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POTENTIALS AND LIMITATIONS FOR THE DEVELOPMENT OF RURAL TOURISM IN VOJVODINA

Tatjana Bošković¹, Radovan Tomić², Danilo Tomić³

Summary

The natural attractiveness of rural areas in Vojvodina is a good basis for a rural tourism development. However, the available natural resource base is not sufficient to ensure the rapid and successful development of tourism in rural areas in Vojvodina. In this process all available resources need to be activated. The human and financial resources for rural tourism development in the region of Vojvodina are the subject of this research. The aim of this research is to determine the condition of existing resources and propose measures for their improvement.

Key words: *Rural tourism, resources, potentials, limitations, Vojvodina*

JEL: *R51, R23*

Introduction

The advantages of rural areas of Vojvodina for the development of tourism are reflected in a preserved environment and the rich rural heritage and culture. Vojvodina has a rich and varied resource base consisting of natural, cultural and historical attractions. However, the suitable natural and social resource base of rural Vojvodina is not sufficient to ensure the rapid and successful development of tourism in this region. In this process, all available resources need to be activated, among the primary financial and human resources. "With planned and meaningful activities, rural tourism in conjunction with other economic activities could bring the country significant economic benefits" (Randelović, N. et al. 2012., p.336).

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Materials and Methods

The results of previous research in this area, the results of the Official Statistical Office of Serbia and the Ministry of Agriculture, Forestry and Water Management in the period 2002-2009, the results of Serbian Tourism Development Strategy 2005-2015, a Tourism marketing strategy of Vojvodina and the Master Plan for the development of rural tourism in Serbia are used in this paper. The authors use method of analyses above mention documents and comparison of financial data in different periods of time.

Results and Discussion

Rural tourism in strategic documents - In the tourism development strategy of Serbia (for the period 2005-2015, adopted in 2006.) rural tourism is recognized not only as one of priority Serbian tourism products, but also as one of six key tourism products of Vojvodina. However, it was concluded that despite good resource potential of rural tourism in Serbia is not adequately structured and organized, and it should take the necessary actions in order to create a rural development process.

An important step in accelerating this process is the adoption and implementation of the Master Plan for rural tourism development in Serbia for this year and it should contribute significantly to this process. It is one of the first documents in the UN project - "Sustainable Tourism for Rural Development." This latest strategic document is developed by the World Tourism Organization with the cooperation and support of Serbian Ministry of Economy and Regional Development, Ministry of Agriculture, Forestry and Tourism Organization of Serbia, with a significant contribution of the UN partners (FAO, UNICEF, UNDP and UNEP). Its implementation is envisaged in the 19 municipalities in four regions, namely: South Banat, Eastern Serbia, Central Serbia and the Lower Danube.

Master Plan as its goal emphasizes the identification and development of clusters of rural tourism in Serbia. The document lists 12 of the Cluster of rural tourism (CRT) in Serbia, which are grouped into four groups of clusters (Table 1):

Table 1. Clusters of rural tourism in Serbia

Cluster groups of rural tourism	Clusters of rural tourism (CRT)
CRT Group 1: Central and Western Serbian	CRT 1: Golija
	CRT 2: Zlatar Zlatibor
	CRT 3: Kopaonik
	CRT 4: Central Serbia
CRT Group 2: South Banat and Lower Danube	CRT 5: Lower Danube
	CRT 6: South Banat
CRT Group 3: East Serbia	CRT 7: Soko Banja
	CRT 8: South Serbia
	CRT 9: South-East Srbija
CRT Group 4: Vojvodina	CRT 10: Fruska Gora
	CRT 11: Upper Danube
	CRT 12: North Serbia

Source: Sustainable Tourism for Rural Development, MDG Achievement Fund, the Government of the Republic of Serbia, 2010.

As it can be seen in Table 1, in the area of Vojvodina there are significant concentrations of rural resource, so that the area is set aside as a separate cluster group of rural tourism. Although the Master Plan emphasizes the development as the goal of CRT in Serbia, however, it suggests that the distribution of financial resources and more attention should be paid to the so-called priority clusters. As clusters of priorities, they will have the greatest return for each dinar invested in rural tourism. Based on the analysis of certain factors, it was found that clusters Golija, Zlatar, Zlatibor and Kopaonik have the highest priority in Serbia. When comparing the 12 clusters of rural tourism, the following factors are discussed: natural, cultural and man-made attractors; seasonality; availability and infrastructure; unemployment rate; currently catering beds and the capacity and experience in tourism. When it comes to Vojvodina, Fruska Gora has been marked as a cluster of the highest priority, followed by clusters of the Upper Danube, North Serbia and South Banat. Therefore, these are areas in Vojvodina that have been marked as a priority when it comes to distribution of financial resources to accelerate development of rural tourism in this area.

The economic importance of rural development justifies (or confirms the need of) investment in this area. There are data that show that rural tourism in Serbia also generates significant revenue. According to the latest data from the Master Plan, the total number of beds (more than 32,000 registered and unregistered) in rural areas annually generates more than 50 million euros of revenue from accommodation and about 50 million euros contributes to more direct income in the tourism sector. As stated, the estimated amount of approximately 100 million euros represents 16% of direct tourism GDP in Serbia in 2010 (the Direct Travel and Tourism GDP), which calculates the WTTC (World Tourism and Travel Council) and which is 620 million euros. Both these data and estimates confirm that the direct economic contribution of rural tourism in Serbia will reach 450 million euros in the next 10 years and the need for investment in this area. However, according to the Master Plan, *“there are limits to the value generated by rural tourism of Serbia, which is primarily a consequence of the limited use of resources and limited support structures”*.

According to the review of strategic documents it can be concluded that rural tourism in Serbia enjoys *“declarative” support*. However, for successful realization of the objectives in this area it is necessary to have a *“real” support* in the form of approval of incentive funds by the state.

State support for the development of rural tourism in Vojvodina - The issue of rural development includes a variety of institutions dedicated to various forms of support. One of the most important aspects is the financial support by the state. Since 2006 both Ministry of Agriculture and Forestry and Water Management of Republic of Serbia have financially supported and encouraged the development of tourism and the diversification and expansion and improvement of economic activities in rural areas.

According to the approval of the budget, Ministry wants to support *“the small family farms that intend to engage in rural tourism, stimulate people to stay in the country and reduce the depopulation of rural areas and contribute to creating new business opportunities and reducing regional imbalances in the development of rural areas, contribute to the*

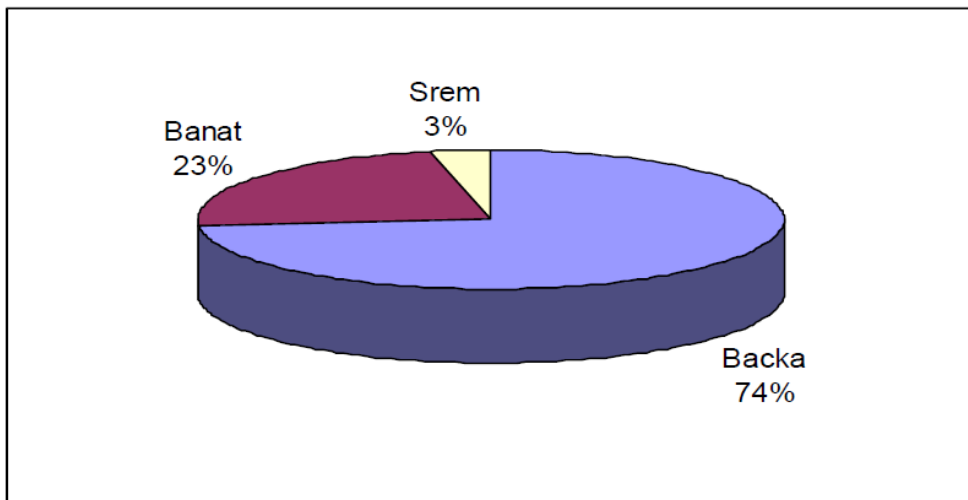
diversification of rural economy, improving the quality of life in the country, as well as the significant commercial and economic development.” (Ministry of Agriculture, Forestry and Water Management, 2009)

All categories of rural population, individuals - owners of agricultural households, entrepreneurs, cooperatives, churches and monasteries and association of citizens and agricultural extension have the right to the use of financial incentives. This solution can be described as beneficial in terms of impact on the development of rural tourism. A wide range of potential users ensures that all interested parties can apply and the larger amount of funds can be realized in that purpose. In addition, it contributes to the development of all forms of rural tourism which would not be the case if certain categories of rural population were left out.

In 2007 and 2008 budgetary support for tourism development and diversification of economic activities in rural areas in Serbia amounted to 400,000 euros a year (the data on the size of budget support in the first year of implementation of these incentives is not known). According to the Ministry, in the period 2006-2008 the total realized (paid) resources in Serbia, on the basis of these measures amounted to € 915,800 (of which 13.3% realized in Vojvodina).

Vojvodina is the second most important user of financial incentives along with the Central region, while the Western region of Serbia which has been realized as 55% of the funds took first place. When it comes to allocation of resources in Vojvodina in the period 2006-2008, much of the funds are distributed in Bačka (74%), while 23% of the funds is realized in Banat, and only 3% in Srem (Figure 1.).

Figure 1. Distribution of funds in Vojvodina (2006-2008)

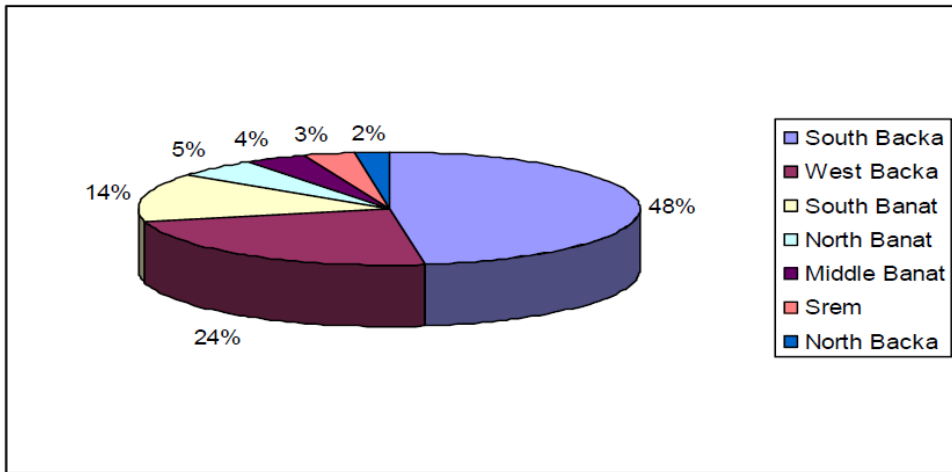


Source: Sustainable Tourism for Rural Development, MDG Achievement Fund, the Government of the Republic of Serbia, 2010.

This distribution of incentive funds in Vojvodina indicates the following: the high percentage of the funds executed in Bačka indicates a significant concentration of rural resources in this area and their better use in comparison with Banat and Srem.

When it comes to distribution of incentive funds for districts in Vojvodina, variation in the distribution is observed, as it can be seen in Figure 2.

Figure 2. Distribution of funds by districts in Vojvodina (2006-2008)

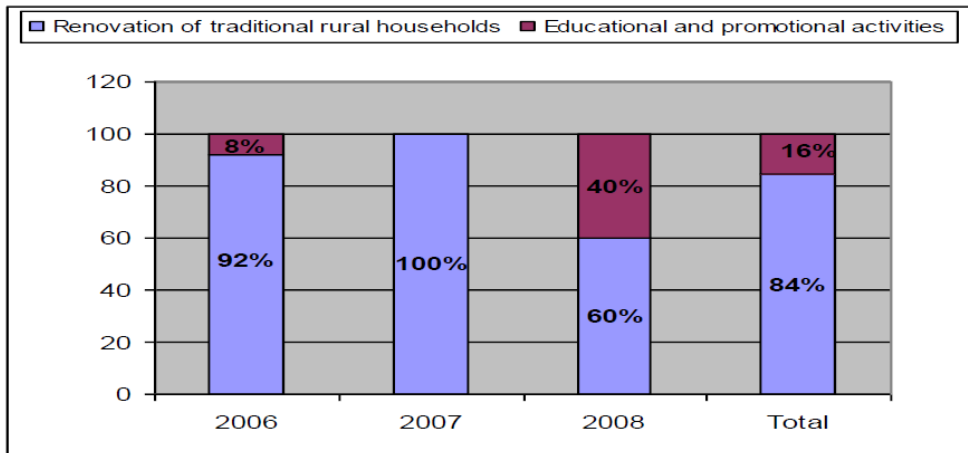


Source: Sustainable Tourism for Rural Development, MDG Achievement Fund, the Government of the Republic of Serbia, 2010.

As can be seen from the Figure 2, the highest percentage of financial incentives was implemented in South Bačka District (48%), while the other two most important beneficiaries of the funds are Western Bačka and South Banat district. The lowest percentage of funds was implemented in the North Bačka region (only 2%). Explanation of this phenomenon lies in the abundance of attractions in the South Bačka District. This fact represents a good basis for starting and developing rural tourism. Otherwise, Vojvodina as a whole has a rich and varied attraction base consisting of cultural and historical monuments, Frušskogorski monasteries, castles and forts, national parks, stables, ethno houses, Tiganjica ethnic village, nature reserve “Zasavica”, sport hunting and fishing, wine houses and cellars, pedestrian and bike lanes, nautical programmes, thermal springs, events and festivals, gastronomy and many more. In “Marketing strategy of tourism development” (which was published 2009) the offer of the South Bačka District was rated as the most important for the “identity of Vojvodina tourist offer” (p. 149).

Besides the territorial distribution of incentive funds, it is important to analyze the distribution of funds according to the type of investment. As far as the purposes for which the Ministry granted funds are concerned, the majority of funds in Vojvodina has been invested in the restoration of traditional rural households in the function of rural tourism (renovation, construction, renovation, purchase, etc.). Distribution of funds in Vojvodina according to the type of investment is shown in the Figure 3.

Figure 3. Distribution of funds according to the type of investment in Vojvodina (2006-2008)



Source: Sustainable Tourism for Rural Development, MDG Achievement Fund, the Government of the Republic of Serbia, 2010.

As can be seen from the Figure 3, 84% of the total funds realized in Vojvodina were invested in the restoration of traditional rural households, while only 16% for educational and promotional purposes. Low percentage of assets invested in educational and promotional purposes is a limiting factor in the process of the development of rural tourism. Specifically, in addition to financial, human resources are also considered of primary importance in the process of starting and developing this type of tourism as well as education as a key investment in human resources.

The introduction of state support to the establishment and development of rural tourism is certainly a measure that contributes to faster development process of this sector and improvement of the economic status of the population in rural areas. For example, based on the study results, it has been showed that the *average net income from dealing with rural tourism* per household in Serbia is on average about 218 EUR per month. Bearing that in mind, conditions are favourable that the amount of budget support increases from year to year. Thus, in 2009, it amounted to 590,000 euros and 800000 euros in 2010. Also, the number of interested parties is growing, but on the basis of previous studies (Bošković et al. 2010) it was found that during the three-year period the amount of realized funds is less in relation to the authorized funds for that purpose. The reasons for this can be found in the lack of adequate information and unprofessional preparation of tender documentation by potential users. The cause of this phenomenon is also the insufficient education of the local population, which confirms that in the future more attention should be paid into human resources investment.

Human resources in Vojvodina - Senilisation processes, migration of population from villages to cities and depopulation affect the village extinction which creates unfavourable demographic, social and economic situation in rural areas, region and

entire country (Bošković et al. 2010). Such movements are also recorded on the territory of Vojvodina which reflects negatively on the initiation and development of rural tourism in this area.

Statistical data show that in the second half of the twentieth century, as a result of industrialization and urbanization, in Vojvodina there were significant changes in the structure of the population exactly through internal migration from villages to cities. According to the data from Statistical Office of the Republic of Serbia, the percentage of urban population in Vojvodina was 29.5% in 1953, and reached 56.7% in 2002. In contrast, in the same period, the percentage of agricultural population has drastically reduced. The percentage of agricultural population in Vojvodina was 62.9% in 1953, and it was only 10.6% in 2002. These trends in population structure have a negative effect on rural development in this area, and thus on rural tourism, because the agricultural population is a key factor in the initiation and development of this sector.

In addition to this limiting factor, age and educational structure of the population in Vojvodina can also be a barrier to the development of rural tourism. This is confirmed by data on the average age of the population and an aging index of the Serbian population (the ratio of old (60 and over) and young (0-19 years) population): in 1953, the average age was 29.4 years, and the aging index was 24.1%, while in 2007 recorded average age of population was 40.9 and the aging index was 103.2%. According to recent research, the least favourable age structure of population in Vojvodina is in rural municipalities Nova Crnja, Alibunar, Sečanj, Žitište and Plandište (Njegovan and Pejanović 2009). The high share of aged population (over 65) in the structure of the rural population is a phenomenon that does not contribute to the development of rural tourism as future development of this activity lies precisely in a middle-aged population. Survey results from 2009 show that more than half (56%) employed in rural tourism are aged over 40 years.

In addition to age, educational structure of Vojvodina, as an important indicator of the quality of human resources, cannot be evaluated favourably. The reason is low percentage of educated population (9.48%), a high proportion of the population with incomplete education (20.81) in the total population of Vojvodina.

Recent studies have showed that in the rural municipalities of Vojvodina, in relation to the city municipalities, a lower percentage of educated population is recorded. Municipalities in Vojvodina, where the educational structure is the most favourable are Zrenjanin and Vrbas, and the most unfavourable situation is in the municipalities of Žitište, Kovačica, Alibunar and Bač (Njegovan, Pejanović 2009). Unfavourable educational structure in rural areas is often explained by the departure of young people to urban centres, unfavourable age structure, limited opportunities for education and other factors.

Positive changes in all previously analyzed structures of the population in Vojvodina could undoubtedly encourage the development of rural tourism in the future.

Conclusions

In the field of financial resources a number of limiting factors has been identified:

- financial resources are insufficient and unevenly distributed regionally;
- education is necessary for beneficiaries of the resources when they apply for grants, and then for more efficient use of these grants;
- insufficient investment in education and promotion.

By analysing the structure of human resources one can see:

- the tendency of continuous decrease in the share of agricultural population in overall population;
- unfavourable age and educational structure of rural population, which results in insufficient motivation of the population to deal with tourism.

Future development of this activity will depend on the relationship between state, local government and local people towards this activity. „Education of all the participants in the process of development of rural tourism should be a significant part of those activities. The education programme should include rural households that participate directly in creating and providing of tourist products and local communities as indirect participants (Bošković et al. 2010., p. 258). Also, the financial support of the state for the development of rural tourism has to be much stronger than it has been the case until now. Stronger public support and appropriate education for rural people could create favourable conditions for the development of rural tourism in Vojvodina.

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POTENCIJALI I OGRANIČENJA U RAZVOJU RURALNOG TURIZMA U VOJVODINI

Tatjana Bosković⁴, Radovan Tomić⁵, Danilo Tomić⁶

Sažetak

Prirodna atraktivnost ruralnih područja Vojvodine predstavlja dobru osnovu za razvoj ruralnog turizma. Međutim, raspoloživa prirodna resursna osnova nije dovoljna da obezbedi rapidan i uspešan razvoj turizma u ruralnim područjima Vojvodine. U ovom procesu je neophodno aktivirati sve raspoložive resurse. Predmet istraživanja su humani i finansijski resursi za razvoj ruralnog turizma u regionu Vojvodine. Cilj istraživanja je utvrđivanje stanja postojećih resursa i predlaganje mera za njihovo unapređivanje.

Ključne reči: *Ruralni turizam, resursi, potencijali, ograničenja, Vojvodina*

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