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## THE FUTURE OF DEVELOPMENT RURAL TOURISM IN THE REPUBLIC OF SERBIA \*

Vuković Predrag <sup>1</sup>, Kljajić Nataša <sup>2</sup>, Sredojević Zorica <sup>3</sup>

#### Summary

The article analyzes the current character and dynamics of rural tourism development and points to the positive multiplicative impact that it has on rural areas. Also, authors give guidelines how rural tourism could be developing and how it can be developing on successful way. Expectations are that development rural tourism would eliminate current negative trends that burden the lives of local population. Authors highlight the importance and role that rural tourism will have in future global tourism development in Serbia.

Key words: rural tourism, destination, development, attractions.

### БУДУЋНОСТ РАЗВОЈА РУРАЛНОГ ТУРИЗМА У РЕПУБЛИЦИ СРБИЈИ\*

Вуковић Предраг <sup>1</sup>, Кљајић Наташа <sup>2</sup>, Средојевић Зорица <sup>3</sup>

#### Резиме

У раду се анализира актуелни карактер и динамика развоја руралног туризма и указује на позитиван мултипликативни утицај који он има на развој руралних подручја. Такође, аутори дају смернице како би рурални туризам требало да се развија и могућности да се развија на успешан начин. Очекивања су да би развој руралног туризма елиминисао актуелне негативне трендове који оптерећују животе локалног становништва. Аутори истичу значај и улогу коју ће рурални туризам имати у Србији у будућем глобалном развоју туризма.

Кључне речи: рурални туризам, дестинација, развој, атракције.

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<sup>&</sup>lt;sup>1</sup> Vuković Predrag, Ph.D., Senior research Associate, Institue of agricultural economics, Belgrade, Volgina street No. 15, 11060 Belgrade, Serbia, Phone: +381 (0)63/847-57-49, E-mail: predrag v@iep.bg.ac.rs

<sup>&</sup>lt;sup>2</sup> Kljajić Nataša, Ph.D., Senior research Associate, Institue of agricultural economics, Belgrade, Volgina street No. 15, 11060 Belgrade, Serbia, Phone: +381 (0)60/484-95-55, e-mail: natasa k@iep.bg.ac.rs

<sup>&</sup>lt;sup>3</sup> Sredojević Zorica, Ph.D. Full Professor, University of Belgrade, Faculty of Agriculture, Nemanjina street No. 6, 11080 Belgrade-Zemun, Phone: +381 (0)11/44-13-397 e-mail: zokas@agrif.bg.ac.rs

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<sup>&</sup>lt;sup>1</sup> Вуковић Предраг, виши научни сарадник, Институт за економику пољопривреде, ул. Волгина бр. 15, 11060 Београд, Србија, Тел.: +381 (0)63 847-57-49, e-mail: predrag\_v@iep.bg.ac.rs

<sup>&</sup>lt;sup>2</sup> Кљајић Наташа, виши научни сара-дник, Институт за економику пољопри-вреде, ул. Волгина бр. 15, 11060 Београд, Србија, Тел.: +381(0)60/484-95-55, e-mail: natasa\_k@iep.bg.ac.rs

<sup>&</sup>lt;sup>3</sup> Средојевић Зорица, редовни професор, Универзитет у Београду-Пољопривредни факултет, Немањина бр. 6, 11080 Београд-Земун, Тел.: +381 (0)11/44-13-397 e-mail: zokas@agrif.bg.ac.rs

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# Introduction

Numerous of countries that have lost the race in industrial development today are looking to realize their chance on economy development in tourism as economic brance. Their standpoint comes for the fact that they possess a numerous preserved natural and socio-cultural values as tourist attractions which can attract tourist to visit their potential destinations. In Serbia is not present conditions for develop mass types of tourism. The attitude is based on the fact that Serbia has no access to the seaside coast and it is present only one real ski resort (mountain Kopaonik). In order to enter the tourist market, Serbia should offer what it has at its disposal. One of the hitherto little used potentials is represented by rural areas which represent an opportunity for the formation of a numerous of different rural tourist products.

# ${\bf 2}$ Dimensions of development rural tourism in the Republic of Serbia

Due to the influence of various factors (political, economic, socio-cultural, etc.), rural tourism has developed at different speeds and strength. For that reason, it is not equally present and developed in all regions in Serbia. They are determined by the natural-geographical characteristics of the area, the degree of development of the local economy, the anthropotics heritage and the awareness of the local population about its importance for development of the local communities. (*Vuković, P.,* 2017, p. 58).

The rural tourism supply in Serbia is based on:<sup>1</sup>

- extraordinary geographical diversity of the territory (plain, mountain, mountain, river, lake and others), with preserved original nature of exceptional recreational properties;
- rural cultural heritage, with traditional ethno features of the rural population;
- preserved traditional rural family and values;
- diligent hosts dedicated to rural tourism, who bear all the risk of the tourism business;
- to individual enthusiasts, with a significant mentoring role in the tourist activation of rural tourist resources;

<sup>&</sup>lt;sup>1</sup> "The National Program for the revival of villages of Serbia - the situation, problems and priorities of sustainable development", Institute of agricultural economics, Belgrade, p. 132

 diversification of the tourist product, with an extraordinary variety of traditional and modern accommodation capacities (country houses, log cabins, lodgings, sculptures, farms, cottages, villas, hotels, apartments) - over forty forms of rural tourism have been profiled (stationary, agro, ethno, eco, wine and rural craft tourism, rural tourism in a naturally and culturally and historically protected area).

*Zodorov A.V.* (2009), researched Comprehensive Development of Tourism in the Countryside. He came to the conclusion that rural tourism has had a phased development so far. If we accept these attitudes, we can see that rural tourism in Serbia has had the same stages of development so far with the same characteristics as in other countries. Even the duration of each phase in Serbia can be precisely determined.

Zodorov named the first phase "*independent establishment*" or "*spontaneous development*". This phase is present in all researched couniries and also present in Serbia.

Rural tourism in Serbia has begun to develop after the Second World War. More intensive development has begun in the early seventies. The villages that were the first rural tourist destinations in Serbia were Sirogojno, Seča Reka and Devići. In that time, the monopoly on the market held the travel agencies "*Yugoturs*" and "*Putinik*". According to the data of the Serbian Tourist Association from 1992, 35.000 foreign tourists from 21 countries stayed in the municipality of Knić village. The largest number of tourists was recorded from Great Britain, Germany, Russia and Italy. (*Todorivić, M. & Bjelac, Ž.,* 2009; *Milojević, Lj.,* 2004, etc.). Having in mind the political and economic crisis in which Serbia found itself during the 1990s, it had a negative impact on all segments of society, including rural tourism. Redevelopment begins after 2000.

*Vuković, P.* (2017) argued the main characteristics of the first phase of development of rural tourism: "Strength were: preserved and numerous natural resources, rich cultural and historical heritage, the number and diligence of rural settlements, the richness of local traditions, traditional hospitality, diversification of the tourist product."<sup>1</sup>

"Disadvantages were: inadequate rural infrastructure, "archaic" tourism product, underdeveloped information system, unsatisfactory level of quality of mixing and other services, lack of training programs for farmers to provide adequate quality of services, lack of experience,

<sup>&</sup>lt;sup>1</sup> Vuković, P. (2017): "Character and dynamics of development rural tourism in the Republic of Serbia", Ekonomika, No. 4. Vol. 63, p. 56

lack of motivation, undeveloped awareness in rural areas economic and other benefits of rural tourism development."<sup>1</sup>

The second phase, *dedicated development* started in 2006. Such a precise defining time of begining the second phase of development was determined, because then the Ministry of Agriculture, Forestry and Water Management made a decision to financial support process of developing of rural tourism in the Republic of Serbia. Amount of support was 91.580.215 dinars.<sup>2</sup> This kind of support has result that many regions in Serbia start to increase the number of villages and municipalities that start this kind of business. After this kind of investion rural tourism has started to developed in all regions and nowadays (2022) rural tourism is present in all Serbian regions.



Source: Todorivić, M., & Bjelac, Ž., (2009): "Rural tourism in Serbia as a Concept of Development in Undeveloped Regions", p. 455. Acta Geographica Slovenica, 49-2, pp. 453-473

#### Figure 1. Areas in Serbia with developed rural tourism in 2009. Слика 1. Подручја у Србији са развијеним сеоским туризмом у 2009.

The document "Analysis of budget support for the development of rural tourism in Serbia and diversification of economic activities in the countryside" (2009) presents the following data:

"In 2008 there were 173 users of these funds (141 registered agricultural producers, 23 associations of citizens, 7 legal entities and

<sup>&</sup>lt;sup>1</sup> Same, p. 56

<sup>&</sup>lt;sup>2</sup> Analysis of budget support to the development of rural tourism in Serbia and diversification economic activities in the countryside, 2009, p. 2

2 agricultural cooperatives. The largest amount of funds was distributed to the region of Western Serbia and AP Vojvodina, while most districts were distributed in Zlatibor district, and the least in the North Bačka District. The analysis of the types of investments indicates that as much as 91% of the funds allocated were directed to the restoration of traditional rural farms (adaptation, upgrading and renovation of buildings, procurement of equipment, etc.), while 9% were allocated for promotional and educational activities. The number of villages and municipalities involved in rural tourism increased in 2009 (41 municipalities, 119 villages with 164 households with 570 rooms and 1.628 beds).<sup>41</sup>

In order to get the most precize picture of the dimensions of rural tourism development in Serbia, we use another source. It is data from the Master Plan for Sustainable Development of Rural Tourism in Serbia from 2011. This document was prepared in cooperation with 106 local tourism organizations and it contains the following information: "rural tourism includes 2.7 million overnight stays, which is a sum of individual nights in rural tourism of 1.45.354.3 and the number of general tourist nights used for rural tourism of 2.556.128.4 Rural tourism provides more than 32,000 beds (registered and unregistered), with 10.000 beds located exclusively in the village. The estimate is that the total number of beds annually brings more than 5 billion. RSD revenue and 5 billion. RSD direct revenues to the tourism sector. Revenue of 10 bln. RSD does not include visitors staying at least one night or staying with friends or relatives (although these persons spend on tourist and other accompanying services while staying) and does not include indirect contribution to the local economy in terms of income and employment. Revenue of 10 bln. RSD represents 16% of direct GDP from travel and tourism, as calculated by the "World Council for Travel and Tourism in Serbia" for 2010, which totals 62.4 billion. RSD."<sup>2</sup>

Based on all the presented data, it can be concluded that nowadays rural tourism is developed in Serbia. Moreover, it can be concluded that it represents one of the bases of future tourist development in Serbia.

<sup>&</sup>lt;sup>1</sup> Same, p. 2

<sup>&</sup>lt;sup>2</sup> Master Plan for Sustainable Rural Tourism Development in Serbia (2011), p. 74-75



# Accommodation capacities of rural tourism in the Republic of Serbia

There is no single database about Serbian accommodation capacities of rural tourism. Neither the Ministry of Trade, Tourism and Telecommunications nor the Serbian Chamber of Commerce and Industry has such a data base. In 2017, the Tourist Organization of Serbia published the "Catalog of Rural Tourist Households", which presented data on the offer of rural tourism that it has at its disposal. However, in this publication, data on only one type of accommodation are presented - rural tourist households, while other facilities in which the rural tourist offer is performed are neglected.

The Association of Rural Tourism in Serbia follows the tourist offer of rural tourism, but only a members of this association. Unfortunately, this is the only source on accommodation capacities that continuously monitors its dynamic (Table 1. presents current data in 2022).

Type of acomodation	Nomber of units	Type of acomodation	Nomber of units
Apartment	9	Motel	2
Apartmans	322	Mountain lodge	1
Camp	4	Pansion	4
Cottage	244	Restaurant	1
Ethno village	26	Rooms	25
Guest house	46	Rural household	326
Hostel	1	Tourist complex	17
Hotel	12	Tourist facility	54
Lodging	13	Villa	80
Log cabin and outbuilding bed pantry	77	Winery	1

#### Table 1. Accommodation capacities by type in the Republic of Serbia Табела 1. Смештајни капацитети по врстама у Републици Србији

Source: Association of agrotuirsm in Serbia, <u>www.selo.rs</u> (accessed: 18/02/2022)

# Perspective for development rural tourism in Serbia

In the document "The National Program for the Revival of Villages of Serbia - the situation, problems and priorities of sustainable development"

(2020), among other things, the current characteristics of development of rural tourism were analyzed and it was assessed that these  $are^{1}$ :

- "self-initiative rural tourist households began development by self-initiative and until to day they represent a fundamental pillar of development rural tourism. It start to develop thanks to enthusiastic;
- spontaneity there is no clear concept in its development, even in the current strategy of tourism development in Serbia;
- extraordinary vitality rural tourism start to develop without adequate professional, financial and personnel assistance of the state;
- several characteristic models in the development have ben implementing so far - as personal, mentoring, project or partnership (tourism clusters, cross-border cooperation)."

The same document also states the problems in the development of rural tourism<sup>2</sup>:

- "the inability of rural local communities to manage the development of their tourism resources;
- ignorance of the local tourist capital (rural local communities are often not aware of its value and practical developmental significance);
- non-utilization of rural tourist capital, and even its neglect;
- non-inclusion of tourist potentials of the village as a local community (except in the time of ethno-events, if they exist in the village, only rural households are included in the rural tourist offer);
- insufficient support to rural tourist households, systemic (state and municipal) financial, expert, educational, marketing and other necessary support;
- it is present infrastructural and information-technological nonequipment and neglect of rural local communities and rural settlements;
- inadequacy of categorization accomodation units and ignorance of the number of accommodation capacities, since the Republic Bureau of Statistics does not keep records on tourist equipment and tourist traffic in rural tourism;
- unsatisfactory level of quality of services, which is accompanied by incomplete offer of basic catering services, economy of small volume

<sup>&</sup>lt;sup>1</sup> The National Program for the Revival of Villages of Serbia - the Situation, Problems and Priorities of Sustainable Development, Institute of Agricultural Economics, Belgrade, p. 131

<sup>&</sup>lt;sup>2</sup> Same, p. 131-132.

and low prices and underdevelopment of additional services and contents".

If we consistently follow the phases development of rural tourism, which is suggested by Zodorov A. B. (2009), and which is confirmed in our domestic practice of rural tourism development, in order for Serbia to enter the third phase of the so-called. "Complex development" it is necessary to make appropriate improvements. The National Program for Rural Revival of Serbia (2020) provides a proposal for measures to improve the development of rural tourism:

- 1) Formation of a unique database on accommodation capacities of rural tourism by types of accommodation. The goal is to introduce all supplaiers of accomodation facilities into the fiscal system and to prevent business in the so-called "Gray zone". Also, in this way, monitoring in development is facilitated, as well as the possibility of applying appropriate strategic and planning measures and activities. Bering in mind the constant progress in the development of information technology (IT), it is reasonable to expect the connection of such a database to one of the global distribution systems that operate over the Internet. In this way, the demand for vacations in rural tourist destinations would increase. This would imply higher revenues and create the potential for continuous investment in the guality of the tourist offer. The suggestion is that the unique database should contain, in addition to the accommodation offer, data on local attractions (natural and social - anthropogenic), public facilities, as well as transport infrastructure, which is important for tourists to come to rural tourist destinations.
- 2) Categorization of accommodation capacities of rural tourism. Bearing in mind that there is a Law on Tourism in Serbia (Official Gazette of RS 17/2019) which follows numerous relevant regulations acts, as well as, the Rulebook on minimum technical conditions and standards to be met by rural households and other facilities where tourist activity can take place , and in the first place the accommodation offer, it is reasonable to expect that all units of the accommodation offer will be categorized on the basis of the quality of services. In this way, more positive influences on development would be achieved, such as, for example, standardization of business, better information of current and potential demand for the quality of services based on established standards for the appropriate category of facility; introduction of standards in the provision of services based on the principles that accompany the development of rural tourism;

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the possibility of a systematic and analytical approach to the issue of ensuring the appropriate quality of services.

- 3) Education. In addition to the formal education system (schools, faculties, etc.), it is necessary to develop an informal education system that would include all stakeholders involved in the development of rural tourism. The suggestion is that professional trainings and trainings should be organized at higher levels than direct providers of tourist services (residents of local areas), then training of appropriate trainers, as well as training for employees in local administration (Vuković, P. & Kljaić, N. 2013).
- 4) Establishment of an agency for the development of rural tourism. In order to implement appropriate strategic measures as well as those prescribed by the Law on Tourism, in addition to forming organizations of local managers, it is necessary to form an appropriate organizational body at the national level that would support the development of rural tourism. The proposal that was given was for it to be the Agency for development rural tourism. The establishment of such an agency should have the support of both the public and private sectors. Also, this agency should have the authority to initiate appropriate changes, the ability to influence decisions and decisions of competent state bodies, professional staff, direct impact on the work of local tourism managers. In the organization of such an agency, there should be appropriate departments, such as, for example, the department for the development of tourist products, for marketing, for the development of human resources, investments for and infrastructure, for management. The expected results of the formation of such an agency would be: strengthening cooperation between local destinations, better networking and coordination of activities: development of promising tourism products: preservation of tourist attractions; guality standardization; research of the tourist market and formation of the tourist information system; development of training and education programs at all levels; easier to find funds for development investments. etc.



Serbia has respectable natural and social (anthropogenic) resources for the development of rural tourism (*Vuković, P.,* 2018). Bearing in mind that the development of rural tourism in Serbia has been uneven so far, and that it took place spontaneously, in order to improve its development, the Ministry



of Agriculture, Forestry and Water Management decided in 2008 to invest 91,580,215 dinars for the development. From that moment, rural tourism began to develop in almost all parts of Serbia. Today, its development has become a trend. So, the development of rural tourism has so far gone through two phases in development - the phase of independent ie. "Spontaneous development" and the phase of "dedicated development" that began in 2008.

We can notice that each region in Serbia strives to promote and develop its rural areas, ie it strives to promote its tourist attractions in order to initiate, among other things, the development of rural tourism. The reasons for this are that tourism, with its positive multiplied influences, is an economic, political, sociological, environmental factor that leads to great positive changes in the destinations in which it develops. Tourism has a synergistic character, because it connects a large number of economic and non-economic activities. In this way, he becomes the initiator of destination development and solves many accumulated problems that rural areas face. Some of these problems are unemployment, migration of the population from rural to urban city centers, accelerated aging process, declining macroeconomic indicators, etc. In order to stop these negative trends, it is necessary to take appropriate measures. Having in mind the positive experience of the countries from Western Europe, the expectations are that rural tourism could revive rural areas in the Republic of Serbia as well.

In that sense, in order to enter the third phase of "complex development" of rural tourism, it is necessary to take appropriate measures. The application of these measures would not only have an effect on improving the development of rural tourism, but are also expected to indirectly contribute to the development of rural areas. For that reason, the support of all stakeholders in their implementation is necessary, but financial investments in the development of rural tourist destinations are also necessary. It is a matter of branches of both the public and private sector, because the well-known sentence in the tourism business is "that tourism is just as efficient as it is invested in".

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