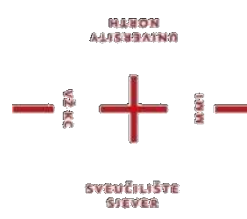




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Economic and Social Development

22nd International Scientific Conference on Economic and Social Development –
“The Legal Challenges of Modern World”

Editors:

Zeljko Radic, Ante Roncevic, Li Yongqiang

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The Legal Challenges of Modern World

TOURISM LEGISLATION AND POLICY: REVIEW OF TOURISM LAW IN SELECTED BALKAN COUNTRIES

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ABSTRACT

Despite political turmoil and natural disasters in various parts of the world, tourism is one of the successful stories of present time and has shown constant economic growth in past few decades. Tourism has significant social and economic benefits for different countries, and tourism related legislation and policy created by various governments is one of the primary factors for the existence and development of tourism related activities. The subject of this paper is tourism legislation and policy of selected Balkan countries, as seen through the prism of tourism law in Croatia, Serbia, Macedonia and Bulgaria. Criteria for choosing this countries are membership in European Union and see border of Croatia and Bulgaria on the one hand, and continental territory and candidate for accession to the European Union from Macedonia and Serbia on the other. The paper provides basic data for the selected Balkan countries such as: territory characteristics, population, number of international tourists, tourism law and existence of a National Tourism Organization. Table showing government bodies responsible for tourism, national tourism development strategies as well as tourism related legislation is used to prepare a comparative analysis of selected countries. For the purpose of paper we use research methodology and secondary data sources by consulting official tourism laws of selected countries. An analysis and review of tourism laws has been made, based on systematical evaluation of their actual content. The paper concluding remarks are regarding the structure, differences and similarities of the tourism laws and how the legislation determine prospects and directions of tourism development in the Balkan countries.

Keywords: *Balkan countries, tourism legislation, tourism policy*

1. INTRODUCTION

Tourism is a unique phenomenon present in all countries around the world and has constant tendency of increasing its growth on a global level. There is no country in the world that does not develop some type of tourism or a country where citizens are not involved in tourist

movement outside of their permanent place of residence for various reasons such as business, pleasure, sports and recreation, religion or other reasons. According to the United Nations World Tourism Organization (UNWTO, 2016), international tourists arrival in 2015 has reached 1.184 million. Tourists expenditure reached to 1.400 billion US dollars, and the tourism industry participated with 10% of the global GDP (gross domestic product). Every eleventh employed person in the world is employed within the tourism industry. Tourism will maintain its continuous and positive level of development from the past 60 years in the coming years. Forecasts are moving in a direction that the European continent, in which the selected Balkan countries are located, within the next years, will be the most evident source of tourist demand and the development of international tourism in the world.

Balkan Peninsula is located in Southeastern Europe and covers the territory of about 600,000 square kilometers with a population of around 60 million people. The name of Balkan Peninsula is of Turkish origin, or rather from the Turkish word "balkan", which means "mountain with forest" (Griffiths, Kryštufek, Reed 2004, p.14). Geographical boundaries of the Balkan Peninsula vary according to the parameters that are taken into account, but for the purposes of this paper the boundaries are the water surfaces that surround the peninsula such as the Black Sea, Aegean Sea, Adriatic Sea and the rivers Sava and Danube.

Table 1: Review of basic tourism parameters in selected Balkan countries (source: UNWTO Tourism highlights, 2016 Edition. Madrid: UNWTO and UNESCO World heritage list)

Country	Population (000)	Area in km ² (000)	Tourist arrivals (000) in 2015	UNESCO World heritage list properties	Value added tax on tourism in %	Tourist tax (in Euro)
Croatia	4,496	56,594	12,683	8	13	0,26-0,92
Serbia	7,186	88,361	1,132	5	10	1,26
Macedonia	2,054	25,713	486	1	5	0,66
Bulgaria	7,517	110,994	7,311	9	9	0,10-1,53

Table 1 shows that we choose several criteria for comparing basic tourism parameters in selected Balkan countries Croatia, Serbia, Macedonia and Bulgaria as population, area in km², tourist arrivals, UNESCO World heritage list properties, Value added tax on tourism and tourist tax. Criteria for choosing this four countries are membership in European Union and see border of Croatia and Bulgaria on the one hand, and continental territory and candidate for accession to the European Union from Macedonia and Serbia on the other. According to the number of population and area of the territory of the Balkan Peninsula, from selected countries Bulgaria is the largest country where the smallest country is Macedonia. According to the arrivals of tourists visiting the selected Balkan countries, most of them have visited Croatia and least tourists has visited Macedonia. The number of items included in the World Heritage List by UNESCO in the world is 1052, including 814 cultural, 203 natural and 35 mixed, situated in the territories of 165 countries. Most of the items included in the list are located in Bulgaria - nine, followed by Croatia with eight, Serbia with five and one is located in Macedonia - Natural and Cultural Heritage of the Ohrid region, adopted in 1979. Data concerning Value added tax (VAT) on tourism shows that Croatia has the highest VAT related to tourism services (13%), and Macedonia has the smallest VAT of 5%. Regarding the tourist tax for tourist stay, it varies in different countries. In Macedonia and Serbia there is a fixed fee, and in Croatia and Bulgaria it varies depending on the municipalities and regions it is performed.

2. THEORETICAL AND METHODOLOGICAL FRAMEWORK

Tourism has significant social and economic benefits and many countries encourage the development of tourism through different forms of support. At the national level the development of tourism is falling under the Ministries and National tourism organizations. These institutions are engaged in carrying out activities such as controlling the tourist activities with tourism and hospitality related law and regulations; gathering information about the tourism sector; preparing a national tourism development strategies; tourist promotion and more. National tourism organizations are present in more than 100 countries. UNWTO has audited the budget of 109 such organizations and it has defined the agencies and its subsidiaries as follows (Jeffries 2001, p.10):

a) National Agency for tourism is defined as: central administrative body with administrative responsibility for tourism at the highest level i.e. central management authority with a power for direct intervention in the tourism sector; and all administrative authorities who have the power to make interventions in the tourism sector.

b) Other governmental or administrative bodies of lower rank. An example is the National Tourism Organization, which is defined as: an autonomous governmental body, with semi-public or private status, established or recognized by the state as an authority having jurisdiction at the national level to promote, and in some cases marketing the tourism industry.

The term "tourism policy" is representing the conscious activity of the state, or society in the field of tourism (Ackovski & Ackovska 2003, p.150-165). Primary task of this policy is to undertake measures and activities that will be of crucial importance for the initiation of relevant factors responsible for tourism development in order to increase the tourist trade and consumption and to improve its structure and quality. In more specific terms, tourism policy fulfills the following functions (Goeldner & Ritchie 2009, p.): It defines the rules of the game - the terms under which tourism operators must function; It sets out activities and behaviors that are acceptable for visitors; It provides a common direction and guidance for all tourism stakeholders within a destination; It facilitates consensus around specific strategies and objectives for a given destination; It provides a framework for public/private discussions on the role and contributions of the tourism sector to the economy and to society in general; and It allows tourism to interface more effectively with other sectors of the economy.

Tourism policy has direct and indirect holders or executors. Direct holders and operators of tourism policy are (Ackovski & Ackovska 2003, p.150-165): representatives of government bodies at all levels (assemblies, parliaments, individual councils, institutions, commissions, etc.); and the executive administration (government) at all levels (secretaries, tourism ministries, committees for Hospitality and Tourism, the main offices of hospitality and tourism at national, regional, municipal, city and a similar level). Indirect holders and executors of tourism policy are: special bodies outside the public administration (municipalities and chambers of special business associations); social organizations in the field of hospitality and tourism (tourism associations at all levels, tourist bureaus); local communities; and gathering and other commercial and non-commercial organizations in the tourism industry that directly or indirectly participate in meeting the tourist needs.

For the realization of the objectives of tourism policy various measures (instruments and resources) are applied. In general, all instruments of tourism policy can be divided into four groups (Ackovski & Ackovska 2003, p.150-165): legal regulations which mainly include: constitutional provisions, laws, bans, permits, decisions, orders, etc.; administrative instruments which mainly include: taxes, duties, fees, contributions, loans and other public revenues and public subsidies (compensation, contributions, premiums, guarantees, regression, etc.); economic instruments mainly including: plans, programs, resolutions, funds, loans, bonds, rates and prices, etc.; and contracts and agreements.

The purpose of this paper is to make review of tourism policy and legislation in selected Balkan countries. In the interest of the paper, we use secondary data sources by consulting relevant literature on the subject of tourism policy and legislative and the Internet. A literature review shows that there is existing body of literature concerning tourism and travel law (Krstanoski, 2005; Barth, Hayes, 2006; Cournoyer, Marshall, Morris, 2007; Singh, 2008). Although the purpose of the paper does include comparative law in a small part, it should be noted that the volume of literature in this area is extensive (Gutteridge, 1946; Cruz, 1999; Reimann, Zimmermann, 2008; Smits, 2012; Clark, 2012; Mathias, 2014), but lack of research related to analysis of tourism law is noted. Using Internet sources we also collected data such as tourism strategies and tourism law that have been analyzed later. The main method used in this comparative research is content analysis (Hall, Valentin 2005, p.191). Content analysis is an observational research method that is used to systematically evaluate the actual content of the tourism policies and tourism law of four Balkan countries: Croatia, Serbia, Macedonia and Bulgaria.

3. TOURISM POLICY, NATIONAL TOURISM DEVELOPMENT STRATEGIES AND TOURISM LAW OF SELECTED BALKAN COUNTRIES

Tourism sector in the various Balkan states falls under the jurisdiction of different ministries. For example, in Croatia and Bulgaria as the most developed tourist countries there are separate Ministry of tourism. In Serbia, tourism policy is created in ministry where the tourism industry is combined with other sectors trade and telecommunications. In Macedonia, tourism is managed by the Department of Tourism and hospitality within the Ministry of economy.

Table 2: Government bodies responsible for tourism policy development of Balkan countries (source: Official web pages of selected institutions)

Country	Government body responsible for tourism policy development (official web page)	National tourism organization (NTO)/agency (official web page)	NTO Annual marketing budget (Euro 000)
Croatia	Ministry of tourism (mint.hr)	Tourism organization of Croatia (croatia.hr)	43.052
Serbia	Ministry of trade, tourism and telecommunications (mtt.gov.rs)	Tourism organization of Serbia (srbija.travel)	3.834
Macedonia	Ministry of economy, Department of tourism and (hospitality economy.gov.mk)	Agency for promotion and support of tourism of Macedonia (tourismmacedonia.gov.mk)	1.032
Bulgaria	Ministry of tourism (tourism.government.bg)	Tourism organization of Bulgaria (bulgariatravel.org)	6.684

It should be noted that selected Balkan countries have established national tourism organizations, for example the Tourism organization of Serbia, Croatia and Bulgaria or government agencies for tourism, as exemplified by the Agency for promotion and support of tourism of Macedonia. These bodies have prepared official websites and also perform the function of promoting the tourism potential of a given country at international level. Highest annual marketing budget for promotion belongs to the National tourist association of Croatia

(a little bit more than 43 million Euro), and the lowest one belongs to the Agency for support and promotion of tourism of Macedonia (a little bit more than 1 million Euro).

One of the instruments of tourism policy is the development of strategies for tourism development. Managing the development of individual companies, industries or sectors at national, regional and destination level, for which often are produced special programs and development solutions that are called strategies (Budinoski 2009, p.22). Tourism development strategy includes system of management solutions which determine the prospects for development forms and methods of its action, the allocation of resources for the purpose of achieving certain goals. In Table 3, an overview of the Balkan countries is presented, from which we can observe that all countries have developed and adopted national strategies for the development of tourism. Tourism development strategies are usually made for a period of several years.

Table 3: Review of National tourism development strategies and types of tourism in selected Balkan countries (source: National tourism development strategies of the selected countries)

Country	National tourism development strategy	Types of tourism included in tourism development strategy
Croatia	Tourism development strategy in Republic of Croatia until 2020	Sun and sea; Nautical tourism; Business tourism; Bike tourism; Gastronomy and enology; Rural and mountain tourism; Cultural tourism; Golf tourism; Sport tourism; Ecotourism
Serbia	Tourism development strategy in Republic of Serbia 2015-2025	MICE and business tourism; City Breaks; Mountain and lake tourism; Spa and wellness; Touring; Cruise tourism; Special interest tourism; Transit tourism; Event tourism; Rural tourism
Macedonia	Tourism development strategy in Republic of Macedonia 2016–2020	Lake tourism; Urban tourism; Mountain tourism; Spa tourism; Wine tourism; National parks; Cultural tourism
Bulgaria	Strategy for sustainable development of tourism in Bulgaria 2014–2030	Sea tourism; Mountain and ski tourism; Spa and wellness tourism; Cultural tourism; Ecotourism; Wine tourism; Golf tourism; Event tourism; Hunting tourism

In all strategies presented, the mission and vision of the level and the development of tourism in the future is included. Most of the strategies are made by ministries and experts in the field of tourism as well as educational institutions and NGOs. Strategy for tourism development in Macedonia is the latest, prepared in 2016, and the strategy for tourism development of Bulgaria is the longest i.e. until 2030. Common types of tourism, through which selected Balkan countries, with its national strategies for the development of tourism, dedicate special importance are the following: spa tourism, mountain tourism, business tourism, wine tourism, urban tourism and rural tourism. Concerning tourism law, the three countries Croatia, Serbia and Macedonia share a common legal history until 1991, after that stage the countries become independent and modified its tourism law based on the own suitable model and according to the level of tourism related activities and development. It should be noted that Bulgaria was also until 1991 a socialist country with a legal system as were the other three considered countries. In Bulgaria and Serbia there are laws for tourism, and in Croatia and Macedonia the laws are connected with the tourist services or tourist activity. Namely, in Croatia and Macedonia there are additional laws related to tourism. In Croatia, there are the following laws: Law on hospitality 85/2015; Law on tourism communities and promotion of

Croatian tourism 152/2008; Law on membership fee in tourist communities 152/2008; Law on temporary residence fee 152/2008, Law on tourist inspection 19/2014, Law on tourist and other construction land unassessed in the procedure of privatization 92/2010. In Macedonia the laws are: Law on hospitality 62/2004; Law on the establishment of the Agency for promotion and support of tourism of the Republic of Macedonia 103/2008; Law on temporary residence fee 19/1996; Law on tourism development zones 141/2012; Law on Auo Camps 13/2013.

Table 4: Review of tourism law in selected Balkan countries (source: Official web pages of selected government bodies responsible for tourism)

Country	Tourism law	Content of tourism law and main chapters
Croatia	Law on tourism services. Official Gazette of the Republic of Croatia №68/2007	I Basic provisions; II Services of tourist agencies; III Services of tourist guide, tourist escort, tourist animator and a tourist representative; IV Tourist services in nautical tourism; V Tourism services in the village household or family agricultural household; VI Travel services for other types of tourist offer; VII Other tourist services; VIII Sporting-recreational and adventure services; IX Supervision; X Penal provisions; XI Transitional and final provisions (a total of 81 articles)
Serbia	Law on Tourism. Official Gazette of the Republic of Serbia №36/2009	I Basic provisions; II Planning and development of tourism; III Tourist organizations for promotion of tourism; IV Travel agencies; V Hospitality activity; VI Nautical activity; VII Hunting-tourist activity; VIII Services in tourism; IX Fees and penalties in the tourism industry; X Registers in tourism; XI Supervision; XII Penal provisions; XIII Transitional and final provisions (a total of 137 articles)
Macedonia	Law on Tourism activity. Official Gazette of the Republic of Macedonia №62/2004	I Basic provisions; II Suppliers of tourist activity; III. Conditions and manner of performing tourist activity; IV Supervision; V Penal provisions; VI Transitional and final provisions (a total of 80 articles)
Bulgaria	Law on Tourism. Official Gazette of the Republic of Bulgaria №30/2013	I Basic provisions; II State policy and bodies for tourism management; III Tourist regions; IV Tourist associations; V Tourist information centers. National network of tourist information centers; VI Financial assistance for the development of tourism; VII Tour-operating and tourist agency activities; VIII Hotel and Restaurant activities; IX Conditions and the order for the provision of spa and wellness services. Certification of medical spa, spa, wellness and thalassotherapy centers; X Electronic Document submitting; XI Issue of duplicate assurances and certificates; XII Travel guides, mountain guides and ski instructors; XIII Runways for skiing. Types. Use, maintenance and security. Travel services. XIV Beaches. Types. Use and security; XV National tourist registry. Single system for tourist information; XVI Supervision; XVII Penal provisions; XVIII Transitional and final provisions (a total of 231 articles)

Table 4 shows that in Bulgaria and Serbia there are laws on tourism, and in Croatia and Macedonia, the laws are related to tourism services and activities. The most complex is the law on tourism of Bulgaria with 18 chapters and 231 articles, while the law on tourist activity in Macedonia is the simplest, containing six chapters and 40 articles. In all the countries, in addition to the laws on tourism, there is a great number of books on rules and regulations associated with the regulation of the tourism industry. The research has shown, that the mentioned laws in all four countries from the moment of the passing until today, have undergone numerous amendments. It shows that the states care not only about adoption, but also about re-assessment of the proposed legal solutions, as well as about possible amendments to the tourist laws aiming for improvement of the regulation for the interests of all interested parties.

4. CONCLUSION

The aim of this paper was to make a review of the tourism policy and legislative in selected Balkan countries manifested through the work of the authorities, most often ministries, whose responsibilities include tourism development, establishment of national tourist organizations, development of a National strategy for tourism development and tourism law. Selected Balkan countries have adequate natural and anthropogenic resources for tourism development and follow modern trends in the international tourism market. In order, for the sustainable tourism industry in the future, it requires an effective policy and legislative to be established nowadays. The creators of tourism policy and strategies should be able to identify the tourism trends and propose adequate mechanisms aimed at development of high quality tourism products and services. The research carried out for the purposes of this paper, performed by comparative method has shown, that the selected Balkan countries have paid serious attention to the tourism activities. This conclusion is confirmed by the fact that the four countries that were the subject of the research (Croatia, Serbia, Macedonia and Bulgaria) have appropriate state institutions covering the tourism sector through its ministries and directly participating in the creation of the tourism policy and legislation. In the four countries there are National organizations that care about tourism promotion and have adopted Strategies for development of tourism that keep the pace with the modern travel needs of international tourists. The four countries have the appropriate laws and regulations related to tourism that for the purpose of the needs of the stakeholders and of improvement from the moment of their adoption have undergone numerous amendments.

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