

Tourism

One of the most popular areas for global tourism has long been the Mediterranean basin, suggesting that South Eastern Europe could be a potential target area for tourism in the future, based on its rich traditions in this sector of the economy, and due to the present appeal of the area. As the region consists of countries with similar natural qualities, and urban and cultural environments, the picture is rather mosaic-like with regard to investment and tourist turnover.

Croatia and Slovenia are the countries currently providing sophisticated services, even by European standards and attract a high number of foreign visitors. Romania and Bulgaria are catching up steadily, whilst Serbia and Montenegro, Bosnia and Herzegovina, Macedonia and Albania are handicapped in terms of attractiveness. Once considered to be a paradise for tourism, the former Yugoslavia and Bulgaria have recently suffered from political turmoil and economic crisis and have lost their previous privileged positions, restoration of which now requires considerable financial efforts.

Due to its specific features, the tourist industry may be prosperous source in the long-term perspective in regions where the willingness to receive foreign tourists and ability to provide the required services are coupled with meeting security requirements. However, South Eastern Europe cannot be regarded as a uniform region in this respect as their countries differ significantly with regards to safety, sanitary conditions and living standards.

The warfare between the successor states of the former Yugoslavia (1991–1995) and its ensuing repercussions, the air raids of NATO against Serbia (1999) and the proximity of the Balkans to the conflict zone in the Middle East by no means encouraged a massive wave of tourism from overseas. Another problem is that news of events reporting rising anxieties and suggesting at the instability of the region often discourage potential visitors from EU member states holidaying in the region. Beside these issues, conditions of hygiene do not always meet expected standards and may be responsible for the low performance of the tourism sector in some of the countries. Moreover, striking contrasts between the living standards of foreign guests and the

local population can hinder the holiday experience, thus turning recreational areas into tourist ghettos and curbing spatial differentiation.

Owing to the political division of the Balkans, the crossing of borders by foreign citizens is regulated by the legislation of the individual countries and in some cases by arbitrary measures from local authorities which often hampers adequate mobility. (Alarming rumours about the experiences tourists sometimes have may be enough to discourage foreign visitors from notorious border sections.)

An examination of the economic environment in South Eastern Europe from the aspect of tourism revealed that as a result of the recovery of the national economies since the late 1990s, the barriers hitherto inhibiting the inflow of a necessary amount of foreign capital has been gradually cleared away. In spite of the fact that catching up with the EU countries in terms of GDP might take a number of decades, the growth rate in foreign investment and the decrease in the rate of inflation is promising for the future (*Table 24*).

The economic performance of the South East European countries can be decisive from the viewpoint of tourism, because only infrastructure created by the contribution from governmental funds along with a balanced state budget are able to attract an adequate amount of foreign investment. The average spend per tourist is a primary indicator of the extent to which individual countries provide an environment encouraging private expenditure. The average spending is nearly 1,500 EUR in Croatia (according to the internationally accepted definition, a tourist is a foreign citizen who spends at least one night abroad after entering the country), whereas it is much less in Romania or Macedonia.

In spite of the differentiated general and local conditions, the basic types of tourist region can be found in almost every country of South Eastern Europe. Accordingly, sea-coast, mountain, rural and urban areas attract similar tourist activities across the region. The Adriatic, Ionian and Black seas attract people preferring beach holidays, the Dinarids, Carpathians, Balkan Mountains and Thracian–Macedonian Massif are favourite places for lovers of winter and its as-

Table 24. Selected Indices of Economy Relevant for Tourism in South Eastern Europe (2003)

Country	GDP per capita 2003, €	Change of GDP in real terms 2002–2003, %	Inflation 2003, %	International tourism receipts per tourist arrival 2003, €	International tourism receipts per capita 2003, €
Albania	1,859	6.0	3.3	13,465	157
Bosnia and Herzegovina	1,911	2.7	1.8	1,502	62
Bulgaria	2,697	4.3	5.6	433	231
Croatia	6,771	4.3	1.7	910	1,499
Macedonia	2,384	3.1	1.2	382	30
Romania	2,700	4.9	14.1	127	21
Slovenia	14,686	2.3	4.6	1,034	706
Serbia and Montenegro	2,635	3.0	11.7

Remark: .. no data

Sources: Tourism Market Trends: Europe 2004; Emerging Europe Monitor 2004.

sociated sports, health tourism and hiking. Cities are visited by foreigners interested in city-breaks, whilst rural settlements and their environs attract people seeking tranquillity and ecotourism. South Eastern Europe is the venue for both mass-market and niche tourism where visitors are concentrated along the sea-coast and in urban areas which offer equally attractive experiences.

Concerning the objective conditions of tourism across the region it could be stated that establishments and institutions relating to both the basic and superstructure of tourism are already at hand in most of the countries, whereas in some of them they will have to be developed in the future.

With regards to the basic infrastructure, the continuing construction of motorways as the backbone of the transport network (see previous chapter), linked with each other and to the pan-European network, along with opening regional airports meeting international air traffic norms, are indispensable conditions of the easy accessibility of tourist areas. The airports of Varna, Burgas, Constanța, Pula, Zadar, Split, Dubrovnik and Tivat already provide relief for those of the capital cities and receive charter flights day by day during the summer season.

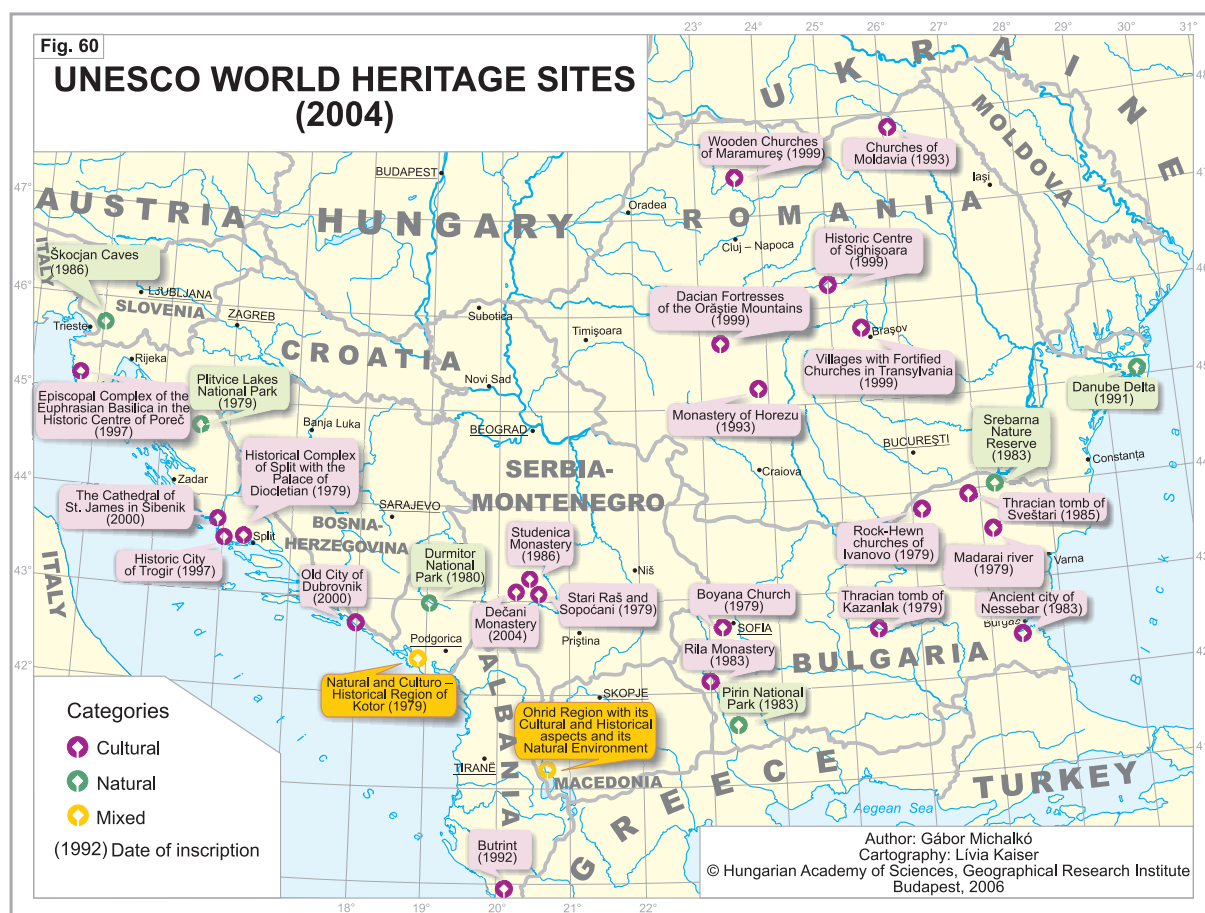
Accommodation services as part of the superstructure of tourism are dominated by units in the ownership of local entrepreneurs rather than by those belonging to the international hotel chains. Private accommodation adds to the available choice. Nevertheless, representatives of the leading hotel chains are present in the big cities, with the exception of Albania and Bosnia and Herzegovina: Hilton (Bucharest, Sofia), Hyatt (Belgrade), Intercontinental

(Bucharest), Marriott (Bucharest), Golden Tulip (Zagreb), Accor (Bucharest, Plovdiv) and Carlton Radisson (Sofia) are all to found. Best Western on its own has a dozen units in the region.

As far as tourist attractions are concerned, of primary note are the internationally renowned natural and cultural attractions, which benefit from specific marketing and protection (*Figure 60*). These locations, listed under UNESCO World Heritage are to be considered the major attractions in the South East European countries. Out of the total of 745 locations under protection worldwide, 31 are found in the studied area; nine of them in Bulgaria, seven in Romania and one in Slovenia.

Most of the attractions forming part of the world heritage sites are visited as places of cultural appeal. Many are holy places from historical periods, access of which is provided for tourists thanks to archaeological excavations. Amongst the most popular attractions are the national parks of the individual countries, e.g. the Danube delta in Romania and the Plitvice lakes in Croatia. Special tourist attractions are places combining natural and cultural heritage, such as the Ohrid region in Macedonia.

The important part played by tourism in the national economies of South Eastern Europe is evident in the political sphere as well. Tourism policy is focal in almost all the countries of the region. Institutional manifestations of this are the authorities on different levels of state administration represented by related ministries on their own, or together with other spheres (e.g. regional development or cultural branches), or as part of economic management but located im-



mediately at a ministerial level. Countries of the region put a special emphasis on the marketing of tourism in the form of participation at professional exhibitions, informative internet websites and of high quality promotional publications (Table 25).

The tourist industry plays a pivotal role in the national economies of the region, especially in the maintenance of their foreign trade balance. With a lack of efficient industrial and

farming sectors (or as an accessory to them), the sector produces hard currency revenues similar to export activities. (Income from tourism is considered an exchange of their home currency to the national currency by arriving foreigners, whereas payments originate from the purchase of foreign currencies by local citizens going abroad.) In an optimum case there is a positive balance, i.e. the income exceed payments to a considerable extent. According to WTO data,

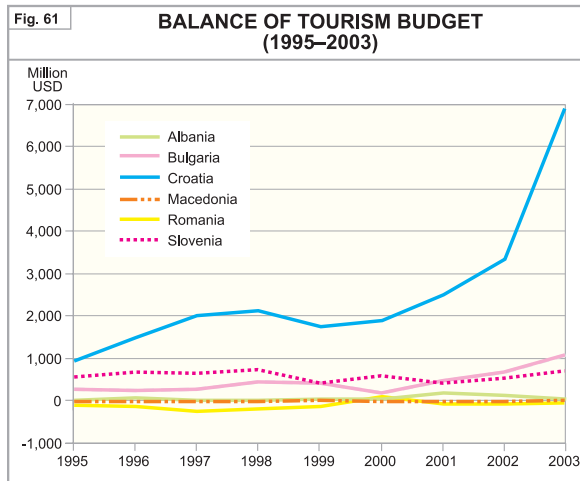
Table 25. Tourism in State Administration and Marketing of South East European Countries

Country	Supreme authority of tourism management	Internet websites of tourism marketing
Albania	Ministry of Tourism, Culture, Youth and Sport	www.albaniantourism.com
Bosnia and Herzegovina	Ministry of Tourism and Trade	www.bhtourism.ba
Bulgaria	Ministry of Economy	www.bulgariatravel.org
Croatia	Ministry of the Sea, Tourism, Transport and Development	www.croatia.hr
Macedonia	Ministry of Economy	www.exploringmacedonia.com
Montenegro	Ministry of Tourism	www.visit-montenegro.com
Romania	The Ministry of Transport, Constructions and Tourism	www.romaniatourism.com
Serbia	Ministry of Trade, Tourism and Services	www.serbia-tourism.org
Slovenia	Ministry of Economy	www.slovenia-tourism.si

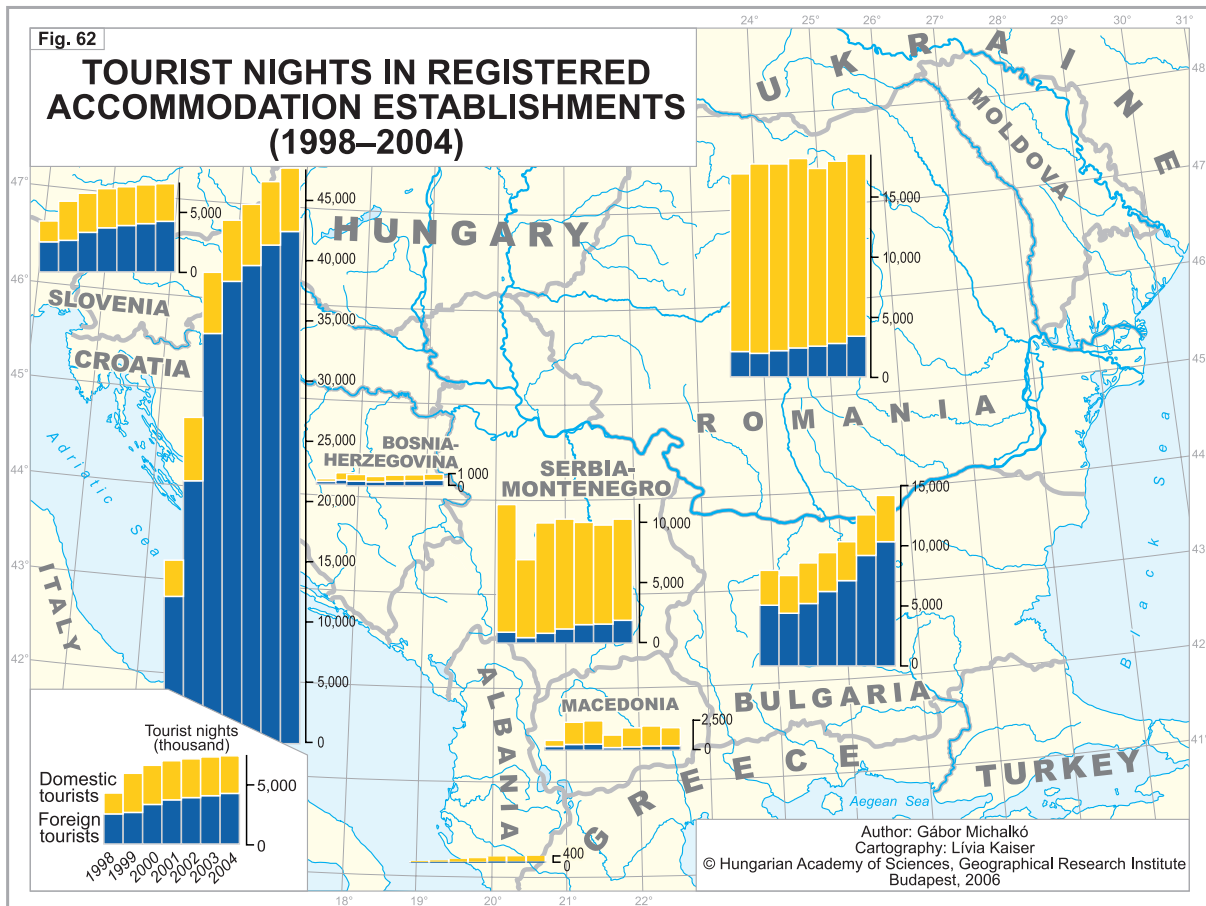
Source: Tourism Market Trends: Europe – 2004.

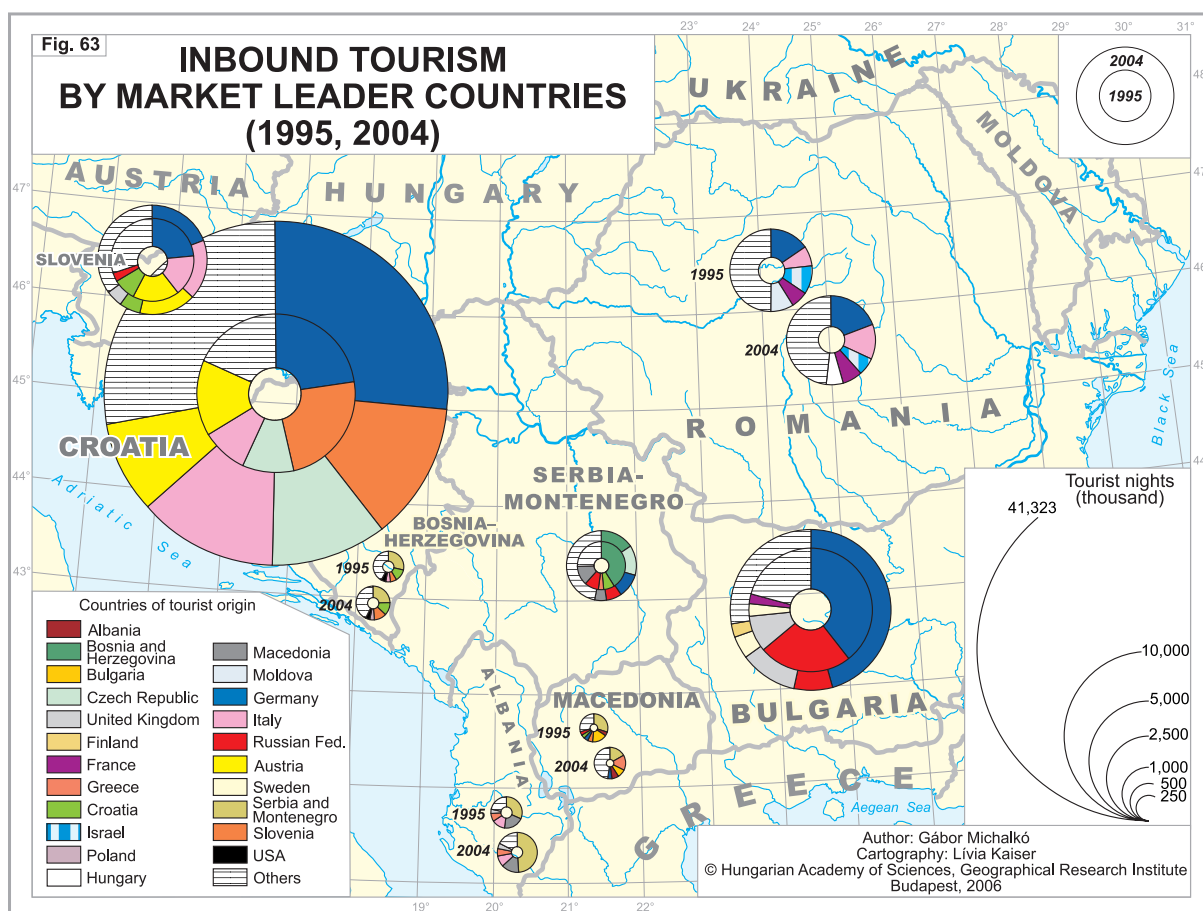
Croatia had a significantly positive financial tourism balance between 1995 and 2003 as far as the officially recorded income and payments are concerned (Figure 61). In the region only two countries produced a negative balance: Romania and Macedonia.

Monitoring international tourist turnover in South Eastern Europe by the use of means of transport, shows a close correlation with geographical promotion of the individual countries and their infrastructural development. Roads are particularly frequently used throughout, even in Albania with the lowest value of share (63%) within the total traffic. Lately air transport has tended to increase due to modernisation of the airports and the appearance and growing share of low-cost flights. In this respect Bulgaria is the leader: 23% of tourists had chosen this means of arrival, owing to the considerable distance from potential origin countries. In the region with an extensive sea-coast, maritime transport is popular: e.g. for arrival in Albania (21.5%) it is preferred to aviation links. Railways are not an important carrier of international tourists in any country of the region.



The most important index of tourism is the nights spent at registered accommodation establishments, owing to it being closely related to the incomes of countries from tourist turnover (Figure 62). Based on the number of tourist nights Croatia is the foremost leader. Bulgaria, Serbia, Romania and Slovenia represent a group with medium turnover. These countries will be able to intensify turnover with adequate product





development and marketing activities. Whereas the intensity of tourism is low in Macedonia, it is negligible in Albania, and Bosnia and Herzegovina (below 1 million).

When analysing the performance of the sector, domestic tourism should be taken into account as well. It is one of the indices of the willingness and opportunities for the tourist mobility of the local population and its share may be somewhat indicative of the presence of international tourism. In 2003 Serbia and Montenegro (their overwhelming majority are Serbs holidaying on the nearby Montenegrin sea-coast) (84%), Romania (84%) and Macedonia (83%) were the leaders in internal turnover and more than half of the total amount of tourists was represented by local citizens in Albania (75%). In this respect Croatia had the lowest index value (11%).

As far as the composition of international tourist turnover is concerned, the picture was rather mixed (Figure 63). In most countries of the region German citizens are the most frequent guests. Their ratio within the total number of foreign tourists was 45% in Bulgaria, 25% in

Croatia, 23% in Slovenia, and 19% in Romania in 2003. In Serbia and Montenegro citizens of Bosnia and Herzegovina were the most numerous (26%), in Albania the Italians (16%), whilst in Macedonia the Serbia–Montenegrin citizens (15%) prevailed.

Massive tourism from overseas was recorded in Romania (those arriving from Israel amounted to 10%), visitors from other continents could not be found in the top five in other countries of the region. Tourists from the USA and Italy turned up in almost every country.

With regard to the dynamics in turnover within a given market segment between 1995–2003, the maximum increase (27-fold) was seen in tourists arriving in Serbia–Montenegro from the Czech Republic. During the same period an 8-fold increase of the number of tourists from Belgium was recorded in Bulgaria.

There is a notable tourist turnover between the countries of the South East European region. In each case, at least one of the neighbouring nations figures amongst the top five origin countries for tourists, with the exception of Romania and Bulgaria.