

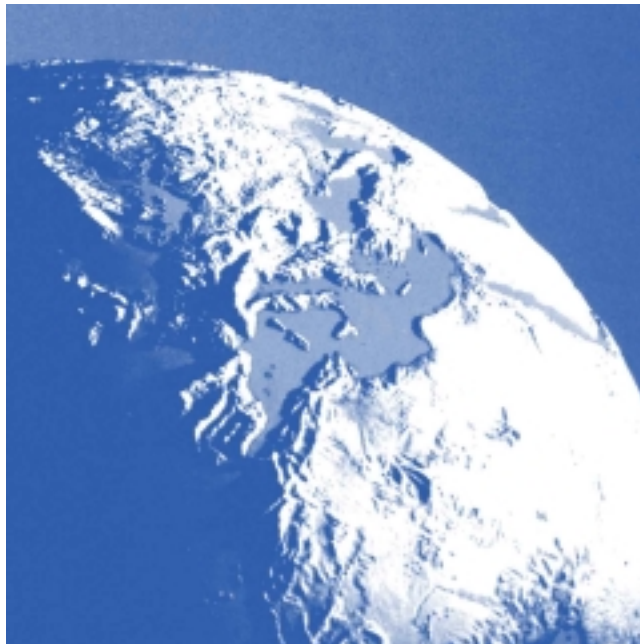


« Livre blanc »
Tourisme et développement durable en Méditerranée

« White paper »
Tourism and sustainable development in the Mediterranean region

Réunion d'experts / Experts' Meeting

Sophia Antipolis, 25-26/02/2002



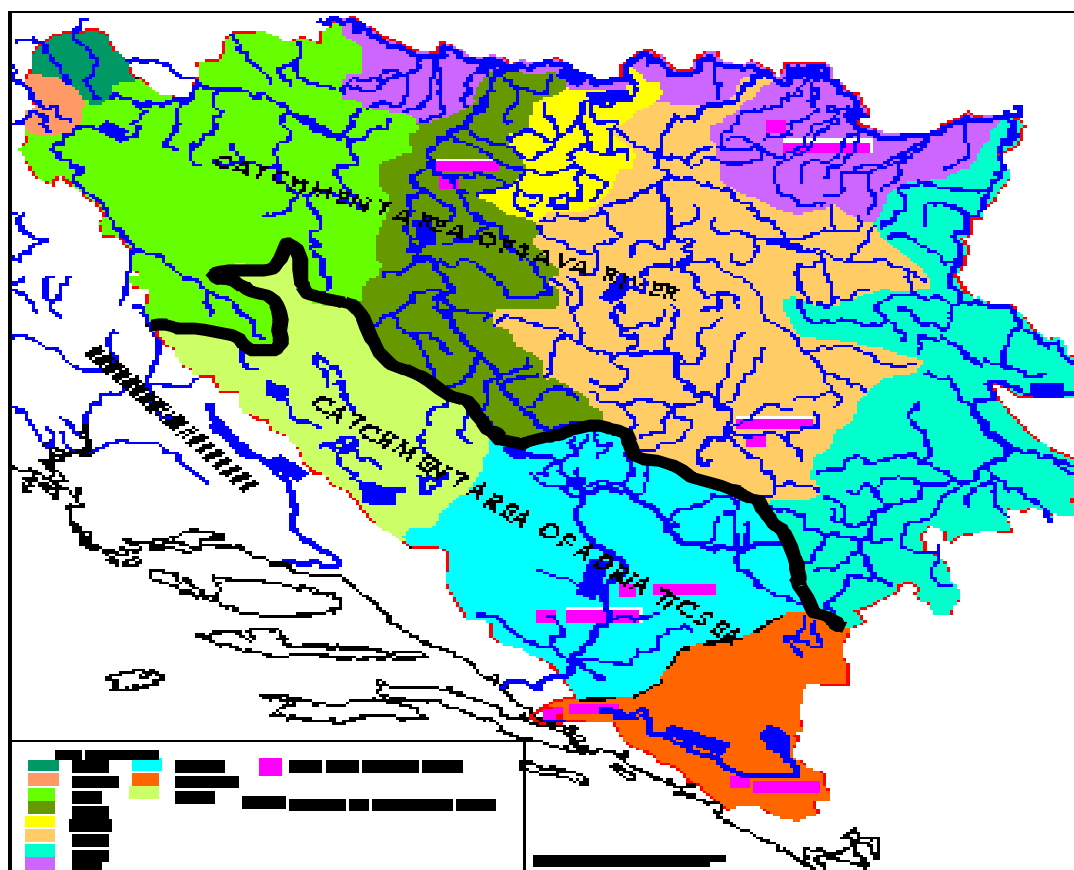
BOSNIE-HERZEGOVINE

Plan Bleu
Centre d'activités régionales

BOSNIA-HERZEGOVINA

Blue Plan
Regional Activity Centre

TOURISM AND SUSTAINABLE DEVELOPMENT IN THE MEDITERRANEAN REGION



Prepared by
Mediterranean Action Plan Office for B&H
Bosnia and Herzegovina

February 2002

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INTRODUCTION

About Bosnia and Herzegovina

Geographic location: Bosnia and Herzegovina (BiH) is in the west of the Balkan Peninsula. To the North, west and south it borders Croatia, and to the east the Federal Republic of Yugoslavia.

Surface of BiH: 51.197 km², of which the Federation BiH 25.989 km² and the RS 25.208 km².

Capital City: Sarajevo.

Population: 3,724.582 (1999 estimated)

Administrative division: BiH is made up of two entities and a district: the Federation of Bosnia and Herzegovina (F BiH), the Republika Srpska (RS) and Brcko District. The F BiH is administratively sub-divided into ten cantons: (Bosna-Podrinje, Herzegovina-Neretva, Sarajevo, Herzeg- Bosnia, Central Bosnia, Tuzla, Una-Sana, Zenica-Doboj, Posavina and West Herzegovina.

Official languages: Bosnian, Croatian, Serbian

Short overview: In 1991, BiH was one of the six republics of the Federal Republic of Yugoslavia. Its population was 4,377.033. GDP (1990) in BiH was 2,429 USD per capita. In April 1992., Bosnia and Herzegovina was internationally recognised as an independent country and became a member of the United Nations.

War broke out in 1992. It ended with the signing of the Dayton Peace Agreement on December 14, 1995. The agreement has eleven annexes and 102 maps showing the borders. The Peace Agreement established BiH as a country of two entities, each with a high level of autonomy. The Agreement also established the Constitution of BiH and the Office of the High Representative (OHR). The High Representative is charged with supervising implementation of the civilian part of the Peace Agreement on behalf of the international community.

Legislative power at the state level is vested in a bicameral parliament, the 42 member House of representatives and the 15 member House of Peoples. Two-thirds of representatives are elected from the F BiH and one-third from the RS. The head of the state is a three-member Presidency, one member from each constituent people. The central government is the Council of Ministers. The highest judicial authority is the Constitutional Court of BiH.

The F BiH has its own president, bicameral parliament and government. Each of its ten cantons has its own institutions. The RS is a unitary entity with an assembly and a directly elected president.

1. Making tourism a force for economic development in the Mediterranean region

2.1. Maintaining the Mediterranean regions position in the world or the flows of international tourism

Observations

Tourism in Mediterranean region of B&H has significant natural potentials and it gives the possibility for solving of existential problems of local population through their employment in this sector. Concerning the administrative division of Mediterranean Region between two entities and cantons in F B&H, and still weak co-operation between them, tourism is currently carried out mostly on local level. At present there are no significant actions on strengthening of this sector.

Administratively, Mediterranean area of B&H is composed of three Cantons from F B&H (West Herzegovina, Herzegovina-Neretva and Herzeg-Bosnia) and from East Herzegovina - part of Southern Republic Srpska. There are 21 municipalities in the Adriatic Sea basin : Neretva River Basin (Konjic, Jablanica, Prozor, Mostar, Siroki Brijeg, Posusje, Citluk, Nevesinje, Ljubuski, Stolac, Capljina, Grude), Trebisnjica River Basin (Ljubinje, Gacko, Bileca, Trebinje), Cetina River Basin (Bosansko Grahovo, Glamoc, Tomislavgrad, Kupres, Livno).

Neum is the only one municipality having direct outlet to the coastline and it covers 208 km², placed in Malostonski and Neum bay. After the island Hvar in Croatia, Neum has largest number of sunny days on Southern Adriatic. Neum is 66 km far from Dubrovnik (Croatia), from Međugorje 60 km, from Ston 25 km, from Neretva river delta 18 km, from Mostar 75 km and island Korčula (Croatia) 90 km.

In 1990. total number of tourist arrivals in B&H was 1.478.000, out of which 321.000 were foreigners. Total number of overnight stays was 3.794.000, out of which 776.000 were foreigners.

Total number of foreign tourist visits in 1999. was 146.992. Most of them came from SR Yugoslavia (49.005), then Croatia (24.321), Slovenia (8.535), Germany (7.811), Italy (6.739), USA (7.624), Austria (3.012).

Federation B&H had 88.790 visits, and Republic Srpska 58.208.

Number of overnight stays of foreign tourists in B&H in 1999. was 345.566, out of which in Federation B&H 214.269, and in Republic Srpska 131.297.¹

¹ Statistical bulletin No 1, Agency for statistics of Bosnia and Herzegovina, 2000

Number of tourists per km of coastline²

	Number of tourists per km of coastline	No. of tourists in coastal area	Coastline	Foreign tourist
Years	No./km	No.	km	No.
1971	0,5	14.000	27	7.000
1981	1,5	40.000	27	13.000
1987	2,6	71.000	27	23.000
1988	3,3	90.000	27	26.000
1989	3,4	91.000	27	23.000
1990	2,9	79.000	27	20.000
1991	1,6	42.000	27	1.000
1998	0,9	23.000	27	11.000

Place: Municipality Neum-Coastline (27 km)



Foreign tourists and overnight stays in F B&H:³

Year	Number of tourists	Overnight stays
1997	76.318	211.873
1998	89.771	230.957
1999	88.756	214.234

² Statistical Yearbook 1993-1998

³ Federation of B&H in figures, Federal office of statistics, Sarajevo 2000.

Number of foreign tourists 1990 and 1999. in B&H:

Year	Number of tourists arrivals		Number of overnight stays	
	Total	Foreign	Total	Foreign
1990. ⁴	1.478.000	321.000	3.794.000	776.000
1999. ⁵	367.800	147.000	948.300	345.500

Coastal area - Neum city:

Year	Number of tourists arrivals		Number of overnight stays	
	Total	Foreign	Total	Foreign
1990. ⁴	78.800	19.700	467.000	106.000
1998.	23.000	11.000	n.a.	n.a.

In 1999. comparing to 1990., number of overnight stays of foreign tourists in B&H is decreased for 55%. In coastal area decrease for the same period was 45%.

Major problems

At this moment it is impossible to discuss tourism as an economic category.

Main tourists are SFOR soldiers, representatives of international organizations and institutions etc. "Common" tourists are rare (besides Medugorje and Neum). One of the main reasons for this situation is the security factor.

In the past period tourist destinations, which were destroyed or damaged and during the last few years started reconstruction and rehabilitation of the capacities.

The same situation is with traffic infrastructure, airports etc.

Possible answers or steps to take

There is space for balanced development of summer and winter tourism. As B&H has natural preconditions for this, adequate development policy in this area is needed.

In order to develop tourism, B&H must have a similar concept as in other countries, i.e. a model based on construction of tourist capacities in attractive locations, service quality that can meet high standards of tourists, adequate prices for services and qualified employees.

For example: If within a 5-year period B&H build and reconstruct 1000 pensions with a capacity of 5-30 beds and if the average number is 15 with 3 employees, tourist capacity would be increased for 15000 beds.

With only 30% of use ($15.000 \times 365 : 100$), it means that the number of overnight stays would be 1.642.500.

With an average price of 20 Euro, income would be 32.850.000 Euro.

⁴ Statistics year book of Yugoslavia, 1991

⁵ Statistical bulletin No 1, Agency for statistics of Bosnia and Herzegovina, 2000

With percentage of foreign tourists of 60% and their 40% spending for accommodation income of their visits would be 49.275.000 Euro.

Problems seldom if ever tackled

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Main players

Strong sectorial police form the entities Ministries (Ministry of trade). Understanding tourism as an important export good, B&H can achieve at least neighboring countries development within the short-time period.

“Executive” actors are tourist agencies and tourist associations.

2.2. A right to develop and an evolution to be controlled or flows of domestic tourism.

Observations

Comparing to 1990., in 1998. and 1999., approx. 80% is less domestic tourists in whole B&H as in coastal area

Domestic tourists and overnights in FB&H:⁶

Year	Number of domestic tourists	Number of overnight stays
1997	84.017	202.909
1998	98.906	221.806
1999	110.545	260.093

Number of domestic tourists in 1990 and 1999. in B&H:

Year	Number of comings		Number of overnight stays	
	Total	Domestic	Total	Domestic
1990. ⁷	1.478.000	1.158.000	3.794.000	3.018.000
1999. ⁸	367.800	220.800	948.300	602.600

Coastal area - Neum city:

Year	Number of comings		Number of overnight stays	
	Total	Domestic	Total	Domestic
1990. ⁷	78.800	59.100	467.000	361.000
1998.	23.000	12.000	n.a.	n.a.

⁶ Federation of B&H in figures, Federal office of statistics, Sarajevo 2000.

⁷ Statistics year book of Yugoslavia, 1991

⁸ Statistical bulletin No 1, Agency for statistics of Bosnia and Herzegovina, 2000

Major problems

During the period 1992. -1995. tourist destinations were destroyed and devastated. Additionally, unfavorable economic situation contributed to decrease of domestic tourists visits. High rate of unemployment as low living standard causes present situation.

Domestic tourists usually use camps or private accommodation as cheaper to the hotels.

Mountain and country tourism is neglected because infrastructure is very poor (traffic, sanitary etc.).

Possible answers or steps to take

Above general steps to be taken as:

To analyze current tourist offer, modes for modernization,

- To educate employees,

To construct and modernize traffic infrastructure,

- Plans for construction of tourist settlements on attractive locations.

Domestic tourist can be attracted with lower prices, credit base payment provided by tour operators.

Fact that domestic tourist is more attracted to the foreign countries (mainly Croatia and Turkey) visits, for which tours operators offer better conditions, shows there is enough space to attract him to the in country destinations.

Problems seldom if ever tackled

Aid to developing social tourism (which includes the underprivileged segments of the population and / or the handicapped which is majority after the war in B&H) is rarely a priority whereas the principle of equity included in the philosophy of sustainable development ought to be at least a significant.

Main players

The main players in domestic tourism include the population residing in the country, tourist association, tourist agency, tour operators and people living in tourist destinations, that can be stimulated to have interest in development of domestic tourism.

2.3. Improving and perpetuating the economic importance of tourism or the flows of international tourism receipts

Observation

In 1991. total GDP was 14.207 million US\$, out of which tourism had 365 million US\$, i.e. 2,57%.

According to GDP in tourism in 2000 income was 54,6 million US\$ (48,75 million EURO), and up to 2005, planed to be 80 million US\$ (71,43 million EURO). Divided according to the ownership it was 30,29 million KM (15,5 million EURO) in state owned companies; 14,54 million KM (7,46 mil. EURO) in private companies; a 24,05 million KM (12,3 million EURO) in partly privatized.

Tourism income in F B&H:

	In EURO		
	1998	1999	2000
Total	1.980.000	19.060.000	18.914.000
overnight stays	1.618.000	15.713.000	16.067.000
other	362.000	3.347.000	2.847.000

Out of 36,9 million DEM (18.9 million EURO) of tourism income in 2000., 60% was in Međugorje (Mediterranean region).

Comparing to GDP, 0.07% out of GDP in 1998., 0.60% out GDP in 1999., 0.55% out of GDP in 2000.⁹ Percentage that goes on foreign tourists income are not available.

Within the export of goods and services, tourism income in percentage in 1997. was 0.05%, 1998. 3.17% and in 1999. 1.89%.⁹ Data on international tourism participation are not available.

Before the war Neum (coastal zone) with 5000 beds, had 600 000 overnight stays. At present there is 3000 beds less, but as quality was increased, their plan 200 000 overnight stays.

Foreign tourists are planed with 50% capacity.

Having in mind, that average price for breakfast and bed/day is 20 Euro/person in July and August, planed income is 4.000.000 Euro.

Major problems

- Low service level, organization and reception of tourists;
- Inadequate qualification structure of employees
- Other interesting locations as mountains, lakes, river valleys, historical sites etc., are mainly neglected as potentially interest for tourism development;
- There is no adequate presentation of B&H tourist offer on international tourist market;

⁹Sources: data about GDP and export are from Government of Federation of Bosnia and Herzegovina

- Security factor increase

Possible answers or steps to take

Overall analyze of tourist needs and means and action to be taken to meet their needs is one of the main preconditions to improve current situation and to define strategy of tourism development.

More specific that means following:

1. Program for accelerated development of international tourist offer.
2. Valorisation program focused on:
 - Improvement of service quality, reception and various offer to the tourists;
 - Improvement of funds for tourism development;
 - Improvement of staff qualification;
 - Valorization of tourist resources;
 - Security measure defining;
 - Tourist association should have harmonized approach toward improvement of tourism, instead highly local.

Problems seldom if ever tackled

To start with organized campaign on international market. To offer foreign tourists not only one destination in the package, but to animate them to have various activities during his holiday time.

Main Players

Authorities (government on different level and different ministries) that must change there form case-to-case approach. Organized presentation on the European and world market is the only way to change situation on better. One have in mind, according to the European countries experiences, that tourism is one of the most important and profitable export good. Tourist companies and associations, tour operators, the media must jointly act on the international market.

2.4. Developing the accommodation capacity, a condition for increased tourism, or challenge of controlling the rate of the phenomenon

Observation

In 1991. most of the accommodation capacities (mainly B and C category) were relatively good base for future development.

Their structure was:

Type	Number	Room number	Bed number
Hotels	245	12.580	22.979
Motels	186	8.867	19.441
Restaurants	454	-	-
Rehabilitation centers	62	-	-
Cafe bars	877	-	-
Others	-	-	8.212

In F B&H in September 1998. capacity was 5.172 beds. In 1998., 188.677 tourists had 452.763 overnight stays. Number of tourists, comparing the same period in 1997. was increased for 96%, and number of overnight stays for 82,6%.

Mostly tourists were placed in hotels (175.884). Out of total number (452.763), in hotels were 431.148 overnight stays.

In Mediterranean region in FB&H, in two Cantons (Hercegbosanski i Hercegovačko- Neretvljanski) situation was:

Canton	Capacity 1.1.-30.6.2000	Overnight stays	Domestic tourists	Foreign tourists	Number of employees	Number of structure
Hercegbosanski:						
-hotel	181	8600	3.094	5.506	72	4
-motel	9	11	5	4	3	3
-pension	-	-	-	-	-	-
-renting room	20	56	46	10	3	-
Hercegovačko-Neretvljanski:						
-hotel	300	34.403	4.987	38.821	45	10
-motel	164	8.017	1.265	3.172	44	30
-pension	2.059	165.200	15.452	150.568	209	-
-renting room	2986	42.100	4.192	36.005	131	-

Major problems

Mostly damaged cities and areas are Mostar, Počitelj, Čapljina, Stolac, Kupres, surroundings of the cities of Bihać, Jajce, Sarajevo, mountains Bjelašnica, Igmana, and partly regions around cities of Neum and Tuzla.

There are no any even approximate estimation of damage or investments needed for reconstruction and future development.

Possible answers or steps to take

In order to achieve at least pre-war level it is necessary to

- Plan reconstruction of tourist settlements on locations with naturally good preconditions for tourism development (lake Modrac near Lukavac, Boračko lake, Jablaničko lake, mountains etc.);
- Stimulate use of existing weekend houses as a pensions, their upgrade in order to achieve high criteria, especially for foreign tourists;
- Provide credits as stimulation for development and modernization of the existing accommodation capacities;
- Provide tax-free for at least first five years for newly built capacities, as stimulation for the private sector especially.

Problems seldom if ever tackled

Adequate regulations and set of laws and bylaws for stimulation of the development of the tourism as a possible profitable economy branch. Having in mind very good precondition for healthy food and other products production, combined with other tourist needed facilities construction and putting private sector in favor, tourism would have good chances for fast develop.

Main players

Tourist associations on municipal, Cantonal and entity levels, relevant ministries and local communities.

3. Making tourism a force for social and human development in the Mediterranean region

3.1. Acting for a better distribution of the tourist flows in the Mediterranean basin

Coastal zone includes Klek peninsula, Neum-Klek Bay with natural seaport Neum, coastal Neum-Klek Bay aquaterrain, and coastal aquaterrain of Mali Ston channel. Bosnia and Herzegovina owns 25 km of Adriatic Sea coast, all belonging to sited in the Neum Municipality.

Administratively, Mediterranean area of B&H is composed of three cantons from the Federation (West Herzegovina, Herzeg-Bosnia, and Herzegovina-Neretva) and of east Herzegovina from Republic of Srpska, that is, the east part of Republic of Srpska.

According to the data from 1997, obtained from the Federal Institute for Statistics, 351,455 people live in the part of Mediterranean region belonging to the Federation B&H on the territory of 10.794 km², being 33 capita per square kilometer.

Population of Neum municipality is approximately 4.300 (1998.) inhabitants or 1% out of total B&H Mediterranean (Adriatic sea catchment area) population, or 0,1% out of total population in B&H.

**Population growth in Mediterranean coastal regions and flows of tourists
(Place: Neum municipality)**

	Population growth rate	Population	Tourists	Foreign tourists
Years	%	No.	No.	No.
1971		4.781	14.000	7.000
1981	1971 - 1981 =1,7	4.030	40.000	13.000
1991	1981 - 1991 = 0,6	4.268	42.000	1.000
1998	1991 - 1998 =0,07	4.300	23.000	11.000

Source: Statistical Yearbooks

Total number of employees before the war was 997.000, out of which 32.000 was employed in tourism (3,28%).

Qualification structure is was unfavorable. Only 6% of management staff had high education. Most of the employees were with high school (13.986). About 8.186 were non skilled.

Tourism of Mediterranean region has significant natural potentials and it gives the possibility for solving of existential problems of local population. Preparation of Development Tourism Plans should be made through tourism sectors in relevant Ministries or through establishment of separate Ministries for Tourism. Concerning the administrative division of Mediterranean Region between entities and cantons in B&H, and still weak cooperation between them, tourism is currently carried out mostly on local level. At present there are no significant actions on strengthening of this sector.

Major problems

- Problems with human resources
- Lack of experts;
- Inadequate water quality and quantity monitoring especially having in mind potable water shortage in coastal area;
- Low level of other services necessary to meet tourist need;
- Poor public participation in decision making processes, especially those that can solve problem of unemployment as a general problem in country;

Possible answers or steps to take.

- Tourism of Mediterranean region has significant natural potentials and it gives the possibility for solving of existential problems of local population. Preparation of Development Tourism Plans should be made through tourism sectors in relevant Ministries or through establishment of separate Ministries for Tourism. Concerning the administrative division of Mediterranean Region between entities

and cantons in B&H, and still weak cooperation between them, tourism is currently carried out mostly on local level. At present there are no significant actions on strengthening of this sector.

- Tourism – need to be integrated within development and environment protection policies in order to allocate part of tourist taxes for protection and improvement of the tourist-attracted environment. Tourism development needs to be streamered and harmonized with contemporary world and European trends.
- Introduce new tourism categories (“eco” -tourism, village tourism, combined tourist offers), develop complementary services (medical service, sport activities, transport etc.).
- Generate possibilities for increase of employment
- Initiate improvement of curriculums for high schools that educate new staff, according to the European and world experience, especially of those countries that achieved high standards in tourism.

Problems seldom if ever tackled

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Main players

Tourist associations on municipal, Cantonal and entity levels, relevant ministries and local communities.

3.2. Optimizing tourism positive impact and limiting its negative impact on society

Observation

Positive trends during the past few years can be summarized as follows:

Increasing turnover in catering trade (FB&H) in KM (1KM~0.5 Euro)		
1996	1997	1998
60.320.000	67.707.000	68.832.000

Increasing employees by catering and tourism (FB&H):		
1997	1998	1999
7.500	11.400	14.400

Average monthly gross wage per employee (FB&H) in KM (1KM~0.5 Euro)		
1997	1998	1999
351	396	431

Major problems

Institutional problems:

- There are no bodies or agencies for integrated management of coastal area level, that would include tourism development;
- Vertical coordination in FB&H is weak (local, Cantonal, federal institutions), responsibilities are overlapping among different government levels and departments and interentity institutional coordination is poor;
- Partial approach in planning and management is dominant;
- There are no human resources and adequate financing systems for implementation of necessary reforms in tourism sector

Human resources problems:

- Lack of experts, training and education of management planner profiles, as the government employees for legislation implementation, planning and resources use program preparation, etc.;
- No basic information on human activities and resources state (population, tourism development capacities, domestic and industrial polluters, quantity and quality of water, pesticides use etc.) as input for studies, programs, strategic development plans and decision making in sector;
- Poor public participation in decision making due the low level of importance of tourism development awareness and lack of legislative;
- Inadequate capacities and mainly inactive tourism organization;

Possible answers or steps to take

- To strengthen the financial base of tourism, construction of infrastructure and facilities and improvement of relevant human capacities
- To create precondition for tourism development within integrated coastal land river basin management
- To improve protection of biological diversity, threatened and endemic species and sensitive areas throughout special programs for tourist offer for those areas.

Main players

- Federal Ministry of trade;
- Cantonal Ministries;
- Ministry of tourism in RS

3.3. Participating in social and human development by promoting stable, quality jobs

Observation

In 1991. out of total 997.000 of employees in tourism was 32.000 or 3,28%.

Average gross monthly salary was DEM 368. in 1990.

Structure of skilled employees was unfavorable. Only 6% had university degree. Most of them were high scholars (13.986) and about 8.186 unskilled.

In 1999. in FB&H number of employees was 14.400, i.e. 1.44%, out of total number of 407.000.

Average gross monthly salary in tourism sector was 431,29 DEM, comparing to the average gross monthly salary for the FB&H 550,80 DEM.

Major problems

Main problem is to provide skilled employees , i.e. adequate education for the young that wants to work in this sector. Salaries are lower even comparing to the average, what is not in favor for attracting the young people to work in this sector.

Possible answers or steps to take

Education of the employees as precondition for providing high quality service in the tourism sector should involve:

- all hotels, tourist agencies, tour operators, other institution that deal with various aspect related to tourism,
- all other complementary branches.

It would be also very important to establish permanent education of the employees throughout seminars, workshops, exchange experience and knowledge.

Problems seldom if ever tackled

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Main players

Cantonal and entity tourist associations, ministry of trade, ministry of urban planing, ministry of traffic.

3.4. In search of the fair distribution of tourist revenue

Observation

There is no data about the distribution and redistribution of revenue from activity of tourism. There is only by the law foreseen follows:

Decree o membership of tourist association (Official gazette F B&H no23/96).

By this decree are defined: criteria for tourist destination class, criteria for membership contribution to the tourist associations.

This contribution depends of the class of tourist destination and total income.
Base for is total income, defined by Law on accounting.
Guidelines were put in force by Federal Minister of trade (Official gazette F B&H no 23/96), and additional guidelines are published in u Official gazette F B&H no25/98.

If tourist associations are not formed in tourist center, funds are divided as follows:

1. 55% of income to the municipal body in charge for tourism
2. 25% of income to the Cantonal body in charge for tourism
3. 20% of income to the Federal ministry of trade

Audit on payment for tax regulatory office and financial police do membership.

Decree on tourist taxes (Official gazette F B&H no23/96).

Payment of tourist taxes is obligatory. Amount for it is defined by approval form the government of Federal Minister of trade proposal.
(Official gazette F B&H no4/98)

Decision on tourist main season, period after it and before in tourist destination defines tourist periods. (Official gazette F B&H no21/98).

Collected funds from the tourist taxes are divided to (Art 9):

1. 55% to tourist association of the municipality
2. 25% to tourist association of canton
3. 20% to tourist association of F B&H.

Incomes from taxis are used for improvement of the services, tourism promotion and usual activates.

Audit on this decree execution id done by tourist inspection and financial police..

Major problems

It is obvious that tax collection can not be the only source for tourism development.
Initial founds should be found.

Possible responses or steps to take

To get a better distribution of tourism's revenues, knowledge of the present distribution of these revenues is indispensable. But tourism is poorly identified in the statistics.

Problems seldom if ever tackled

The distribution of tourist revenue also depends on the redistribution policies used in our country. These policies are the result of a compromise between public and private interests, local societies and national solidarity.

Main players

Governments, Ministry of finance, cantonal and entities tourist associations, banks.

4 Making tourism a force for protecting and enhancing natural and cultural heritage

4.1. Working for a better distribution of tourist flows to Mediterranean coastal regions

Observation

In B&H exist precondition for development of seaside and mountain tourism as unique tourist offer. However, precisely defined strategies and plans should be first step toward this kind of combined tourist offer.

Present situation is like this: various tourist centers develop their own “partial strategies”, so density of tourist population varies form center to center. Tourist are unevenly spread and do not information about other interesting places, that would attract them to stay even longer that they planed.

Administratively, Mediterranean area of B&H is composed of three cantons from the Federation (West Herzegovina, Herzeg-Bosnia, and Herzegovina-Neretva) and of east Herzegovina from Republic of Srpska, that is, the east part of Republic of Srpska.

Coastal zone includes Klek peninsula, Neum-Klek Bay with natural seaport Neum, coastal Neum-Klek Bay aquaterrain, and coastal aquaterrain of Mali Ston channel. Bosnia and Herzegovina owns 25 km of Adriatic Sea coast, all belonging to site in the Neum Municipality.

Coastal area - Neum city:

Year	Number of comings		Number of overnight stays	
	Foreign tourist	Domestic tourist	Foreign tourist	Domestic tourist
1990.	19.700	59.100	106.000	361.000
1998.	11.000	12.000	n.a.	n.a.

Neum is on the right track to achieve the pre-war effects. At present, five Neum offer 3000 beds of high category, of which 2000 is in five Neum’s hotels – Neum, Sunce, Stela, Zenit and TAT. Before the war, Neum was achieving 500,000 stays with 5000 beds. Today’s offer of 3000 beds is lower, but with higher quality, so over 200,000 stays are planned. It is estimated that 50% of the plans will be realized with the foreign tourists, while the other half is left for domestic guests from B&H.

Major problems

- There are too much visitors at certain locations and times, which cause increasing of pollution the sea and seaside.
- The presence of visitors disturbs local people through noise or numbers, and hamper everyday work activities.
- The fixed cost maintenance of facilities designed to cater for the peak number of tourists, such as sewage treatment works, is costly to local people during the low season.

Possible answers or steps to take

Prepare regional plans that treat at the same time development issue and protection of nature destinations and historical sites.

Prepare detailed plans of environment protection together with urban plans of the destination, carefully putting a side tourist destination form industry facility

According to the above mention, prepare feasibility studies, as a basement for the implementation phase.

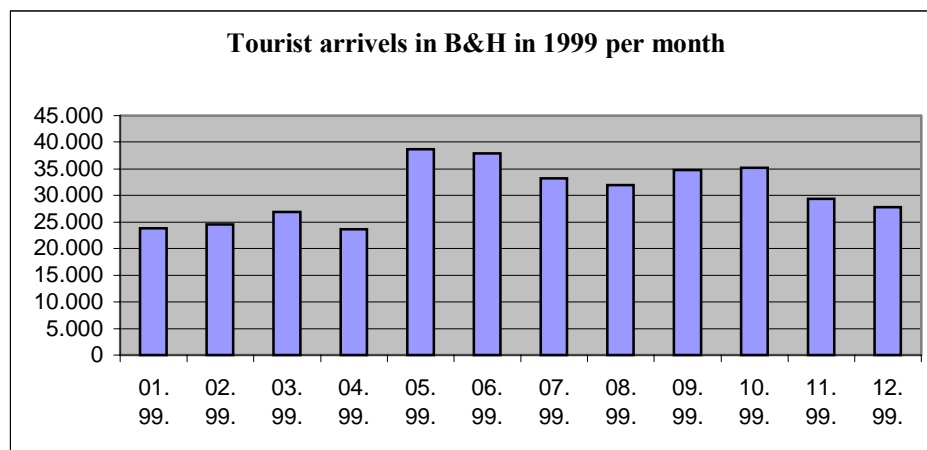
Major players

Tourist associations should be leading force for those activities, providing proper place and function for tourist inspection for environment protection as a important issue in future tourism development.

4.2. Fighting the seasonal aspect to improve tourist – flow distribution in time

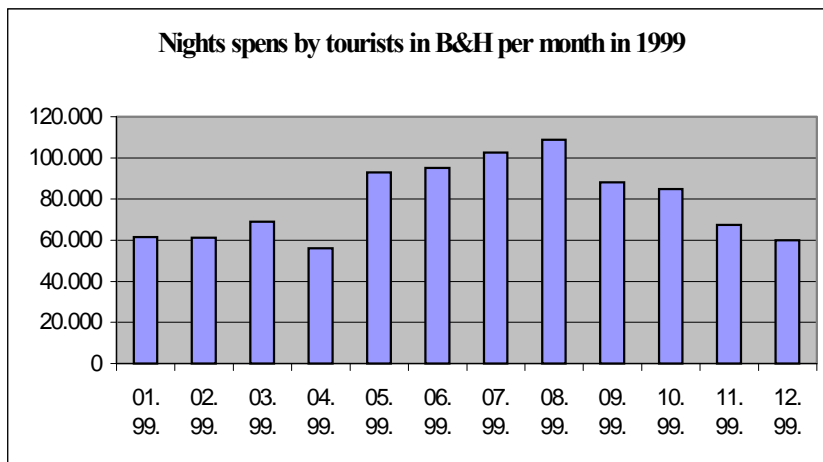
Observation

In B&H the peak of tourists arrivals in 1999. were in May and June. The main reason for this situation is that tour operators offer visits to the foreign countries, so domestic destinations are neglected. Domestic tourist usually goes to Croatia or Turkey, instead to the B&H coast side.



Source: Statistical Bulletin no 1, Agency for statistics of B&H, Sarajevo 2000, page 210.

It is very interesting that statistical data show that the peak of nights spent by tourist in B&H is in July and August. It is approximately 50% more than in month (April) with smallest number of nights spent by tourists.



Sources: Statistical Bulletin no 1, Agency for statistics of B&H, Sarajevo, may 2000, page 211.

According to the type of destination, for the FB&H is interesting that number of overnight stays was much bigger in the areas that can be characterized as “non tourist”, i.e. inland parts.

Visits to the coastal area were lowered because in the period during the war, and nearly after, hotel and other capacities were occupied with refugees, and some of them were devastated.

Nights spent by tourists according to type of tourist area in F B&H in thousands:

	1996	1997	1998
Sarajevo	110	123	114
Spas	-	-	-
Seaside locations	-	-	108
Mountain area	-	-	-
Non-tourist area	186	292	231
Total	296	415	453

Sources: Statistical yearbook 1999, Federation of Bosnia and Herzegovina, Federal Office of Statistics, Sarajevo 1999., page 222

Major problems

Economy development initiated tourism development also. Peaks for tourist season arise (1999 comparing to 1998.).

In order to achieve evenly distributed visit of tourists during the whole year, not only during the season (summer), it is necessary to:

- Define region with potential tourist attraction ;
- Investigate quantity and quality of basic attraction factors to define type of tourist activities that can be developed in specific regions;
- Define potable water quantities and quality for continuous water supply;

- Traffic infrastructure development and space distance form the main tourist destination;
- Prepare regional development plans and nature protection to provide continuous value of those destinations.

Possible answers or steps to take

One of the main task should be “stretching” the peak season, i.e. achieve summer peak during the whole year. That can be done through promotion of the different types of tourism, especially:

- mountain:

Olympic Mountains Bjelašnica, Jahorina, Igman and Trebević, Vlačić near Travnik are big potential resources for the winter tourism and sport recreation.

-resort (with mineral spring):

Resorts Ilidža near Sarajevo, in Fojnica, Kiseljak, Teslić, Tuzla, Olovo, Srebrenica, and Višegrad are rich with thermal springs, radioactive and mineral waters that are used even in pre-historical period for medical treatments.

- seaside:

Neum with 270 sunny days in year with its neighboring tourists area (Mostar, Stonski bay, Hutovo blato) offers unique experience

- religious:

Međugorje became modern center of religious tourism with big capacities, good infrastructure and other services.

- hunting and fishing:

Rivers, lakes and “untouched” nature destination with various games and fish can also be very interesting as a tourist attractive.

- congress tourism:

Sarajevo, Zenica, Tuzla, Bihać, Banja Luka, Mostar.

Many preserved natural values as canyons. Waterfalls, nature lakes and rivers are potentially very interesting as a future tourist destination but need adequate strategy of the development and protection at the same time.

Problems seldom if ever tackled

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Main players

Cantonal and entities tourists associations, ministry of trade, ministry of urban planing, traffic, tour operators’ nivou.

4.3. To promote a more creative enhancement of cultural and natural assets

Observation

Significant mature destination before the war were:

River Neretva is the largest river in the Mediterranean area of B&H. Because of its orographic, climate, geological and water quality and quantity characteristics it is unique nature and tourism value.

River Una by its natural beauty attract foreign tourist with possibilities for rafting and kayak. Rafting-became adventure that attracts number of tourists from Swiss and Slovenia.

Park of nature Hutovo Blato is a swamp with various floras and fauna species especially known after hygrofits i birds.

Religious tourism - Međugorje

Catholics from all over the world over 20 years pilgrimage Međugorje. Religious tourism transformed former village into famous tourist center with 7 500 beds of I and II category in private sector, 1 000 bed in pensions and 500 bed in four hotels. It has more than 20 restaurants. 20 restaurants. There are hundreds of places with souvenirs etc.

Mountains

Terrain configurations snow during the winter and spring, climate, and snow sport offer (skiing especially, downhill, slalom etc).

Mountains offer:

Picturesque nature walks for families and nature lovers;

Hiking, canyoneering, climbing, rafting, tour & x country skiing, and paragliding for the outdoor adventurer;

Overnight camping in isolated mountain areas;

Visits to Bosnia's ancient, traditional highland villages;

Relaxing fishing trips to hidden "hot" spots.

Cultural –historical monuments:

- Stećci- ancient tombstones in Herzegovina and eastern Bosnia. The greatest concentrations of stecak necropolises are in Herzegovina – Radimlje near Stolac, and eastern Bosnia.
- Cultural –historical monuments from Turkish period: Gazi Husrevbay Mosque (1530), clock tower (16thcentury) in Sarajevo, Ali – pasha mosque in Sarajevo, Karadjozbey mosque in Mostar, Old Muslim cemetery at Alifakovac in Sarajevo, Sinan tekija in Sarajevo, tekija at the Buna River source.
- Visegrad bridge on the Drina River (1577.), Old Bridge in Mostar from 1566. and destroyed in the war 1993., Arslanagica bridge on Trebisnjica River from 16 century, bridge on the mouth of Zepa River from 16 century,
- The everlasting cultural value of the orthodox tradition in Bosnia is embodied in the artcreated in church and monasteries: Old Orthodox Church in Sarajevo,

churches and monasteries in Trebinje, Zitomislici, Tavna, Ozren, Moštanica, Sopotnica.

- Franciscan monasteries, especially those in Sutjeska and Kresevo were places where works of art and other witnesses to the past, evidence of cultural and everyday existence, were collected and preserved down through the centuries.
- Cultural –historical monuments from Austro-Hungarian period as: Old Catholic Cemetery in Sarajevo, Cathedral built 1884-1889 in Sarajevo, Public bath in Mostar built in 1912, Town Hall in Sarajevo from 1896., the steel-girder bridges Cumurija and Cobanija from 1886 and Skenderija bridge in 1893.

Urban centers

- Mostar – In city of Mostar area, predominant is transit tourism with tourist (mainly on one day) that come to see Old bridge and old city built in Turkish period.
- Sarajevo – capital of B&H and FB&H, in history marked as a place where Franc Ferdinand, Heir to the throne of Austro-Hungarian Empire, was murdered in 1914. and XIV Olympic winter games held in 1984.
- Bihać - Situated on the river Una, one of European most beautiful rivers, is renewed for its hunting and fishing. An annual event is the kayak regatta-taking place in the last week of July. There is an airport close to Bihać.
- Jajce - Ancient seat of Royalty, the history city is famous for its Pliva waterfalls.
- Travnik - A town once governed by the Turkish Viziers, it is the birthplace of Nobel Prize winner Ivo Andrić whose home is now a museum.

Village tourism

Village destination becomes more attractive as places for recreation and holidays.

Possibilities that offer as healthy food production, medical herbs etc, can be also attractive as for domestic as for foreign tourists.

Resort

- Ilidža and its surrounding area were extensively developed and organized with a park-like environment during the time of the administration of the Austria-Hungarian Empire (1878-1918).
- The Ilidža thermal springs with natural temperatures ranging from 26-58 degrees Celsius and the springs of mineral water have been found to be very effective for medical purposes.
- Fojnica – resort for medical rehabilitation exist over 70 years. Thermal springs with natural temperatures ranging about 22 degrees and radioactivity of 45 Mah. Besides this their pans are to improve recreation and sport tourism..
- Olovo – It has also excellent preconditions for development as resort for medical rehabilitation and other kinds of tourism. Especially for speleology, hunting, and pilgrimage (there are the oldest catholic pilgrimage on the Balkan).

Major problems

As a tourist interesting destination, regions of Mostar, Počitelj, Čapljina, Stolac, Kupres, Bihać, Jajce, Sarajevo, Bjelašnica, Igman, are damaged during the last war.

Many historical sites and monuments are damaged also.

On the other site, during the last intensive reconstruction process, tourist destinations were, one can say, neglected.

Revenues from the tourism are hardly enough to cover usual maintenance. Purposely allocated funds can only improve present situation.

Possible answers or steps to take

To step on the road that leads to the sustainable tourism it is necessary to:

- To analyze present tourist offer, modes for its improvement,;
- Educate people that work in this sector,
- Construct traffic infrastructure as a basic element of development, not only tourism, but also all economy sectors.
- Put tourism as a strategic task of country development,
- Adopt ecological standards to provide adequate protection of all tourist destinations,
- Develop marketing on international market to promote B&H as tourist attractive country.

Main players

Federal institute for protection of historical heritage, Ministry for physical planing and environment, Ministry of trade, Chamber of commerce of B&H, tourists associations, tour operators, local populations.

4.4. Controlling the impact of tourist-related transport on the environment

Observation

Domestic tourism of proximity mostly uses land-based transportation, while international tourism mostly uses airplanes. Intensity in tourism transportation increases.

International airport Sarajevo after reconstruction (in 2001) became more functional and capable to join international airport network. There is also small airport in Mostar town that can be used much more because of its location (close to the coastal zone, not only in B&H, but neighboring countries).

In B&H, road transports (number of cars) has especially increase. Because that is increasing impact on environment: through air pollution, congestion, noise and visual intrusion and from road-building itself.

Major problems

Damage done to environment is ignored or under-estimated in the planning of transport infrastructure.

Possible answers or steps to take

There are alternatives, at least for local transport. For some destination there is schemes to encourage people to leave their cars near the edge of the tourists area and use alternative forms of transport, such as buses, bicycles or boats – or proceed on foot.

Main players

Ministries of transportation, regional development leaders, local authorities, tourism association of Chamber of commerce of B&H, ministries for physical planing and environment.

4.5. Limiting the denaturing of the coastal space, restoring the natural heritage

Observation

Coastal area of B&H is designated only for tourist and recreation means, since it possesses different natural and historical resources, without constructed Port and related facilities.

Wastewater

Waste waters from the B&H coastal settlements are being removed through the regional sewer system, which covers Municipality of Neum in B&H and Komarna, Duboka, Klek, and Ston in Croatia.

Federal Water Law, Article 89, forbidden to:

- Anchor with vessels along the river banks, lake banks or coastal sea in order to load and unload cargo, and at the river bank and lake banks or coastal sea to dump or unload material planned for loading into vessels;
- Construct facilities and equipment for fish-farming;
- Place floating facilities into water.

Combating pollution from offshore installations

According to the Law on Physical Panning, Article 33, Study on Environmental Impact Assessment is obligatory before issuing permit for construction of energy facilitates, refinery oil, chemical industry, industry of cellulose and paper, industry of cement, black metallurgy, transportation, traffic and storage of harmful, dangerous, inflammable and other materials.

Other specific regulations do not exist.

Monitoring The Quality Of The Marine Environment

Development of hydrological network in the Adriatic Sea basin, including procurement of equipment, maintenance and data processing was during the war organized and financially supported by Croatian Water Management Enterprise.

Out of 27 activated gage station in FB&H, 22 are located in Mediterranean region, (Catchment areas of Neretva and Cetina Rivers) including 14 instruments for water level registration. Federal Institute for Public Health each month performs sampling

and laboratory analyses of the results for Neretva river on behalf of Public Enterprise for "Watershed Area of the Adriatic Sea Basin".

Legal entities who discharges wastewater and other matters into water, are obliged to install instruments for measuring and control of that water quality and quantity and to carry out measuring and testing provided by the law.

Federal Water Law from 1998, define that:

- Legal entities and inhabitants, who while performing their activities discharge hazardous or harmful matters that might pollute water, are obliged to treat water partially or completely in accordance with the waterworks permission prior to discharging it into recipients or sewerage system. This regulation applies to the coastal sea too;
- Submarine wastewater outlets are not allowed without treatment;
- The municipality is legally responsible for cleaning the beaches

Household waste

In the pre-war period solid waste from urban areas was transported to the local landfills (approximately one in each municipality) and disposed without any sanitary measures and in many cases without any control.

Landfills that are still in use *are* classified as dumps usually with inadequate capacity. Municipality of Capljina (Mediterranean region) has landfill closely to the water intake for three municipalities (Capljina, Neum i Ravno), so the risk of drinking water pollution is high. Besides planned investigation works and prepared designs there is no activities on sanitary landfills construction, nor control of waste disposal (garbage trucks just throw the waste without any control; car wreckage are also disposed in the same manner). There is no gas collection system so the fire occurs often. Lack of equipment is main reason why, collection and transport of the solid waste is inadequate to the waste production amount.

Protection against fires in forests

The Fire fighting Services with their monitoring stations exist in all forest areas. The monitoring of more sensitive and endangered areas, such as pine forests, sub-Mediterranean and Mediterranean forests, is done regularly. As a result of war activities many monitoring stations are left without the equipment, so that their re-equipping is in progress.

Protection of threatened species

According to the Law on Protection and Usage of Cultural-Historical and Natural Heritage, Institute for Protection of Cultural-Historical and Natural Heritage is obliged to define the practical actions for surveillance and management of their land, coastal and aquatic habitats. Additionally, there are certain individual actions on protection of habitat of threatened species, such as the actions on protection of Hutovo Blato wetland (delta of river Neretva), through the implementation of project financed by EU - Life Third Country Program 1999.

Instruments for Urban Control

Federal Law on Physical Planning defines the drawing up of Environmental Impact Studies as obligatory. Different private firms, governmental and non-governmental

institutions, perform these Studies. In Republic of Srpska, Institute of Protection and Ecology perform environmental impact studies.

Control of coastal development

Bosnia and Herzegovina is relatively young state in the process of transition, still healing the wounds from the recent war. Taking into consideration that the length of its coast is relatively short, it should be understood why the specific measures to protect and manage the coast still do not exist.

Major problems

Poor social and economic conditions for adequate developments of environmental policy, are still characteristic for B&H. Process of development of environmental protection in particular goes quite slowly.

That caused difficulties in terms of integral environmental management planning and adoption of appropriate legislative.

Overall legislative problems could be summarized as follows:

- Legislation on tourism and policy is yet not harmonized and integrated on state level;
- There is no law framework on tourism on entity level, that is harmonized and based on international and European principles;
- Even existing legislative on tourism in F B&H and RS is inadequate applied;
- There are no legislative instrument, mechanisms and procedures for coastal management.
- Existing institutions with available human resources by their quality and equipment on all levels cannot meet the needs of sustainable development of tourism and environment protection.

Overall institutional problems are as follows:

- There are no bodies or agencies for integrated management of coastal area level;
- Vertical coordination in FB&H is weak (local, Cantonal, federal institutions), responsibilities are overlapping among different government levels and departments and inter-entity institutional coordination is poor;
- Partial approach in planning and management is dominant; exchange of information/data among inland and coastal zone is poor;
- There are no human resources and adequate internal financing systems for implementation of institutional reforms.

Main players

Local, cantons, federal and RS institutions, investors, owners of tourists accommodation, landowners, architects and town planners.

4.6. Implementing the environmental management of accommodations, facilities and tourist resorts

Observation

Bosnia and Herzegovina is not in situation favorable for formation of strategic development. Recently ended war, complicated political situation, non-solved issue of ownership, big number of tourists capacities, infrastructure, and production resources destroyed or damaged during the war, hard economical situation, terminated or disturbed tourist currents, as well as the displacement of persons and other conditions mainly influence this present state. Federal Ministry of Trade is very engaged in development and promotion of tourism through organization of meetings and contacts with all relevant Cantonal ministries with special accent on foundation of Tourist Associations in municipalities that should take the main role in tourism development and promotion. The first priority is to prepare the strategy for tourism development since all cultural and natural pre-qualifications for that already exist. In first place the following should be done:

- Construction and adaptation of existing capacities and affirmation of those;
- Reconstruction of existing facilities in order to improve the quality of service, rational space usage, and more functional technical-technological solutions;
- Construction of small family hotels, boardinghouses and eco-boardinghouses;
- Show up on Internet.

Major problems

Economic measure for country development did not give proper place and importance for tourism as an important economy factor.

Obstacle is also fact that tourism is within Ministry of trade, as a one of various branches.

On the other hand, tourist associations does not work together, i.e. lack of coordination in tourism promotion is one of the key factor. Even companies that work in this sector are on their own. No guidelines, support, organized approaches, communication among various parties.

It is difficult to recognize institution, or association that can provide and prepare adequate approaches and policies, i.e. define what are main and basic streamlines and mechanisms for implementation.

Possible answers or steps to take

For rational, environmentally sound development it is necessary to:

- Define regions that can be developed as tourist attracted;
- Define quantity and quality of main attraction factors for each region, i.e. define kind of tourism that is most suitable

- Possibilities for infrastructure development and connections among them and other centers
- Prepare region development plans, which will also include protection plans for cultural and historical site protection. Each plan should be done region by region to meet specific needs and conditions

Problems seldom if ever tackled

Ecological impact of the tourism development arises as an important issue nowadays. Still there is lot to be done. This can be illustrated with fact that at the end of each season, there are results of space distribution and economic effects of tourism, but there is no single result of ecological impact. One can still say that tourism multiplies ecological degradation of the environment.

Main players

Entities and cantons ministries of trade and tourism, tourism associations of Chamber of Commerce on state level, tourism associations on Federal, Cantonal, regional and municipal level.

5 Institutional and organizational challenges in the tourist regions

According to Dayton Agreement tourism issues are in jurisdiction of entities.

Federation of B&H (F B&H)

Constitution of F B&H stipulates that federal and cantonal authorities are responsible for tourism issues.

For the tourism as an economy branch, Federal ministry of trade is in charge.

Republic of Srpska (RS)

Constitution of RS, Republic and municipalities are responsible for tourism issues.

Ministry for trade and tourism in RS is responsible also for tourism issues.

Chamber of Commerce of B&H (Tourism Union) did all projects regarding presentation and promotion.

In last five years were formed tourist associations on municipal and Cantonal level. However, problem of coordination and defining of mutual interest among them still exist.

According to the experience, one can say that tourism was neglected in the past period, on this level too.

As a strong support for the tourism development, ministry of trade together with tourist association should work together in promotion of adequate legislative and development plans for short and long-term periods, going step by step toward sustainable tourism establishment in B&H. Having in mind existing preconditions, tourism must take proper place as a very important factor in development of the country.