and cooperation from each JKP. Otherwise, collected garbage by the beautification may be resulted in just move the garbage. Because, it will be no space to dump or dispose the collected garbage within the area without cooperation of the JKPs.

In terms of Tree Planting, it is important to provide any job opportunities to the local residents at Blagaj or Podvelez during the planting works (preparing soil, digging of holes for planting, etc.). Because, the local residents will be become strong supporters, if they get continuous jobs.

9.1.5 Collaboration of Tourism Product Development with tour operators/clubs**(1) Project Brief**

This project builds upon training and promotional work accomplished during the pilot projects executed during 2004 by NYI. Through this new project a promotion captain will develop a catalog of the Mt. Velez travel products and promote them in BiH and the Balkan countries to generate sales and income. The promotion captain will work as an officer of the NYI and be assisted by some country lodging families and some outdoor guides. The project will develop valuable marketing skills, and thoroughly familiarize these persons with how the international tourism marketplace works and Mount Velez's position in that marketplace. These persons will learn by doing and generate business for the memberships across the three associations.

(2) Project Summary Table

Table F 9.7 Collaboration on Tourism Product Development Project Sheet

Project Code / Title	VI-1 and 2 Tourism Product Development
1. Objectives & Expected Output	<ul style="list-style-type: none"> - To stimulate sports & nature-based tourism to the Nevesinje and Podvelez areas of Mount Velez - To stimulate demand for related travel services like lodging <p>Outputs: Inclusion of Velez trips in travel catalogs & promotions of European tour operators. Increased visitor volume to Nevesinje & Podvelez and related jobs and income by 2006/7 season.</p>
2. Location	Nevesinje and Podvelez
3. Background	Bosnian and European tour operators are hardly aware of the excellent sports potential of Mt. Velez and the Podvelez highlands. They need detailed information on the offer of sports and nature-based activities plus basic information to formulate packages to sell through their marketing networks. This program secures the collaboration of special interest tour operators to promote in 2005/6.
4. Tasks & Schedule	<p>To start in 2005/6 or as early as possible.</p> <ol style="list-style-type: none"> 1) Hired promotion captain: A bilingual person can be hired part time for this task. He/she will use email/telephone/fax for dealings with international tour operators and sports clubs. 2) Velez packages catalog: A compilation of complete descriptions of weekend and week-long packages for fly fishermen, canoe/kayak teams, hikers, sports clubs and culture visitors with costs, sports information and booking information. Catalog will detail any events and competitions for 2005/6. Trilingual Bosnian, English and German content; a digital version is to be prepared for download from the web site. 3) German language: Addition of German sections to web site www.veleztourism.ba, and printing of German language brochures. 4) Sports clubs outreach: Captain will contact fishing, canoe/kayak and mountaineering clubs in ex-Yugo cities plus German-language nations and make 2 sales trips [see item 7 below]. 5) Auto-Clubs outreach: Captain will target auto clubs of German-speaking and Eastern Europe nations to publicize the Velez offer of services and sports. 6) Guidebooks outreach: Captain will send the Mt. Velez catalog and promotional information to guide book publishers for inclusion in the guidebooks. 7) Sales trips: Captain will plan in advance 2 sales trips to Sarajevo, Zagreb, Belgrade, Ljubljana to promote Velez packages with PowerPoint presentations. These trips will be closely coordinated with relevant local sports associations. Captain will assist local providers [country lodging, hotels, sports clubs] in negotiations of deals with tour operators and clubs.

Project Code / Title	VI-1 and 2 Tourism Product Development
5. Development & Management Organizations	Nevesinje Youth Initiative in collaboration with HNK Tourism Community for promotions.
6. Main Beneficiaries	Hotels, country lodging families, restaurants, providers of sports and nature-based activities, crafts makers. Officers of NYI and their assistants will gain capacity to promote more effectively.
7. Initial Cost	Total cost is 225,000KM with the following expenditure(2005-2010) Hired promotion captain: 6 months part time for 6,000KM/year Seasonal pamphlet (trilingual format-10,000 copies): 9,000KM/year Improvement of website 3,000KM Update website 1,000KM/year Contact/promote to potential sport/auto clubs 1,000KM/year Sales trip expenses 2,500KM/trip Guidebook and catalog printing 30,000KM/2-3 years
8. Financial Resource or Potential Donor support	Donors grant funding for private enterprise development, rural industries development.
9. Revenue	No direct revenue will be generated for the captain or assistants. Substantial sales revenue will be generated for the Velez service providers.

(3) Specific Considerations

Target markets/Cientele

The target market consists of sports and nature-based enthusiasts and clubs from cities of Bosnia, and of ex-Yugo nations living within a day's drive of the Mt. Velez Area. The second target market consists of expatriates living in BiH and in the key Balkan cities on cultural weekends and vacations. The third target market is the vacationers from Central European nations passing through the area to/from the Dalmatian coast and staying a day in the area. The promotion captain will name a committee to plan different strategies to reach each of these markets, relying mostly on specialized tour operators and sports clubs.

Key Resources to be utilized/Enhanced

This is a capacity-building project as well as a promotional one that will strengthen promotional skills of the promotion captain and other participants. These skills include business communications and presentations, Internet proficiency, dealing in foreign languages, client relations, and strategy development for promotion. It will build upon promotional work and training already accomplished under the pilot projects. A second year extension is proposed for an additional 19,000KM.

Management Considerations

The NYI as primary promotion body for this area will execute this project. Promotion assistants from the group of outdoor guides and country lodging families will also partake in it. Because of the highly seasonal nature of tourism in this area only a half-year operation is proposed for March through August.

Supporting Structure

A limited amount of coordination with the HNK Tourism Community is necessary. Sharing of promotional materials and of exhibit space or booth at trade shows is advisable. The human resources project for this master plan also will provide valuable relevant training for the directors of the local associations [foreign languages, hospitality, association management]. Finally, NYI is strongly encouraged to continue collaborations with other donors which are running tourism projects in the Herzegovina region as well.

9.1.6 Human Resource Development for Eco-Tourism

(1) Project Brief

The purpose of this project is to train people with the skills required to serve as guides, provide guest services, conduct tourist business operations, and perform environmental management functions. Eco-tourists expect to experience the unique environmental and cultural characteristics of BiH. The guides and other hospitality industry providers are the persons who provide the personal connection between the tourist and those experiences. Training is also proposed for hospitality workers dealing with visitors on a regular basis, including lodging and food service workers, and for officers of organizations for country lodging, sports and the HTC and NYI.

A critical guide training responsibility is visitor safety. In most guiding situations, careful preparation and the use of proper clothing and equipment will avoid discomfort and prevent emergencies. Eco-tourism destinations such as the mountains of Bosnia and Herzegovina (BiH) are remote areas that frequently do not have resources quickly available to respond to medical and other emergencies. For this reason, it is essential for the guide to be trained to provide medical first aid, emergency evacuation, reliable communication, and other support services that will reduce visitor risks. Each eco-tourism area within BiH has distinct climate, terrain, and wildlife characteristics that represent potential hazards to visitors. Training for guides and other workers will cover visitor safety in addition to other core areas like hospitality, foreign language, and local history.

(2) Project Summary Table

Table F 9.8 Human Resource Development for Eco-tourism Project Sheet

Project Code / Title	VI-2 and 3 Human Resource Development for Eco-tourism
1. Objectives & Expected output	<ul style="list-style-type: none"> - Increased professionalism of guides and service providers - Improved understanding & management of natural resources - Improved collection of environmental information <p>Expected Outputs:</p> <ol style="list-style-type: none"> 1) Service providers: Learning essential tourism <u>business and hospitality skills</u> needed to establish and maintain these types of businesses. Courses to cover guide services, business planning, operational planning, hospitality management, food and beverage operations, and marketing. 2) Outdoor guides: Improving essential skills like safety skills, communication skills, recreation skills, and flora & fauna knowledge. 3) Nature personnel: Improved management of the forest, watershed, wildlife, and fishery resources by training personnel with the skills needed to accomplish environmental conservation; and to establish natural resource monitoring procedures. 4) Outdoor guides: To research and document the environmental information on local flora, fauna and nature. This information would improve visitor satisfaction, and would also create an economic opportunity to publicize information about the environmental conditions that are unique to BiH. 5) School children: Creating <u>a greater appreciation</u> among the Bosnian people, especially the school children, of the valuable natural resources that exist in their country.
2. Location	Blagaj-PodVelez & Nevesinje
3. Background	<p>The outdoor guides, youth groups, lodging workers and country lodging families, all need to adopt a hospitality culture in full awareness of their local environment and of the expectations of the tourists that they will be serving. In particular, outdoor guides must learn to manage a range of sports and nature-based activities efficiently and safely for local and foreign visitors. City guides will require the same professionalism. In addition, the officers of relevant organizations and NGOs will need skills of business management to strengthen the organizations that provide visitor services of different kinds and sensitize their memberships to the potentials and needs of eco-tourism.</p> <p>Guide training is fragmented today in BiH, expensive, and not well adapted to the needs of an international eco-tourism industry. This program makes efficient use of local and foreign resources to upgrade the skills of local players and expand activities on a sustainable basis. Nevesinje Youth Initiative and other associations can help design and execute such a program.</p>

Project Code / Title	VI-2 and 3 Human Resource Development for Eco-tourism
4. Tasks & Schedule	<ul style="list-style-type: none"> - 2005 - program formulation & search for local sponsors, foreign donor sponsor & funding - 2005 courses of basic guide skills, tourism management - 2006 basic courses + selected specialized courses - 2007 basic courses + specialized courses, expanded curriculum
5. Development & Management Organizations	Management jointly by Nevesinje Youth Initiative, and Herzegovina-Neretva Canton Tourism Community, Red Cross Society, local school systems, fishing, hunting, canoe/kayak clubs and youth clubs. [Prenj Mountain Club, local hunting clubs and similar]
6. Main Beneficiaries	<ul style="list-style-type: none"> - Outdoor guides & members of sports clubs from local clubs - Service providers [lodging, foodservice] from local businesses - Directors from local associations for tourism, nature, sports, etc. - Local school children - Local & foreign tourists [through improved services]
7. Initial Cost	<p>Total cost is 888,000KM (2005-2010)</p> <p>Project formulation & organization in 2005</p> <p>2005 cycle basic & specialized skills</p> <p>Local instructors, 10 courses, 10days/course, 750KM/day 75,000KM/course</p> <p>Foreign instructors courses, 10days/course, 1,000KM/day, 10,000KM/course</p> <p>Fees for institutions, administration, management 25,000KM/year</p>
8. Financial Resource or Potential Donor Support	<ul style="list-style-type: none"> - Donor programs emphasizing human resource development, community & rural development, environmental management, small scale business development - International partnerships school-school, sister cities - Visiting faculty partnerships with foreign university - Cooperative research program for tourism & environmental management - Language training program partnership - Computer education training program partnership
9. Revenue	These are non-commercial programs. Some require limited payment by trainees of fees. Most are subsidized by local educational institutions or donors.

(3) Specific Considerations

Target Markets/Cientele

Target populations include nature & sports guides, city guides for Jajce, hotel & restaurant workers, country lodging families, officers of sports and tourism associations, officers of NGOs related to sports and cultural heritage, and interested municipal officials. A list of the types of worker positions that could be trained as part of a full plan of outdoor recreational activities is presented below.

Table F 9.9 Types of Jobs and their number for training

Types of Jobs	Number of Jobs
<u>Construction</u>	
· Construction trades	10
· Artists (signs, brochures, maps)	2
· Publishers (Brochures and Maps)	1
<u>Tour Guide Services</u>	
· Sportfishing	5
· Kayaking	3
· Mountaineering	2
· Photo Safari / Bird watching	2
Herb and Mushroom Collection	2
<u>Hospitality Services</u>	
Hospitality management & Guest services	10
Food and beverage services	10
<u>Safety, Emergency Services</u>	18
· Emergency first aid	
· Mountain search and rescue	
· Water safety and rescue	
· Safety communication	
<u>Environmental Cleanup</u>	
· River debris cleanup	10
<u>Environmental Protection</u>	
River Wardens for resource monitoring	4

The key sports for which the outdoor recreational guides are to be trained include:

- 1) Fly fishing;
- 2) Spin cast fishing;
- 3) Kayaking;
- 4) Canoeing;
- 5) Mountaineering and Technical Climbing;
- 6) Wildlife behavior, tracking, and photography;
- 7) Herbs and Mushroom identification and collection techniques;
- 8) Cave exploration - both wet and dry types of caves; and
- 9) Nature hiking - knowledge of plants and animals.

Key Resources to be Utilized/Enhanced

A range of organizations will contribute including relevant tourism & sports/nature organizations [mainly the sponsoring associations], the local school systems [where training will be held], municipal offices [who may provide some budget]. Foreign instructors will

represent substantial costs, to be borne in part by any foreign partnerships created and by donor funding.

Management Considerations

Nevesinje Youth Initiative is proposed to manage this program, assisted by the Herzegovina-Neretva Tourism Community. It is recommended that NYI enter into a relationship with a donor having an ongoing rural development, small enterprise or community development program that could adopt this program as a pilot and eventually repeat it in other areas of BiH suitable for eco-tourism.

Supporting Structure

The local school systems, hotel faculty in Mostar, and the two municipality governments must all support this effort with their influence and resources. The sports & nature clubs can provide trainees and some instructors, but little if anything in terms of financial or physical resources. The hotel faculty from Mostar has already provided training in 2004 arranged by NYI.

9.2 Future of the Pilot Projects

9.2.1 Role of Pilot Project in Velez

The results of implemented three Pilot Projects and the other implemented small-scale projects by the JICA Study Team are derived to formulate the priority project ideas and the selected Action Plan Projects and Programs as follows.

At the present, the implemented Velez Village Tourism Pilot Project is still initial stage to operate and realize the projects in the coming summer season. Therefore, the Pilot project has to be continuously implemented and supported to realize the project within the short-term period. However, Blagaj Historic Heritage Trail Pilot Project will be taken over by the Action Plan Project of Cultural Events in Blagaj. And also, Podvelez Milk Collection Pilot Project will be able to continued without additional support by P.Z.BIOPRODUKT in the future.

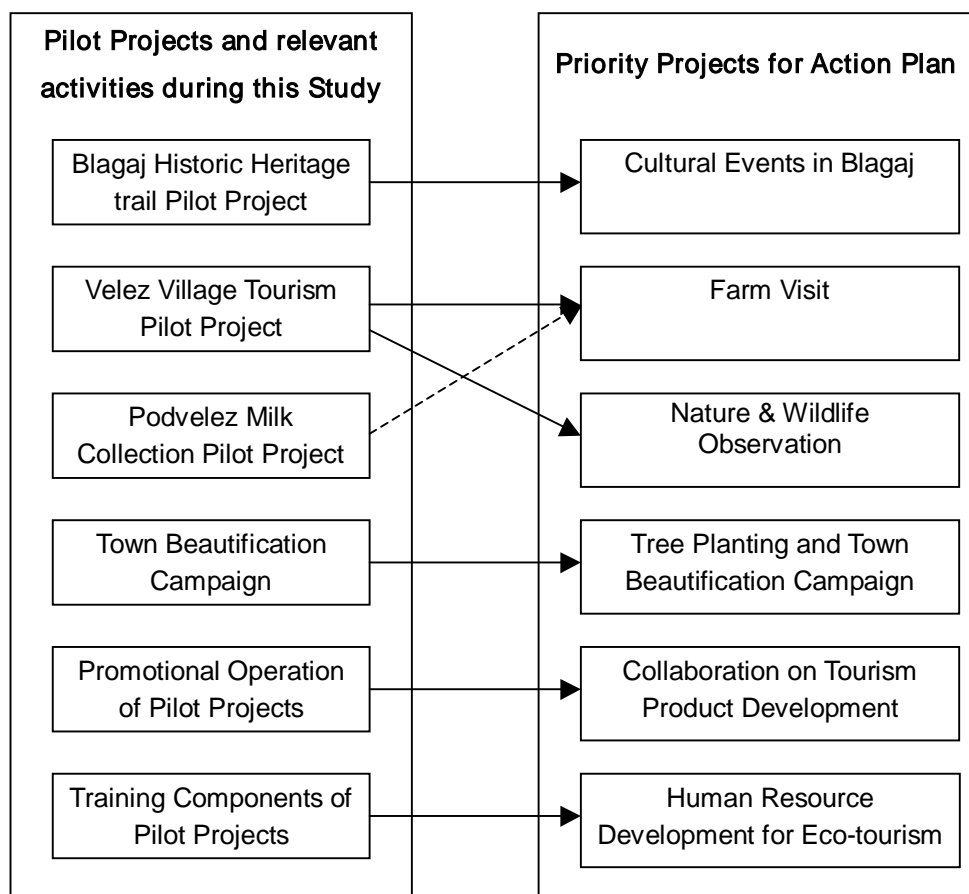


Figure F 9.1 Correspondence of Priority Projects and the Pilot Projects.

9.2.2 Blagaj Historic Heritage Trail Pilot Project

(1) Major Issues

Limited cultural interest of Blagaj: The average stay for visitors who do not eat may be as short as 1.5 hours or even less since most will not visit the Stjepan Castle and only stroll to the Tekija House and look at the Buna River source. The informal visitor normally has no guide or guidebook to enrich his or her visit. There is only very little information posted in the town for all to read.

Lack of spending opportunities in Blagaj: With no crafts market or shopping area the main consumption is for lunch or dinner or a tea or coffee break. There are temporary carnival festivities on Dervish Day and folklore day in August when many vendor stands create a bazaar for fun and shopping, but these events last only a day.

(2) Directions for further development

Tour Guide availability: Tour guides are to be trained under the PI-1 proposal for human resources. The agents manning the Info-center can provide a valuable service in matching guides with visitors requesting such services. On peak days regular departures for guided tours of the town can leave on a posted schedule; this system can incorporate foreign language tours as the demand grows. In addition, added signage with multilingual information can be added at relevant spots in the town in future development projects.

Improved event management: If the municipality, the business entrepreneurs society work with the future Friends of Blagaj society to improve the existing events and to create new ones, this will establish Blagaj as a cultural platform popular not only for its natural beauty but also for its cultural value and entertainment value. The new events will appeal to the middle and upper class of Mostar and to tourists from BiH and foreign countries. Different organizations with relevant resources in music and the arts must work together for this effort.

Broadened range of spending opportunities: The future events can stimulate sales of souvenirs, art work, amusement services and even the opening of high quality tourism oriented retail shops for antiques, books, curios, cut flowers, art work and the like. New revenue sources need to be organized such as paid parking, shuttle services, portrait painting, musical performances, strolling photographers and the like. Eventually a seasonal carnival or circus and horse-drawn carriage rides may be offered further expanding the town's recreational offer.

(3) Relation to the Action Plan Projects/Programs

This pilot project is related most closely to the following Action Plan Projects/Programs.

VH- 4) Cultural Events: This proposal perfectly complements the pilot project as it will build up the days in the year with different events drawing crowds to Blagaj.

VA- 5) & following - Farm Visit Activities: There may be limited activities in Blagaj such as bee-keeping and cheese making that can be developed as attractions.

VN- 5) Fishing: This project may be extended to cover the Buna and Bunica rivers which will add another attraction to Blagaj as a destination. A new group of youths has just launched a rafting service on the Buna River available only during the summer months.

VR-2) & VR-3) - Tree planting & beautification: These efforts complement this project in further embellishing the Blagaj product, making the town more picturesque and appealing to all categories of tourism.

VM- 1) Product development: This project will create tour packages featuring Blagaj and in particular its heritage trail as the basic trip for all culturally motivated visitors.

VF- 1)- Small-scale Accommodation Program: The link with this project is minor, but with a better quality tour through the town the higher the demand will grow for overnight services in homes and hotels.

VI- 2) - Training: There is a direct link here since training of guides will enable them to lead growing numbers of tourists along the town's core touring trail, the main cultural product that it has to offer.

The heritage trail through the center of Blagaj serves as a platform for a range of activities and relates to several of the projects in the action plan. The success of the trail will depend on the growth of these touring and recreational services that the proposals will develop over the short term.

(4) Vision at 2010 & 2015

The vision of this program by 2010 is for the Friends society to be quite influential in monitoring different programs and events being staged at points along the trail by day and by night, and even vigilant as to the character of any new construction of buildings affecting the atmosphere along the heritage trail. There will be a number of popular carnivals and festivals held in the town including performances held in the open air on the portable stage set up along the trail.

By the year 2015 there will be triple the hotel rooms and possibly 100 country lodging homes open in the summer season compared to 2004. The public plaza on the left bank will have an open-air space for performances and ceremonies [see illustration in section F4.4] and there will be more cafes with outdoor seating, and a shuttle service to the remote pay parking lots operating 4 months of the year. There will be a choice of high quality restaurants and retail stores offering locally made items and employing local personnel.

9.2.3 Velez Village Tourism Pilot Project

(1) Major Issues

- 1) **No organized sports activities at Mt. Velez:** The mountain has yet to organize one or more bases from which activities on the mountain can be organized. A fleet of 9 mountain bikes is stored in a home in Nevesinje town and a group of outdoor guides have received an initial training course but much more remains to be done before the NYI can offer these sports on a commercial basis in full safety and sustainability;
- 2) **Lack of spending opportunities in Nevesinje & Podvelez:** These areas still lack tourism product and spending opportunities. Podvelez can offer limited activities such as sheep shearing and cheese making on the farms, and as popular sports mountain climbing on Mt. Velez. Nevesinje needs to improve the quality of its offer of fishing, horseback riding and hiking and hunting in its meadowlands to attract more foreigners; and
- 3) **Lack of image for Mount Velez:** The area is now known internationally under this name. Mostar and Herzegovina are known names so the promotional efforts must try to deal with this situation to create a positive image for the Mount Velez region.

(2) Directions for further development

- 1) **Outdoor Sports & Guide availability:** The success of Mount Velez as a destination depends on the good quality of the sports that it will offer. The systems to handle various sports along the trails of the area need to be set up and the guides need to be fully trained in basic outdoor skills and in the specialized skills relating to specific sports, to offer the high quality, competitive services that foreigners will expect. Further training of guides in the framework of an organized system is essential for NYI to succeed in developing Mount Velez as a sports destination;
- 2) **Maintaining the promotional momentum for image-building:** Promotion is vital to the success of any tourism destination and NYI must work with HNK Tourism Community to keep up the web site outreach and continue to promote to the strategically selected target markets through sales calls and familiarization trips. Cost for the marketing and promotion activities are 2,500KM/year and 12,500KM until 2010. Creation of new contents for new products and up-dating existing contents are required at winter (for next year) and summer seasons, which will take 2,000KM/year and 12,000KM until 2010; and

- 3) **Improvements for country lodging:** As tourism grows more families will join this program and the original families can in turn train the new ones building up the sustainability of this effort. However the success of this service depends on the success of the sports activities that NYI will be offering to tourists. If the sports activities are weak, there will be little or no demand for lodging. Establishment Revolving Fund to improve facilities of new candidate family for lodging: @5,000KM/family for 85 families (425,000KM for 2005 to 2010). Establishment management system of Revolving Fund is also required.

(3) Relation to the Action Plan Projects/Programs

This pilot project is related most closely to the following Action Plan Projects/Programs.

VN- 1) & following - Nature & sports activities: These projects are directly linked since this pilot project will train guides to handle all of the nature and sports activities to be developed under these projects.

VM- 1) - Product development: The action plan project will create tour packages featuring the sports and nature-based activities for which this pilot project is training guides and country lodging families, so the relation is very direct.

VF- 1) - Small-scale Accommodation: The link with this project is minor, but the pilot project serves as the first phase of this action plan project by providing accommodation in country homes.

VI- 2) - Training: There is a direct link here since training of outdoor guides under the pilot project is an initial phase for the training to be offered under this action plan project.

This pilot project contains three very different components, nature guide training, creation of the country lodging program, and tourism promotion. For this reason it relates to four projects in the action plan serving as an initial phase for all of them.

(4) Vision at 2010 & 2015

The vision of this program by 2010 is for the NYI to have a sports chapter that is running two mountain lodges as bases for hiking, hunting, mountain biking and nordic skiing during the summer and winter seasons. The number of country lodging homes will reach 100 and some will be in the hamlets situated to the north of Mt. Velez and also to the east towards Gacko. NYI will have a very active partnership running with the Prenj Mountaineering Club [or similar] and will also have a relationship with a Bavarian town through a sister city

relationship, and with that town's mountaineering society. The number of trained outdoor guides will exceed 40 including all different sports specialties.

By the year 2015 there will be close to 100 outdoor guides certified for their basic skills, and over half will have a fair level of proficiency in at least English, German or Italian languages. A portion of Mt. Velez will be contained in a protected area, possibly with natural park status, and NYI will have a specialized rock-climbing chapter offering training on the Velez rockface for European climbers training for Himalayan and Andean challenges. On the average summer weekend NYI has 20 guides and monitors working on its trails on Mt. Velez.

9.2.4 Podvelez & Nevesinje Milk Collection Pilot Project

The milk collection project in Podvelez and Nevesinje is a priority project.

(1) Major issues to overcome

1) Achievement of the sustainable operation

This project is targeting exactly the livelihood of the people living in Podvelez. Therefore sustainable management of this project itself is the priority issue. This project enhances the household income of the isolated farmers on the Karst plateau. All the population of Podvelez is war returnees. Encouraging them with additional income opportunity to live in their community is the first and most important step.

The milk collection aims for a minimum of 2,000 liter a day by increasing the milk per cow and the number of cows involved in the project. This issue has to be solved by discussing with farmers and convincing them to supply more milk for the collection system.

The transport issue has to be solved by convincing P.Z.Konjic Milk to pick up regularly milk in Podvelez. Another alternative would be to purchase another truck with a bigger cistern for long distance transport and to deliver the milk directly to a dairy; i.e. Telohtik in Sarajevo. This issue could be solved by buying a second milk truck as described above; a larger second hand truck would cost around 20,000KM and a new cistern for around 3,000 liter also around 20,000KM; eventually a used cistern could be found. Total investment needed would be maximum 40,000KM. This investment would generate a new truck driver job.

2) Application of livestock to eco-tourism

The fresh air, cool climate, particular geography, beautiful nature, scenery, fauna and flora have a big potential for eco-tourism. Farmer's lives and activities themselves can be good

resources for agro-tourism. Tourist activities suggested in Podvelez are, experience of farm activities, natural food of the local products (meat, milk, butter, yogurt, cheese, honey, herb, rakija, etc), horse back riding on rare indigenous breeds, hunting, bird watching, hiking, mountaineering, nature observation tours by 4WD vehicles. Some of these activities can be immediately prepared as tourism products.

3) Gender issue

As the management of P.Z.BIOPRODUKT is aware, there is a significant gender issue in this milk project. Almost all the decision of the operation is made by male, however, almost all the work for taking care of cow, milking, etc. are undertaken by female. Females need training how to handle cows and milk, but, as a matter of fact, vast majority of the training participants were male. If the ultimate goal of this milk collection project is to make people happy, then the management should address to the women of the community sincerely.

(2) Direction of the further development

Having overcome the limited milk quantity and the transport issues, the project could develop into two directions. Therefore three scenarios are possible.

First scenario is adding value to the simple commodity product raw milk by processing the milk within the area. Cheese could be produced at the milk collection station, where additional premises would be available. In this case the project would process the milk by P.Z.BIOPRODUKT and simple equipment like pasteurizer could be purchase by the group.

Second scenario assumes that farmers are processing the milk on the farm and P.Z.BIOPRODUKT is in charge of the marketing and distribution only. That would require a simpler technology as equipment could not be purchased by each farmer.

Both scenarios can be considered as vertical integration and must have in mind, that 2,000 liter of milk are given as a minimum quantity to the milk collection station to secure their economically self-sustainability. Cheese could be made only with additional milk.

Third scenario would not focus on processing but on improved milk collection and transport. The area could be extended not only to greater parts of Nevesinje, but also in other areas not up to 100 km away from Podvelez. This is called a horizontal integration and the business is closer to P.Z.BIOPRODUKT's core competence and therefore more sustainable.

(3) Relation with the Action Plan Projects/Programs

The milk collection project in Podvelez and Nevesinje is strongly connected with the Farm Visit Project and here especially with the milking and cheese making component.

The better farms in Velez Area are managed, equipped and staffed with good milk cows, the more cheese could be produced. That will include automatically an increased number of cheese specialties and tourists could get a broader and better choice of cheese to taste during their farm visits. Watching cheese making would be more interesting as different techniques have to be applied.

Tourist who had a limited product range of cheese will be delighted about an steadily increased quality and better varieties, if packaging and branding is nicely done.

(4) Vision in 2010 & 2015

2010

The farmer's cooperative P.Z.BIOPRODUKT is organizing the milk collection and transport as an independent agricultural service provider in an area stretching from Nevesinje via Mostar towards Sarajevo, including some valleys next to the main road to Sarajevo.

Presently P.Z.BIOPRODUKT is a small, but highly motivated cooperative and farmers in Podvelez area are the beneficiaries of this project as they have access to the market.

A manager, who is assisted by an assistant and a part time driver, manages P.Z. BIOPRODUKT. Just few members of the cooperative make all business decisions. This approach is fine as long as the turnover is limited but does not fit any longer if more management tasks have to be handled as marketing, logistics, quality control, providing fodder and advises.

The institution P.Z.BIOPRODUKT has to undergo many training sessions and to develop from a farmer's idea into a commercially operated small enterprise.

2015

The farmer's cooperative P.Z.BIOPRODUKT is organizing the milk collection and transport in all interesting parts of BiH and is supplying the big dairies in BiH in Mostar, Posusje, Sarajevo, Tuzla, Banja Luka, Bihac and Velika Kladusa.

Farmers all over BiH can increase their output of milk and revenues from milk, while the imports of milk and milk products are shrinking.

9.3 Appraisal of Action Plans

9.3.1 Environmental Impacts

Each proposed action plan in Velez Study Area and the site-specific potential environmental impacts are screened and preliminary assessed. The followings are screening results and main consideration points for potential environmental impacts for each action plan.

(1) Cultural Event in Blagaj

As the Project does not include any facility construction components and any environmental pollution risk activities, it is unnecessary to consider potential significant adverse environmental impacts by the Project implementation. However, any environmental or management measures for potential traffic congestion nuisances due to the increase on the visitors by the Project at Blagaj main street areas will be needed.

(2) Farm Visit

The Project does not include new facility construction component. On the other hand, the Project includes fruits plantation and herb picking activities, which may have slight risks for present vegetation changes. Nevertheless, it is not proposed to conduct further environmental surveys for considering potential significant adverse environmental impacts by the Project implementation. Because the proposed Project activities are small-scale; therefore, the potential adverse impacts will be slightly and be not irreversible.

(3) Nature and Wildlife Observation

The Project includes some facility development components. However, almost all of the development components are reuse of the existing roads. Also, all the development components are very minimum improvements such as signage and picnic table improvement. On the other hand, all the development components themselves include assessment and survey activities, which includes environmental impact points of views.

Therefore, it is not proposed to conduct further environmental surveys for potential significant adverse environmental impacts by the Project implementation at present Study Stage.

(4) Tree Planting and Town Beautification

The Project activities themselves will cause only favourable environmental impacts such as reducing the garbage scattering and improving degraded present landscape of the main tourism sites. Concerning the tree planting component, both favourable and adverse environmental impacts on the present ecosystems of the Project Site will be not significant as the planting scale is not so large. Therefore, it is not proposed to conduct further environmental surveys for considering potential significant adverse environmental impacts by the Project.

(5) Collaboration on Tourism Product Development with Tour Operator and Clubs

Main proposed Project components are tourism promotion program. The Project does not include any facility construction component and any environmental pollution risk activities. It is unnecessary to consider potential significant adverse environmental impacts by the Project implementation.

(6) Human Resource Development for Eco-Tourism

All of the proposed Project components are guide and host training. The Project does not include any facility construction components and environmental pollution risk activities. It is unnecessary to consider potential significant adverse environmental impacts by the Project. On the other hand, the Project will cause favourable environmental impacts, because the proposed outdoor guide training includes improvement of understanding and management of natural environments as one of the main contents.

9.3.2 Social Impacts

A population data in Jan 2004 indicate that there are 22,593 people living in Velez Study Area. The number of households would be between 4,000 and 5,000. Since the Action Plan Projects/Programs are implemented with the initiative of community based organizations, there shall be significant socioeconomic impacts on positive side.

(1) Psychological Impact

Local people will become increasingly aware of the value of their environment, culture, and life. Action Plan Projects/Programs will basically sell what are there in Velez Study Area, such as culture and history, farming know-how, and recreational activity. This will make residents

be proud of their way of living. Town beautification and tree planting program will also enhance the affection of residents to their communities.

(2) Institutional Impact

Since there are very few professionals who handle tourists in Velez, concerned CBOs of action plan should learn a lot on hospitality services. This would be a remarkable social capacity building. Also coordination among CBOs is essential to establish Velez as a good destination. Product development, training, and promotion need collaboration among the three communities of Blagaj, Podvelez, and Nevesinje. Especially, Nevesinje will get large benefit from this relationship. This will also facilitate cross entity border cooperation.

9.3.3 Economic Impact

Community based eco-tourism development of Velez Mountain Region is focusing to reach a part of excursion route of Adriatic Coastal Tourism Region and debut stage of international eco-tourism destination in Southern European countries by 2010, which is the target year of Action Plan and short term development on the study.

Those proposed community based eco-tourism development activities will take around 8.2 million KM cost for improvement and diversification of tourism products with proper tourism infrastructure for eco-tourism destination within the short-term period. The proposed and identified projects and programs with 8.2 million KM will be able to be a viable investment scale on the estimated revenue of 78 million KM tourist expenditure within the short-term period. And it will strongly contribute to push and revitalize a stagnated local economy and to provide livelihoods and incomes for families related eco-tourism in local communities.

(1) Estimated Investment Cost for Short Term Tourism Development: 8.2 million KM

Image of Velez Mountain Eco-Tourism in short-term will be initiated through the tourism development activities as follows:

- 1) Diversified eco-tourism activities through 3 proposed action projects with 3 supporting programs;
- 2) Continuous implementation of Velez Village Tourism Pilot Project with additional 90 lodgings; and
- 3) Other private investments with 7 hotel accommodation facilities (136 rooms) and tourism facilities as follows:

Proposed Action Plan Project and Program: 3,320,500 KM

• Blagaj Cultural Event	72,000 KM
• Velez Farm Visit Project (short term)	32,000 KM
• Velez Nature Observation (short term)	1,675,000 KM
• Town Beautification and Tree Planting	436,500 KM
• Velez Product Development & Promotion	225,000 KM
• Velez Guide and Host Training Program	880,000 KM

Continuation of Pilot Project: 448,500 KM

• Velez Village Tourism Pilot Project: 85 Country Lodging (initial improvement cost: 5,000KM/lodge)	425,000 KM
(marketing and promotion Activities: @4,500KM/year)	23,500 KM

Other Expected Private Investments project: 4,400,000 KM

• 136 rooms of 7 new hotels developments (25,000KM/room)	3,400,000 KM
• Other investment for tourism facilities by local communities and private	1,000,000 KM

Total investment for tourism development activities by 2010 will be less than 8.2 million KM (4.1 million EU) in Velez Mountain Region within the six years short term period.

(2) Target Tourist Expenditure within Short Term Period: 78 million KM

The results of community based Velez Eco-tourism Development will generate around 26 million KM tourist expenditure based on estimated tourist activities of 420,000 tourists and day-trippers arrivals in the year 2010. Within the six years of the short term period, tourist expenditure in Velez Region will reach and accumulate around 78 millions KM (39 million Euro).

Table F 9.10 Estimated Tourist Expenditure in Velez Valley Region

Type of Tourist Category of Expenditure	Hotel* Guest Night of International Tourist	Hotel* Guest Night of Domestic Tourist	Lodge** Guest Night of International Tourist	Lodge** Guest Night of Domestic Tourist	Stopover International Excursionist	Domestic Day-tripper	Total (tourist / expenditure: (1,000KM)
Accommodation (1,000KM)	3,965	780	750	90			5,585
Average Accommodation/Night (KM)	65	65	30	30			
Food/Beverage (1,000KM)	2,440	360	750	60	2,400	2,400	8,410
Average Expenditure/Day (KM)	40	30	30	20	20	10	
Activity Tour Package (1,000KM)	1,220	120	500	30	600	2,400	4,870
Average Expenditure/Day (KM)	20	10	20	10	5	10	
Souvenir (1,000KM)	1,800	135	650	30	1,200	1,200	5,015
Average Expenditure/Tourist (KM)	50	15	50	15	10	5	
Transportation/others (1,000KM)	610	60	250	15	0	1,200	2,135
Average Expenditure/day (KM)	10	5	10	5	0	5	
Total Yearly Tourist Expenditure (1,000KM)	10,035	1,455	2,900	225	4,200	7,200	26,015
Average Tourist Expenditure (KM)	279	162	223	113	35	30	62
Total Tourist Expenditure in Short-Term (2005-2010) (1,000KM)***							78,000
(EU 1,000)							39,000
Expected tourist guest night per year (target)	61,000	12,000	25,000	3,000			
Expected tourist arrival per year (target)	36,000	9,000	13,000	2,000	120,000	240,000	420,000
Peak month	9,000				36,000		45,000
Peak day	960				2,880		3,840

Source: JICA Study Team

Note: Hotel* include hotel, motel and hostel.

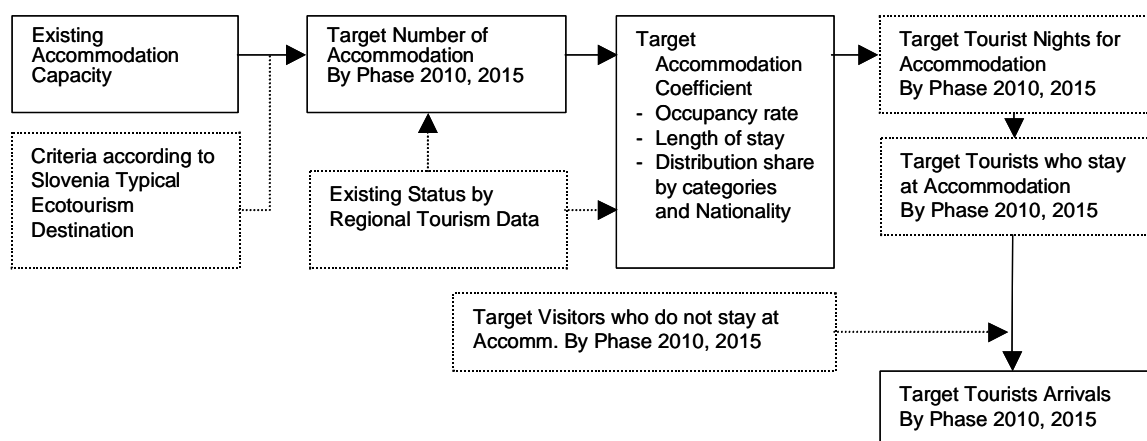
Lodging** include farm lodge, apartment, and dormitory

Total Tourist Expenditure in Short-Term*** was estimated as three times as the total yearly tourist expenditure based on the assumption that the expenditure will be incurred after 2008.

(3) Tourism Development Target: 420,000 Tourist/ Day-Tripper Arrivals

The tourist arrivals into Velez Mountain Region are set as references for estimation of tourist expenditure, which is the required input to examine economic viability of proposed action plan/program and related tourist facilities' development within the short-term period.

The above target figures are estimated based on several assumptions which have been examined taking account of current situation of tourists through interviews and surveys due chart shows the process to formulate the numerical targets of visitor arrivals into Velez Area.



Source: JICA Study Team

Figure F 9.2 Methodological Flow Chart for Target of Visitor Arrivals

1) Target Number of Tourist Arrivals in Velez Area

Based on the accommodation facilities target, target visitor arrivals in Velez Area are estimated in short-term as follows. The proposing Velez Tourism development by 2010 will expectedly reach 49,000 international tourists and 120,000 international excursionists from Adriatic Coast and 11,000 domestic tourists and 240,000 day-trippers into the region as follows:

a) International Tourist:	stay in Hotel:	36,000 tourist (av. length of stay: 1.7days)
	stay in Lodge:	13,000 tourists (ALS: 2.0days)
b) Domestic Tourist:	stay in Hotel:	9,000 tourists (ALS: 1.4days)
	stay in Lodge:	2,000 tourists (ALS: 1.4days)
c) International Excursionist from the Coast:		120,000 stopover
d) Domestic Day-tripper:		240,000 trippers
Total Yearly Tourist and Day-trippers		420,000 arrivals

If this target number of visitors into Velez Regions compared with another assumption, by which 1.1 million visitors is estimated based on the Herzegovina & Neretva Cantonal current share distribution out of 4.8 million total visitors as a expected national target, Velez Area will have around 38% share of Herzegovina & Neretva Canton visitors.

9.4 Implementation Schedule

This section shows the schedule how to implement regional development with the master plan and action plan proposed in this report. There is no integrated organization to cover the entire Velez Region that controls the schedule. Therefore, schedules mentioned in this section are indicative figure.

Implementation of the selected 6 Action Plan Projects and Program and continuation of Velez Village Tourism Pilot Project has to be coordinated each other for creating synergy effects within the limited financial source. Especially, tourism product developments of Action Plan Project have to be well coordinated and supported by accommodation development on the pilot project for to serve increasing tourists into Velez Area. And for proper implementation and operation of product developments Action Plan Projects, it will also require appropriate and timely support by the implementation of 3 supporting Action Plan Programs.

Based on the coordinated implementation schedule of the 3 Action Plan Projects of tourism products development and the 3 supporting Action Plan Programs and the continuing pilot project, investments for the 7 projects and programs will be slightly top heavy in the initial 3 years by 2008. It is resulted on the characteristics of projects and program packages as follows:

- **Action Plan Projects** for Tourism Product Development: all of 3 projects are identified as one of leading tourism products in the region. Therefore those 3 projects are proposed as urgent projects in the initial stage of Short Term;
- **Action Plan Programs** to support Action Plan Projects: all of 3 programs have to be implemented by the constant program for each year in short term period; and
- **Pilot Projects**: Blagaj Historical Route pilot project will be transferred to “Blagaj Cultural Event Action Plan Program”. And Podvelez Milk Collection pilot project will be continued and operated without additional support by P.Z.BIOPRODUKT. Only Velez Village Tourism pilot project will continuously need financial support to develop and establish village tourism products in the region within the short term period.

Table F 9.11 Investment Schedule for Short Term

Unit: 1,000KM

Project and Programs	2005	2006	2007	2008	2009	2010	Total	(share)
Cultural Event in Blagaj	6	40	16	10	0	0	72	2%
Farm Visit	0	32	0	0	0	0	32	1%
Nature and Wildlife Observation	0	0	650	775	250	0	1,675	50%
Tree Planting & Town Beautification	0	125	78	78	78	78	437	13%
Collaboration on Tourism Products Development	55	28	28	58	28	28	225	7%
Human Resource Development for Eco-Tourism	130	150	150	150	150	150	880	27%
Sub-Total of Action Project and Program	191	375	922	1,071	506	256	3,321	88%
(share)	6%	11%	28%	32%	15%	8%	100%	
Blagaj Historical Route Project	0	0	0	0	0	0	0	
Podvelez Milk Collection	0	0	0	0	0	0	0	
Velez Village Tourism	51	55	105	105	105	30	449	
Sub-Total of Pilot Project	51	55	105	105	105	30	449	12%
(share)	11%	12%	22%	22%	22%	12%	100%	
G. Total	242	429	1,027	1,176	611	286	3,769	100%
(share)	6%	11%	27%	31%	16%	8%	100%	

Table F 9.12 Detailed Schedule of Action Plan Projects/Programs

Name	Major Component	2005	2006	2007	2008	2009	2010	Total	
Action Plan Projects and Programs	Cultural Event in Blagaj	6,000	40,000	16,000	10,000	0	0	72,000	
	Registration of New Organization "Friends of Blagaj"		2					2,000	
	Management and implement improved Event Program			10	10	10		30,000	
	Hired entertainers for 3 weekend series events		6	6				12,000	
	Guide Training Program (with English language)		5					5,000	
	Implement Street Entertainment (summer weekend program)	4	4					8,000	
	Supply equipment for Performance and Event		Equipment List 15					15,000	
	Farm Visit		0	32,000	0	0	0	0	32,000
	Pilot Orchard Farm development (young tree planting)	Plan making		4	Operation				4,000
	Pilot Sheep Sharing for cheese making (young sheep purchase/feeding)	Plan making		18	Operation				18,000
	Cow purchase for cheese making	Plan making		10 (5 milk cows)	Operation				10,000
	Technology transfer program for professional cheese making	trainging							0
	Technology transfer program for professional marketing	trainging							0
	Nature and Wildlife Observation		0	0	650,000	775,000	250,000	0	1,675,000
	Research & demining operation	agreement with MAC/others			Demining operation				0
	Mt. Velez Scenic Road and Trail improvement (minimum civil work: 60km))	route setting/design			500	525			1,025,000
	Lumber Camp Velez Road System for hiking and biking (minimum civil work: 10km)	route setting/design				100	100		200,000
	Zalomka and Buna River Trails for fishing and strolling (3km)	route setting/design			150				150,000
	Nevesnije-Zalomka Valley Heritage Trail improvement (30km)	route setting/design				150	150		300,000
	Tree Planting together with Town Beautification		0	124,500	78,000	78,000	78,000	78,000	436,500
	Environmental awareness seminar			3	3	3	3	3	30,000
	Voluntary garbage collection campaign on main tourism sites			21	21	21	21	21	210,000
	Flower planting campaign on main tour routes			30	30	30	30	30	150,000
	Tree planting project	documentation		46.5	monitoring				46,500
	Collaboration on Tourism Products Development		55,000	28,000	28,000	58,000	28,000	28,000	225,000
Appointment of promotion captain	Part tim	6		6	6	6	6	36,000	
Develop seasonal Velez Tour Package Catalog		9		9	9	9	9	54,000	
Improve "www.plivatourism.ba" web-site (German)		3	1	1	1	1	1	8,000	
Promotion to potential Sport-Clubs in neighboring countries		1		1		1		6,000	
Promotion to Auto-Clubs in neighboring countries		1		1		1		6,000	
Velez Guidebook & catalog printing and dissemination		30			30			60,000	
Sales promotion trip to Ljubljana, Zagreb, Belgrade, Sarajevo		5	10	10	10	10	10	55,000	
Human Resource Development for Eco-Tourism		130,000	150,000	150,000	150,000	150,000	150,000	880,000	
Formulation of training program								0	
Arrangement of financial resources								0	
Local instructor courses of guide skill and tourism management		75	75	75	75	75	75	450,000	
Foreign specialized instructor course		30 (3 courses)	50 (5 courses)	50 (5 courses)	50 (5 courses)	50 (5 courses)	50 (5 courses)	280,000	
Management cost		25	25	25	25	25	25	150,000	
Sub-Total (KM)		191,000	374,500	922,000	1,071,000	506,000	256,000	3,320,500	
Continuation of Pilot Projects	Bragaj Historical Route Pilot Project							0	
	Facilities and activities will be taken over by <i>Friends of Blagaj</i>							0	
	Podvelez Milk Collection Pilot Project							0	
	Project will be continuously operated by P.Z.BIOPRODUKT							0	
	Velez Village Tourism Pilot Project		51,000	54,500	104,500	104,500	104,500	29,500	448,500
	Establishment of standard and criterion for country lodge etc	Plan making							0
	Formulation & implementation of sales promotion program		2.5		2.5	2.5	2.5	2.5	12,500
	Formulation & implementation of workshop program								0
Improve/update web-site contents for uncovered families		1	1	1	1	1	1	11,000	
Contract & improvement of new candidate family for lodging		50 (10 families)	50 (10 families)	100 (20 families)	100 (20 families)	100 (20 families)	25 (5 families)	425,000	
Establishment of management system of lone for candidate	Establish and manage system							0	
Sub-Total (KM)		51,000	54,500	104,500	104,500	104,500	29,500	448,500	
Grand Total (KM)		242,000	429,000	1,026,500	1,175,500	610,500	285,500	3,769,000	

