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**TOURISM
IN FUNCTION OF DEVELOPMENT
OF THE REPUBLIC OF SERBIA**

Tourism product as a factor of competitiveness of
the Serbian economy and experiences of other countries



**THEMATIC
PROCEEDINGS
II**



**UNIVERSITY OF KRAGUJEVAC
FACULTY OF HOTEL MANAGEMENT
AND TOURISM IN VRNJAČKA BANJA**



AGRITOURISM AND RURAL DEVELOPMENT

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Abstract

The overall development of rural areas requires, among other things, the involvement of the non-agrarian sector. The multifunctionality of agriculture is evidenced, inter alia, by its conjunction with tourism and environmental protection. Rural tourism is gaining increasing importance and can contribute to the development of rural communities. This article analyses the resources available in certain areas in western Serbia engaged in tourism and rural tourism, points to factors crucial to further development, and highlights necessary actions. It evaluates the capacity development and present state of rural tourism, draws attention to basic principles of development, and stresses the necessity to cooperate with complementary sectors. Some rural localities imbued with traditions, customs and cultural and historical heritage in conjunction with rural tourism are specific types of tourist attractions (ethnic villages, houses, restaurants). It is the duty of the local community to recognise, initiate and become actively involved in development strategies and master plans to take advantage of support measures and subsidies.

Key words: rural tourism, countryside, local community.

JEL classification: Q19

Introduction

The changes in global climate and economy exert the greatest impact on rural areas. To mitigate these adverse effects, local residents should be conscious enough and sufficiently strengthened to take an active part in developing their own environment. Rural areas have long been marginalised and economically underdeveloped. Therefore, in developed countries, as well as in developing economies, poverty has been an

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increasingly common problem in rural environments. Natural resources in rural areas are often threatened by the expansion of economic development and use of technologies that cause environmental pollution, as well as by urbanisation (Đekić & Vučić, 2006). To preserve the unique natural legacy, modern society has accepted the concept of sustainable economic development. Sustainable development has been defined as the integration of economic, technological, social and cultural development harmonised with the need to protect and improve the environment, which allows present and future generations to satisfy their needs and improve the quality of life (Veljković et al., 2011).

The concept of sustainable agriculture as the primary food production activity involves harmonisation between economic (high productivity), social (improvement in living conditions) and environmental (preservation of the natural milieu) aspects of sustainability. Sustainable rural development is evidenced by the multiple functions of agriculture and its conjunction with other activities, with the range of rural economic effects considerably expanding. This form of development adds substantially both to the competitiveness of the local economy and the quality of life of local residents (Ristić, 2014).

The food and agriculture sector along with other non-agrarian activities can contribute to the sustainable development of the rural economy. Through economic diversification of the rural economy, agricultural holdings earn their income not only from farming, but also from the food industry and the activities of the tertiary or service sector (Đorđević & Milovanović, 2012).

This enables rural households to generate additional income through other farming-related activities. Importantly, this ensures subsistence for small farms which struggle to adapt to the new economic reality. Through the use of all available facilities, traditional knowledge, natural resources, cultural heritage and current technologies, rural areas can offer a more diverse range of products and services on the market (Cvijanović & Mihailović, 2016), thus developing a recognisable identity (Veljković et al., 2007). For example, Ivanjica and Dragačevo are famous for the production of potatoes (Bročić et al. 2016) and raspberries, which can serve as a tool in tourism promotion. The preservation of natural resources and cultural heritage helps create a good environment for the development of rural tourism as an important supplementary activity. Some rural areas in developed countries have made profit from exploiting

their potential such as location, natural and cultural resources, and social capital (OECD, 2006).

This study analyses the development of tourism in popular tourist destinations in western and central parts of Serbia, the potential expansion of tourism offerings, and linkage with the development of rural tourism. Official statistical data and the data provided by tourism organisations have been used for the analyses.

Integrated (sustainable) rural development

The principles of sustainable development underlie the EU policy on rural development which encompasses the following three dimensions:

- - economic (economic conditions, market and competition, profit-making),
- - social (living conditions and the standard of living), and
- - environmental (preservation of the environment and biodiversity).

In other words, this refers to balanced economic growth. Through successive reforms, the EU's Common Agricultural Policy (CAP) implements measures to preserve the natural environment and develop integrated farming. Support and subsidies in agriculture, as defined in the first pillar of the CAP under the single payment scheme (SPS), can be implemented if a farm is sustainably managed and if environmental and animal welfare standards are obeyed. The second pillar of the CAP refers solely to rural development i.e. rural economy and improvement in the quality of life in rural areas through the Leader methodology (EC, 2011).

Rural development should be regarded as a complex concept (Bogdanov, 2007), as a spatial, dynamic, multi-sectoral concept (UN, 2007). It is dominated by agriculture at its base, but attention must also be given to non-agricultural and non-economic aspects of development (Subić et al., 2009). As defined by Zakić and Stojanović, (2008, p.517), integrated rural development is a complex development of a rural area based on available natural, material, infrastructural and human resources which are managed in such a way as to preserve people and the environment. In a word, the substance of the concept of integrated rural development is not only the mere revival and reruralisation of these areas, but also the improvement of the quality of life in its totality.

Serbia's Agriculture and Rural Development Strategy (2014-2020) has set the following development goals:

1. Increase in production rate, and stability of farmers' incomes;
2. Increase in competitiveness, adaptation to domestic and foreign market demands, and technical and technological improvement of the agricultural sector;
3. Sustainable management of resources and environmental protection;
4. Improvement of the quality of life in rural areas, and poverty alleviation;
5. Effective management of public policies, and improvement of the institutional framework for agriculture and rural development.

These development goals should ensure better production and economic conditions for agricultural production, greater flexibility towards market demands, and a higher level of competitiveness on both domestic and foreign markets. The judicious use of natural resources in rural areas, along with the due consideration given to the multifunctional role of agriculture, as indicated in goals 2 and 3, contributes to sustainable rural development. Creating a more favourable living environment in rural areas provides youth with a chance to find jobs more easily through diversified rural economy. Moreover, young people are the pillars of rural development; if they continue living and working in rural areas, the prospects for more equitable regional development will be enhanced.

Rural development in Serbia

According to the Agricultural Census conducted in 2012, the Republic of Serbia has 631,552 agricultural holdings, mostly family farms. The average land use per holding is 5.4 ha (i.e. 10.9 ha in Vojvodina, 3.9 ha in Šumadija and Western Serbia, 3.6 ha in Southern and Eastern Serbia, and 4.1 ha in the Belgrade region). Of the total of 3,437,423 ha of utilised agricultural land, family holdings utilise 2,830,849 ha i.e. 82%. In the Republic of Serbia, family holdings permanently employ 1,416,349 people, and the average age of the farm holder is 59 years. In 69% of cases, farm households have 1 to 2 members. Global change, migration, depopulation, deagrarianisation of rural areas and ageing of the rural population have a negative impact on small and medium-sized family holdings which are evidently declining in numbers. In rural areas, family holdings ensure food security, provide the market with basic food products, and make a significant contribution to the preservation of natural resources at the local level. Development trends in agriculture and

rural areas are largely governed by discrepancies between structural, economic, demographic, environmental, political and cultural impacts (Veljković et al., 2010a).

Demographic trends in the Republic of Serbia have been increasingly unfavourable. The 2011 Census of Population data show a 4.15% decline in total population and a 10.9% decline in rural population. These decreasing tendencies have been caused by negative natural population growth, as well as by young people leaving rural areas in search of a better life or moving abroad. Only Šumadija and Western Serbia have more people living in rural areas (52.6%) than in urban regions (Mitrović, 2015). Small agricultural households are highly heterogeneous, with three types generally prevailing:

1. Poor agricultural households, which are mostly elderly or single-person households, or households engaged in agriculture at a mere subsistence level.
2. Migrants returning from cities to the countryside, with pensioner households prevailing over young families and showing interest in alternative activities at their holdings.
3. Rural residents deriving their income from off-farm employment, either solely i.e. without any farming activities or jointly with farming as their supplementary activity.

Over time, elderly households gradually cease to exist, whereas prospects for the other types of households in rural areas lie in their involvement in innovative product and service offerings and adaptation to market demands. Non-farming activities in rural regions are gaining increasing importance, but agriculture has traditionally been the most dominant activity in the rural economy. Jointly with the non-agrarian sector such as, inter alia, trade and tourism (Veljković & Ševarlić, 2010b), agriculture can significantly help improve economic conditions, develop the local economy and enhance the quality of life for the local population.

The diversification of activities entails agricultural restructuring as implemented through the following: specialised farms engaged in sustainable production practices; building food processing plants, packaging and distribution plants for final food products, and storage and well-organised sale facilities; alternative types of farming (production of mushrooms, and medicinal and aromatic plants; beekeeping; aquaculture; etc.); development of crafts; use of renewable sources of energy; capacity building for the services sector; development of rural tourism and

agritourism;improved organisational performance of individuals and stakeholders,and promoting their better interaction.

Tourism and rural tourism

The benefits of tourism to the national economy are multiple; the development of tourism can stimulate investments and increase employment opportunities. According to WTTC data, every eleventh resident works in tourism, and every third service rendered comes from the tourism sector. As often underlined in the related literature, the development of tourism has a multiplier effect, especially on the local economy (Unković & Zečević, 2006). However, under an ineffective tourism policy, unless there is adequate national infrastructure (transport, accommodation, food etc.), revenues arising from tourism will not stay in Serbia - more precisely, they will leak away to foreign companies which have invested in Serbia's tourism. Based on the data (WTTC, 2015) for Serbia, the direct contribution of Travel & Tourism to GDP in 2014 was RSD78.5bn (2.1% of GDP), Travel & Tourism generated 35,000 jobs directly in 2014 (2.6% of total employment). As shown by the official national statistics data (Statistical Office of the Republic of Serbia), food and accommodation services accounted for 1.06% of GDP in 2014.

The effect of tourism on the national economy is primarily seen through the country's balance of payments. Indisputably, tourism is an important source of foreign exchange earnings; therefore, its development is favoured and stimulated. The tourism balance of payments can be defined as part of the country's balance of payments, with assets including all the income generated by foreign tourists – invisible exports, and liabilities including all travel expenditures by domestic travellers—invisible imports (Dobre, 2005). Data on tourism revenues in Serbia obtained from the National Bank of Serbia (NBS) are presented in Table 1.

Table 1: *The contribution of tourism to the balance of payments of Serbia, 2007-2016 (in million euros)*

tourism	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Export	630	640	617	605	710	719	792	863	945	1040
Import	759	845	686	724	791	805	841	889	993	1085
BOP	-129	-205	-69	-119	-81	-86	-49	-26	-48	-45

Source: *Balance of payments, National Bank of Serbia (NBS)*

The data show a decrease in the negative balance of payments in tourism, and a tendency for tourism to develop in Serbia. The official data provided by the Statistical Office of the Republic of Serbia on tourist arrivals and overnight stays have been analysed. These data refer to official number of registered tourists, while it is assumed that there were unregistered tourists as well.

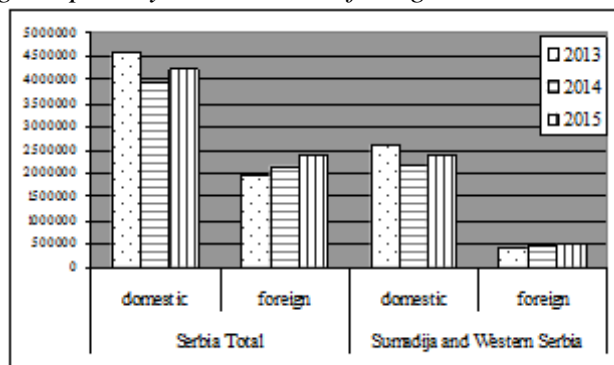
Table 2: *Tourist arrivals and overnight stays in Serbia, 2013-2014*

Region	Arrivals			Nights		
	2013	2014	2015	2013	2014	2015
Republic of Serbia	2192435	2192268	2437165	6567460	6086275	66641852
Šumadija W.Serbia	791545	737507	854448	3042876	2625382	2904523

Source: *Statistical Office of the Republic of Serbia*

As shown by the data reported by the RBS and the national Tourism Development Strategy 2016-2020, there was a significant increase in the number of foreign tourists during 2007-2015, with the number of arrivals increasing by 61.5% and the number of overnight stays increasing by 61.2%. Total arrivals and overnight stays in Serbia show a tendency to increase relative to the 2010 data, by 122% and 104%, respectively. Šumadija and Western Serbia account for 48.2% and 43.7% of total overnight stays in Serbia in 2013 and 2015, respectively (Table 2). The number of registered overnight stays in households engaged in rural tourism in Serbia in 2015 was 4,910 i.e. only 0.07% of total overnight stays in Serbia.

Figure 1: *Nights spent by domestic and foreign tourists in Serbia*



Source: *Statistical Office of the Republic of Serbia*

The ratio of the number of nights spent by foreign tourists to that of domestic tourists is presented in Graph 1. As shown, the number of overnight stays by foreign tourists is on the rise, both in Serbia, and in Šumadija and Western Serbia.

Based on the analysis of tourism in Šumadija and Western Serbia, the following popular tourist destinations of importance in these regions have been singled out:

- Mountain resorts: Zlatibor, Kopaonik, Tara, Mokra Gora, Zlatar, Divčibare, Rudnik, Rajac, Goč, Ivanjica, etc.
- Famous curativespas visited by an increasing number of (domestic and foreign) tourists: Vrnjačka Banja, Gornja Trepča, Banja Vrujci, Ribarska Banja etc.
- Large towns increasingly offering not only urban and business tourism, but also rural tourism e.g. villages in the regions of Gornji Milanovac, Topola, Knić, Valjevo, Mionica, Aleksandrovac, Raška, Ivanjica, Lučani, Čajetina, etc.

This area hosts enjoyable tourist attractions such as Drvengrad and Šarganska Osmica (Šargan's Eight), Sirogojno, Zlakusa, Potpečka Cave, Oplenac. Moreover, event tourism is attracting special interest tourists to visit the Guča Trumpet Festival, Rajac Scythe Festival, Pršutijada (Smoked Ham Festival), Kupusijada (Cabbage Festival) and other events, village fairs etc. Being the centre of this part of Serbia, Kragujevac has the largest number of arrivals and overnight stays registered, followed by other towns, as listed in Table 3.

Table 3: *Tourist arrivals and overnight stays in some towns in Šumadija and Western Serbia*

Town	Arrivals			Nights		
	2013	2014	2015	2013	2014	2015
Kragujevac	32114	33620	39187	82500	66371	76239
Kruševac	18357	14230	13131	39783	32154	29656
Kraljevo	11772	12651	13490	20229	21586	21987
Valjevo	12891	9997	12444	28020	17962	18593
Požega	8430	10501	9499	12673	16937	14477
Čačak	4977	5116	7889	8227	8424	13792

Source: *Statistical Office of the Republic of Serbia*

Table 4: *Tourist arrivals and overnight stays in major spas in Šumadija and Western Serbia*

Spa	Arrivals			Nights		
	2013	2014	2015	2013	2014	2015
Vrnjačka Banja	156240	146756	175153	594804	497893	562862
Gornja Trepča	9814	9913	9718	104300	103674	102039
Ribarska Banja	7703	7419	7538	53018	53042	50282
Banja Vrujci	9202	7688	9656	39513	29491	39311

Source: *Statistical Office of the Republic of Serbia*

Similarly to Mts. Zlatibor and Kopaonik, Vrnjačka Banja Spa is a well-developed tourist destination unique in Serbia, with the largest and increasing number of overnight stays and arrivals registered. Among spas, Gornja Trepča is a place of interest, given its considerably expanded facilities and important health tourism potential (Table 4). Mountain and winter tourism offering diverse activities is highly developed in the mountains indicated in Table 5, which feature extraordinary landscapes and a vast expanse of the natural beauty of Serbia's uplands and highlands. All these tourist destinations have the potential to develop rural tourism, which has already been initiated in some places, thus making a significant contribution to the diversity of tourist offerings.

Table 5: *Tourist arrivals and overnight stays in major mountain destinations in Šumadija and Western Serbia*

Destination	Arrivals			Nights		
	2013	2014	2015	2013	2014	2015
Zlatibor	114976	111963	148372	455759	426831	556751
Kopaonik	80375	72433	102198	341299	323133	427383
Tara	57874	52672	59236	226935	206654	221467
Divčibare	23479	16881	23128	101766	71030	99793
Goč	8031	6985	7606	49241	39368	44459
Rudnik	7214	3684	4417	47117	23293	29662
Ivanjica	14250	10140	6711	71757	42616	35127
Zlatar	6981	7369	9568	16388	21187	27541
Mokra Gora	14002	17608	13508	28412	36958	26041
Rajac	4219	2266	4122	14356	8473	11686

Source: *Statistical Office of the Republic of Serbia*

In modern tourism trends, increasing attention is given to rural destinations which offer a variety of tourism activities. The development of rural tourism is an important part not only of tourism development, but

also of the integrated sustainable development of villages in particular and the rural region in general (Čomić, 2002; Cvijanović et al., 2011). With the number of tourist arrivals and overnight stays steadily increasing and accommodation facilities fully booked, revenues are achieved and the rate of employment is increased.

The main goals of tourism development (Serbia's Tourism Development Strategy, 2016-2020) include the following:

- Improving the quality of tourism supply and setting business standards (along with the identification of tourist destinations, attractiveness of tourism offerings, availability of tourist sites, development of related infrastructure, and human resources training)
- Positioning a tourist region on domestic and international markets, with particular emphasis on the authenticity of tourism products (using a unique marketing strategy and marketing mix instruments coupled with promotion on the Internet and through mobile applications)
- Sustainable economic development of tourist destinations (through collaboration and coordination among competent tourism-related institutions at all levels, local community involvement, initiatives and innovation in tourism, preservation of natural and cultural resources, and establishment of a management system).

The economic sustainability of tourism development requires local community involvement and strengthening of the institutional framework through partnership and common interests under the bottom-up approach (Vasiljević & Subić, 2008).

Rural tourism and agritourism

Various definitions of rural tourism are found in literature (Wikipedia). Essentially, **rural tourism** is a wider term, referring to any tourist activity practised in a rural region such as winter tourism, ecotourism, sports tourism, hunting tourism, fishing tourism, cultural tourism, countryside tourism, etc. Motives for countryside tourism generally include the natural environment, historical and cultural heritage, gastronomy and cuisine, climbing and other sports activities, wine tourism, instruction etc. The term **agritourism** is narrower than the term 'rural tourism' and wider than 'tourism'. At the agricultural household level, agritourism is associated with the village setting, farming and local craftsmanship. It can refer to staying in the countryside and participating in farming, on-site

farm labour, customs and lifestyle. Some authors use the term ‘farm tourism’ as part of agritourism (Popesku, 2002; Popesku CenORT, 2011).

The rural tourism trend has been on the rise, particularly in developed countries, showing a steady increase in the last 15-20 years (WTTC). Rural tourism makes a connection between agribusiness and tourism, with economic development viewed as a factor in ecological preservation. The most common reasons that drive tourists to visit rural areas are unspoiled nature, magnificent landscapes, clean air, safe drinking water, and an unpolluted environment. Rural tourism is beneficial to local residents who can develop their food production, food industry, trade and craftsmanship activities for the needs of tourism. The potential for the development of countryside (rural) tourism in Serbia has been underexploited. Folk traditions, customs, handicrafts and traditional crafts have been cherished in rural areas. There are cultural and historical sights in many villages, where traditional events regularly take place. The number of domestic and foreign visitors interested in spending weekends or short vacations out of town i.e. in the countryside is consistently increasing, as is the number of foreign visitors who want to learn about the culture of different parts of Serbia and enjoy traditional specialty foods, dishes and drinks.

Official data on households engaged in rural tourism have been provided by the Republic Bureau of Statistics in its Statistical Yearbook since 2014. Table 6 presents data on tourist overnight stays in rural tourism-oriented households in spa resorts, mountain villages and other tourist places. The number of overnight stays registered was almost 10 times higher in 2015, and there was a significant increase in the number of nights spent by foreign visitors. Accommodation facilities in households engaged in rural tourism have also significantly increased, including 383 rooms and 997 beds in 2015, as shown in Table 7.

Table 6: *Number of tourist overnight stays in households engaged in rural tourism by type of tourist destination*

Households engaged in rural tourism	Total	Spa resorts	Mountain villages	Other tourist destinations	Other destinations
Year	2014				
Tourists, total	502	-	-	26	476
Foreign tourists	43	-	-	20	23
Year	2015				

Tourists, total	4910	791	400	1876	1843
Foreign tourists	708	119	3	331	255

Source: *Statistical Office of the Republic of Serbia*

Table 7: *Accommodation (rooms and beds) in rural households in Serbia*

Households engaged in rural tourism	Total	Spa resorts	Mountain villages	Other tourist destinations	Other destinations
Rooms					
2014	109	98	-	5	6
2015	383	98	92	141	52
Beds					
2014	344	304	-	25	15
2015	997	304	227	319	147

Source: *Statistical Office of the Republic of Serbia*

Table 8: *Tourist arrivals and overnight stays in households engaged in rural tourism classified according to their star ratings*

House-holds engaged in rural tourism	Arrivals				Nights			
	2014		2015		2014		2015	
	Total	Foreign	Total	Foreign	Total	Foreign	Total	Foreign
Σ	164	17	1523	195	502	43	4910	708
4*	5	5	72	8	20	20	323	40
3*	94	-	746	117	350	-	2693	382
2*	6	12	575	31	6	-	1585	133
1*	59	-	130	39	126	23	309	153

Source: *Statistical Office of the Republic of Serbia*

The number of foreign tourists in rural tourism has also increased, as evidenced by the number of nights in Table 8. Accommodation facilities provided by rural tourism-oriented households have been rated since 2012 and officially statistically recorded since 2014. As reported, the number of nights was highest in 2- and 3-star facilities in 2015 (Table 8).

The analysis of the official data on rural tourism practices in Western and Central Serbia obtained from the Tourism Organisation of Serbia provides information on tourism-oriented villages and their registered households engaged in rural tourism (TOS, 2017).

Moravica District

According to the Gornji Milanovac Tourism Organisation data, households engaged in rural tourism have been registered in the villages of Trudelj, Rudnik, Dragolj, Mutanj, Majdan, Grabovica, Jablanica, Belo Polje, Donja, Crnuća Vračevšnica, Klatičevo, Velereč, Ozrem, Lozanj, Koštunići, Gojna Gora, Leušići, Brđani, Drenova, Semedraž, Bogdanica and Gornji Branetići.

These regions have a number of tourist attractions, such as Takovski Kraj (Takovo Region), Ostrovica, Suvobor, Rajac, Savinac picnic grounds, Koštunići Ethnic Village, Vračevšnica Monastery.

The Ivanjica Tourism Organisation promotes rural tourism in the villages of Komadine, Kumanica, Katići, Kušići, Rašići, Lisa and Marina Reka. Rural tourism in the Lučani Tourism Organisation is practised in the villages of Gornja Kravarica, Guča and Grab.

The Moravica District nurtures the Ovčar-Kablar Gorge, a Category 1 Outstanding Landscape area, featuring unique natural beauty and 10 monasteries referred to as Serbia's Holy Mountain.

Šumadija Region

In the Kragujevac Tourism Organisation covering a major part of Šumadija, rural tourism has been developed in the villages of Stragari, Vlakča, Veliki Šenj, Mala Vrbica, Kutlovo, Drača, Dragobraća, Grošnica, Velike Pčelice, Gornja Sabanta, Petrovac and Novi Milanovac.

Rural tourism in the Knić Tourism Organisation has been undertaken in the villages of Žunje, Čestin and Guberevac. In the Topola Tourism Organisation, the villages of Topola, Lipovac, Vinča and Ovsšte engage in rural tourism.

Šumadija is a site of well-known wineries, such as Kraljeva (Royal) Winery, Aleksandrović Winery and Art Winery. Famous tourist places of interest include monasteries originating from the 13th, 14th and 15th centuries, Oplenac, St. George's Church, Borački Rock, Knić Lake, etc.

Rasina Region

In some parts of Central Serbia, rural tourism is a poorly developed industry and, hence, the countryside vacation supply is limited, as follows: Aleksandrovac Tourism Organisation – Latkovac Village; Brus Tourism

Organisation – Kriva Reka Village; Trstenik Tourism Organisation – Brezovica Village; and Kruševac Tourism Organisation – Bela Voda Village.

Raška Region

In western parts of Serbia, rural tourism is much more developed, as shown by data. The Kraljevo Tourism Organisation offers rural tourism in the villages of Gledić, Bogutovac, Lopatnica and Rudno. Well-known tourist destinations in this region are Žiča Monastery, Studenica Monastery, Bogutovac Spa, Rudno Biosphere Reserve, Maglič medieval fortress, etc.

Zlatibor Region

Zlatibor Tourism Organisation –Šljivovica, Tripkova, Mušvete and Rožanstvo villages. Užice Tourism Organisation –Zlakusa, Kačer, Kremna and Tara villages. Kosjerić Tourism Organisation –Mionica, Skakavci, Rosići, Stojići and Mušići villages. Požega Tourism Organisation – the village of Tometno Polje. Arilje Tourism Organisation –Visoka, Mirosaljci and Bogojevići villages.

Kolubara Region

The Ljig Tourism Organisation provides rural tourism offerings in the villages of Veliševac and Slavkovica. Valjevo Tourism Organisation – the villages of Petnica, Popučke, Lelić, Struganik and Zarube. Tourist places of interest include Tršić Museums, Tronoša Monastery, numerous historical monuments originating from World War I, Cer, Gučevo, Mačkov Kamen, Tekeriš, etc.

Table 9: *Households engaged in rural tourism and accommodation across municipalities*

Municip.	Gornji Milanovac	Čačak	Ivanjica	Lučani (Dragačevo)	Kraljevo	Raška
Facilities	95	4	13	12	3	2
Beds	630	17	147	88	30	6

Source: *Data provided by Tourism Organisations of the municipalities indicated in the Table.*

In this part of Western Serbia, especially in Moravica and Raška regions, the most numerous registered households engaged in rural tourism are located in the Municipality of Gornji Milanovac (Table 9). The data provided by Gornji Milanovac, Čačak, Dragačevo (Lučani), Ivanjica,

Kraljevo and Raška Tourism Organisations refer to accommodation facilities in 2016-2017. Noteworthy, these data show seasonal variations.

Forms of rural tourism offered to tourists generally include:

- Rural experience – enjoying everyday rural life;
- Agritourism – observing and taking part in farm labour;
- Ecotourism – supporting landscape and biodiversity protection;
- Recreational tourism – engaging in hunting, fishing, climbing, hiking, cycling, etc.
- Ethnic tourism – learning about culture, history and archaeology, visiting events and festivals, and enjoying cuisine.

Apart from significantly contributing to the preservation of nature and cultural heritage, rural tourism adds economic value and creates benefits conducive to the survival and development of the countryside. Rural tourism is undertaken by households which offer food and accommodation services to tourists in ethnic-style facilities and detached houses with a maximum capacity of 30 beds. These households prepare food and beverages mostly from their own production. Rural tourism supply includes tasting and preparation of traditional dishes and drinks; instruction-oriented tours of rural regions to learn about their heritage, lifestyle, history and culture, organised either by the host or by the guide; hiking trips and different types of recreational tourism; picking medicinal plants and harvesting crops; participation in some on-site farming activities; different types of instruction and training, etc. Apart from offering tourism-related services, rural households can sell their products on their own farms, such as honey, pickled vegetables, fruit preserves, jams, juices, wine, brandy, milk and meat products, handicraft items and souvenirs.

The rural tourism potential of the studied area has been developed through good collaboration between tourism organisations and households engaged in rural tourism, permanent training and continuous improvement. Some villages providing well-developed tourism-related services are good examples of this type of tourism. Driven by the initiative to expand their business, rural householders have invested in their detached houses, villas, outbuildings, log cabins, ethnic houses, etc. However, due to the inability to achieve the continuity of business operations for lack of guests, most tourist facilities are operational only during the season or during tourist visits. Other constraints to rural tourism development include: lack of necessary infrastructure, lack of

investment funds, poor demographic conditions in the countryside, under-skilled workers, lack of organisation, competent authorities' failure to recognise common interests at all levels, etc.

Rural development and tourism support models involve interconnection and partnership among stakeholders at the local level and involvement of the public sector and competent Ministries to establish institutional mechanisms and facilitate the submission of applications for IPA grants and other types of funding and support. Eventually, the local level will have to take its share of responsibility for its own development. The Leader rural development method provides support for local bottom-up initiatives. As prescribed by the Leader methodology, a local action group (LAG) is responsible for funding, fundraising, and managing and implementing approved project proposals; moreover, LAGs must have the authorisation and social standing necessary for the purpose. To this end, local stakeholders, privately-owned rural holdings, associations, cooperatives, small enterprises, processing plants, craftsmen and individuals should be activated and involved in LAGs. Stimulating initiative in local actors helps the local community become the main agent initiating the improvement of living conditions and preservation of natural resources in rural regions, as well as an important contributor to the development of rural tourism.

Conclusion

Tourism is a complex activity able to set the wider economy in motion in rural regions; therefore, through economic development measures, the local community should plan and organise rural tourism development. Through cultural and traditional events in rural tourism and involvement of local residents, the attractiveness of some rural areas can be increased. Total revenue generated by households engaged in rural tourism is low; but in local terms, this makes an important contribution to the development of economy and, where possible, tourism. The natural environment is the greatest resource for tourism development. Agriculture is the largest utiliser of natural resources, and has the capacity to influence the appearance of the rural setting. Rural tourism development will provide effective mechanisms of environmental protection, and facilitate the recognition and sustainable management of economic and environmental benefits by the local community.

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