MASTER’S THESIS

BARRIERS FOR SUSTAINABLE TOURISM DEVELOPMENT
THE CASE OF MOSTAR

Ljubljana, November, 2015.       DINO BOJČIĆ
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# TABLE OF CONTENTS

## INTRODUCTION

1. LITERATURE REVIEW

1.1 Definition of tourism
   - 1.1.1 Product life cycle of the tourism
   - 1.1.2 Categories of tourism

1.2 Definition of sustainable development

1.3 Definition of sustainable tourism development
   - 1.3.1 Conventional tourism versus sustainable tourism
   - 1.3.2 Minimalist versus comprehensive tourism development approach

1.4 Impacts of tourism
   - 1.4.1 Economic impact
   - 1.4.2 Socio-cultural impact
   - 1.4.3 Environmental impact
   - 1.4.4 Problems regarding tourism growth

1.5 Role of the public sector in the sustainable tourism development

1.6 Tourism planning and policies
   - 1.6.1 Planning for tourism
   - 1.6.2 Planning methods
   - 1.6.3 Planning and management of sustainable tourism development

1.7 Tourism in a destination: the factors to consider
   - 1.7.1 Cultural landscapes
   - 1.7.2 The scale of a destination
   - 1.7.3 Boundaries
   - 1.7.4 Hierarchies
   - 1.7.5 Absolute and relative location

1.8 Identification of the barriers to successfully implement sustainable development policies
   - 1.8.1 Economic aspect
   - 1.8.2 Environmental aspect
   - 1.8.3 Socio-cultural aspect
   - 1.8.4 Political aspect
   - 1.8.5 Thresholds and carrying capacity
2 ANALYSIS OF THE CURRENT TOURISM SITUATION IN MOSTAR

2.1 City of Mostar as a tourism destination
   2.1.1 Tourism environment
   2.1.2 Social context

2.2 Problems faced by the destination
   2.2.1 Old town of Mostar
   2.2.2 Boundaries scale and hierarchies
   2.2.3 Historical issues - post war situation
   2.2.4 Traditional jumps into Neretva from the Old bridge: a relevant example of what is sustainability in a destination
   2.2.5 The UNESCO added value of the site: a protection or a label?

3 RESEARCH METHODOLOGY AND RESULTS

3.1 Research methodology

3.2 Main findings and discussion
   3.2.1 The understanding of the sustainable tourism development
   3.2.2 Competencies
   3.2.3 Barriers for sustainable tourism development in the City of Mostar
      3.2.3.1 Thresholds and carrying capacity
      3.2.3.2 Environmental aspect of the destination
      3.2.3.3 Social and political aspect
      3.2.3.4 Economic aspect
   3.2.4 Today and tomorrow of the sustainable tourism development in City of Mostar

CONCLUSION

REFERENCE LIST

APPENDIXES

TABLE OF FIGURES

Figure 1. - International tourism 2013
Figure 2. - Hypothetical evolution of a tourism destination
Figure 3. - Graphical presentation of the sustainable tourism development
Figure 4. - Employment rate of women in BiH
Figure 5. - Employment rate for the tourism industry in FBiH
Figure 6. - Graphical presentation of tourism authority levels in BiH  
Figure 7. - Graphical presentation of the answers to the Question 1

TABLE OF TABLES

Table 1. - Attributes of mass and alternative tourism 19  
Table 2. - Minimalist and comprehensive sustainable tourism ideal types 20  
Table 3. - Positive and negative economic impacts of tourism 22  
Table 4. - Positive and negative socio-cultural impacts of tourism 24  
Table 5. - Positive and negative environmental impacts of tourism 25  
Table 6. - Number of arrivals and overnights in the City of Mostar in period 2002 – 2013 42  
Table 7. - Number of arrivals and overnights in HNC in period 2010 – 2014 42  
Table 8. - A collective estimate of arrivals by category of foreign tourists in 2011 and 2013 43
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INTRODUCTION

Sustainable development is a relatively new concept that has its origins in the environmentalism movement that grew to prominence in the 1970s. The explicit idea of sustainable development was firstly highlighted by the International Union for the Conservation of Nature and Natural Resources (hereinafter: IUCN) (IUCN, 1980, pp. 63-64) in their World Conservation Strategy however the clear definition was firstly introduced in the Brundtland report in 1980s and since then sustainability has become a principle and a pathway of the industry developments (Brundtland et al., 1987, pp. 54-75). The concept of sustainable development represents all forms and methods of socio-economic development whose core purpose is to ensure a balance between socio-economic systems and natural potential. Sustainable development can be regarded as an adaptation of the society and the economy to the large problems identified until now. Originally the concept of sustainable development comes from the idea that the society must change their development priorities from economic concern to the social and environmental concerns, or as Sharpley and Telfer (2002, p. 23) defined it as a process in which society moves from one condition to another.

However, in the existing literature, phenomenon of sustainable tourism development (hereinafter: STD) can be found in different variations as like a sustainable tourism, sustainable development through tourism, principles of sustainable tourism development, etc. However scientists are becoming increasingly interested into the topic of sustainable tourism development, due to the fact that the sustainable tourism is labelled as the most desirable form of tourism development in particular area, especially in those areas preserved with the natural or historical values (Butowski, 2012, p. 3). World Tourism Organization (hereinafter: UNWTO) (1998, p. 2) defines sustainable tourism development as a development which: “meets the needs of present tourists and host regions while protecting and enhancing opportunities for the future. It is envisaged as leading to management of all resources in such a way that economic, social and aesthetic needs can be fulfilled while maintaining cultural integrity, essential ecological processes, biological diversity and life support systems.” Development of tourism as an economic branch meets all requirements of sustainable development considering that it can be integrated in all three pillars of this form of development: economic sustainability pillar, socio-cultural sustainability pillar and environmental sustainability pillar (Munasinghe, 2003, p. 39). Hunter (in Tosun, 2001, pp. 290-291) defines principles on whom sustainable tourism should be based and which sustainable tourism should:

- contribute to the satisfaction of basic needs of those excluded in local tourist destination;
- reduce inequality and absolute poverty in local tourist destinations;
- contribute to the emergence of necessary conditions in tourist destinations which will lead local people to gain self-esteem, and diminish ignorance, squalor and evil;
- accelerate both national and local economic growth which should be fairly distributed across whole social spectrum; and to
• achieve the above mentioned objectives in an indefinite period of time without compromising the future generations to meet their own needs.

There are few core differences between conventional tourism and sustainable tourism. Conventional tourism is not necessarily planned, does not always benefit the local community and can rapidly damage a fragile environment. In contrast, sustainable tourism is deliberately planned from the beginning to benefit local residents, respect local culture, conserve natural resources, and educate both tourists and local residents. Sustainable tourism can produce the same profits as conventional tourism, but greater share of the profits stays within the local community, and the region’s natural resources and culture is protected. In many cases, conventional tourism practices of the past have become a major threat to resource conservation due to the lack of management controls and effective planning mechanisms. In contrast, sustainable tourism deliberately seeks to minimize the negative impacts of tourism, while contributing to conservation and the well-being of the community, both economically and socially. Conventional tourism does not often provide sources of funding for both conservation programs and local communities, while sustainable tourism provides incentives for area protection from overdevelopment that is harmful to the natural beauty of an area. Opportunities and threats can only be controlled through well-planned and managed sustainable tourism (Iyer, 2013, p. 2). There are many variations on the understanding of sustainable tourism development, however overall conclusion is that accent must be on all three dimensions of sustainable development. Having that sustainable tourism development is being seen as a dynamic system theorists have summarized wide range of formulations into two categories, the minimalist and the comprehensive view. Main difference is the scale of the focus where by the minimalist sustainable tourism local focus is on the site with the short-term effects of actions and direct impacts only. In comparison to the minimalist focus, comprehensive sustainable tourism focus has regional focus with long-term actions; direct, indirect and induced impacts and enhancement sustainability (Weaver, 2005, pp. 444-448). This master’s thesis will primarily be based on the comprehensive sustainable tourism development.

In recent years many positive examples of sustainable tourism development approaches could be seen. Having sustainable tourism development, certain location benefits with efficient coordination, integrated policies as well as with the functional and operational processes. Those benefits take place without destroying resources and additionally providing economic, social and environmental development. Resources should be exploited at the rate identical to that of renewing their, giving up the exploitation when the resource is regenerated very slowly, to replace the one with greater power of regeneration. (Neamtu & Neamtu, 2012, p. 184). Tourism as an industry is combination of many particularities, and implementing sustainability in tourism destination must involve many factors as these particularities have to be taken into account. Due to the upper-mentioned particularities, currently there are more examples of unsustainable tourism destinations in comparison to sustainable ones. This is the case even with the destinations which have the awareness of sustainable
tourism, however the individual advantage and gain from exploiting shared resources is often perceived as being greater than the potential long-term shared losses that result from the deterioration of such resources. This means that there is little motivation for individual actors to invest or engage in protection or conservation for more sustainable tourism (Dodds & Butler, 2010, p.35). Planning the tourism industry is crucial for a destination, especially because of the effects which are substantial and potentially long-standing, while Franklin and Crang (2001, p. 6) emphasise that tourism is changing so rapidly, and in most cases also equally unplanned that researchers have no additional time except to record tourism in a series of case-studies or examples. Furthermore, in order to be able to achieve the sustainable tourism development it is crucial that all actions by shareholders in a destination are consistent, while consistency is achieved by implementation of the community-based approach to tourism (Hall, 2005, p.222) which further more results in the increase of the competitiveness and sustainability of tourism destination (Bramwell & Lane, 1993; Butler, 1993; Pavlovich, 2003; Ritchie & Crouch, 2003).

Bosnia and Herzegovina (hereinafter: BiH), and especially City of Mostar as one, is becoming very popular destination in the recent years, especially due to its geographical position in Europe. BiH is a very interesting destination inwrought with specific natural, multicultural, multi-religious, historical and demographic factors and that combination is increasingly intriguing tourists (Jarosz, 2014, March 19). City of Mostar is following global trends in tourism by offering religious, historical and cultural tourism within a broader offer of Adriatic-Mediterranean and continental tourist destination (Peštek & Nikolić, 2011, p. 90). Even though Bosnia and Herzegovina has evidenced a constant increase in tourism statistics, especially in the number of tourists from the Europe and Asia (Agency for statistics of BiH, 2013, p.4), a great effect to the recent increase have had the few listings as a “must-see destination” as well by some of the very eminent travel magazines as a Lonely planet and a National geographic magazine (Keenan, 2013, March 14). However, even though there is a constant increase in the number of tourists, the tourism planning and tourism policies are at a very low level of development. Additionally, majority of tourists that are evidenced in Bosnia and Herzegovina make in average two overnight stays (Agency for statistics of BiH, 2013, p. 6), while majority of the tourists that come in City of Mostar are only on a daily excursions from Dubrovnik and Split area, from bordering Croatia. Reasons for so low exploration of the potentials in City of Mostar can be found in underdeveloped concept of managing the tourist destination and image of the City of Mostar, as well as low quality offer, lack of infrastructure and overall bad experience for visitors (Peštek & Nikolić, 2011, p. 90). One of the reasons for such unpopular situation in Mostar can also be found in the relevant governmental institutions where the great discrepancy between the executive documentation and the real situation at the field could be noticed in combination with non-strictly defined duties for each of the relevant organisations on all national levels. Sustainable tourism development in Mostar is on very low level, with unsatisfactory development progress within all three pillars.
Majority of previous studies and measures taken by theorists, especially in 1990s, focused primarily on the environmental dimensions of sustainability, and therefore failed to complete the whole picture of the sustainable development (Haimes, 1992; Sharpley, 2000). The primary aim of the sustainable development should be to equally optimize all three pillars of sustainable development, or, to avoid only forcing one, while neglecting the other two pillars (Hitchcook & Willard, 2009, p. 185). Sustainable tourism development in a destination is globally becoming increasingly important for the tourism-related institutions, however there is very little existing documentation on this topic, especially for the area of Bosnia and Herzegovina, and therefore author believes that this master’s thesis could fill the gap in relevant theory with the main focus of analysis in this thesis shall be on barriers in developing sustainable tourism destination.

The aim of this study is to investigate and identify what are the barriers for the implementation of the sustainability in a tourism destination. Author will use the existing literature to clearly identify and present the concept of sustainable tourism development, as well as the context of the tourism destination. When researching the sustainable tourism development, it is also important to understand the specificities of a destination as well. While theory presents the clear concept of the sustainable tourism development; concept itself cannot be equally implemented into every destination as each tourism destination has its own specific characteristics that need to be carefully analysed and identified. This is why the focus of this master’s thesis is on a specific destination – City of Mostar. This work will also identify how tourism activity itself interacts with a sustainable development, as well as the identification of the tourism activities in BiH will be presented for the purpose of clearer understanding of the specificities. Context related to tourism is indispensable to consider sustainability in a holistic approach.

There are five specific objectives this master’s thesis will cover:

- to explore academic literature in order to discover and clearly understand the main field of interest about sustainable tourism development;
- to use an analysis based on the City of Mostar to identify and clearly present issues at the field and compare those with the relevant issues given by the literature;
- to identify and critically assess the barriers for the sustainable tourism development of City of Mostar;
- to confront both primary and secondary data to point out an order of importance of the problems revealed; and
- to clearly elaborate results and give the recommendation for the City of Mostar in the context of overcoming identified barriers for sustainable tourism development.

The research employed in the thesis will be qualitative while the main source of the information from the field will be obtained by using direct in-depth interviews as a research instrument. Data
will be collected by interviewing some of the key employees in executive public organizations, with
the main focus on the public organizations responsible for the City of Mostar from the Federal level
down to the Cantonal and Municipal level, where applicable. Additionally, key responsible from
Tourism Associations (hereinafter: TA) will be interviewed as well. In addition to these, interviews
will be made in some other key institutions as like with the representatives from the Commission to
preserve national monuments in BiH, Regional development agency for Herzegovina (hereinafter: REDAH),
as well as with the representative from the Mostar Airport, institution whose major
stakeholder is City of Mostar with more than 88%. Interviews will be done only with the
representatives, trying to avoid regular employees. Overall goal is to try to interview six to ten
representatives from the previously mentioned institutions. Interview will be focused on a few areas,
starting from the level of understanding and the level of knowledge about the sustainability and its
importance, followed by the overview of the current work on the sustainable tourism development
and the institutional analysis. Interviews will be completed with few questions regarding the barriers
and difficulties faced while implementing sustainable tourism development in a destination.

One of the major problems for all researchers working in Bosnia and Herzegovina is the lack
of availability and accessibility of relevant resources for the research analysis. The major problem with
obtaining the data is the general unwillingness for the cooperation majorly found in the public
institutions. Additionally, process of obtaining data from the public sector itself is very slow, and
very bureaucratic as well, however, data collected by the interviews will be the main source of the
relevant information. Beside primary data, secondary data collection from national statistical sources
will also be used for the purpose of establishing a basis for the clearer understanding of the overall
picture of the tourism situation in BiH. This part of the work will be based on reviews of literature,
articles and papers that explore existing barriers and problems regarding sustainable tourism
development.

In the introduction part of this work one can find definitions and background of the study that this
thesis is covering, as well as research objective and aim of the work. Furthermore, the introductory
part is consisted of methodological character related to the problem definition and the area of the
relevance for investigation, as well as the definition of goals and the purpose of the research. Clearly
presented research questions and methodology that is about to be used is also strictly defined in the
introductory part.

Second chapter is deeply focused on the literature review and the specific application of theory on
tourism as an industry, sustainable tourism, policies, etc. with systematic presentation of theoretical
terms in combination with practical examples. Special focus will be at the factors in the tourism
destination as well as on the barriers in sustainable destination management.

Third chapter is based on the case study of the City of Mostar on whom this work is mainly focused
on, where the introduction to the tourism industry in City of Mostar as well as the problems City of
Mostar is facing are presented. Problems will be presented in the terms of problems with the landscape and the problem with the boundaries and hierarchy in the governmental institutions relevant to the tourism. Within this analysis the United Nations Educational, Scientific and Cultural Organization’s (hereinafter: UNESCO) impact will also be analysed.

Fourth chapter will present methodology used in the qualitative research. This chapter will present the main limitations of the interview as a primary research tool in this situation. This chapter will be followed with the main findings where the presentation of actual understanding about the sustainability and the major barriers will be analysed. Research will be presented for the purpose of final analysis of the stated objectives.

Final recommendations are consisted of the systematic presentation, recapitulation and explanation of the most important findings. Final recommendations do also give recommendations for further research in this area. Work will be completed with the conclusion on the whole topic.

1 LITERATURE REVIEW

The core purpose of this master’s thesis is to identify and analyse the attitudes and perceptions of the shareholders in tourism industry of the City of Mostar towards the sustainable tourism development itself. Inskeep (in Jamal & Getz, 1995, p. 187) elaborated that sustainable tourism is often suggested to be an integrated part of tourism planning and development, therefore it’s natural to take a look at general approaches to tourism planning and development by defining sustainable tourism development. It is crucial to obtain better understanding of how the tourism industry defines sustainable development and what is considered as the implementation of sustainable tourism development in practice. General theory about tourism as a system and tourism planning as a process will be presented as an introduction to the understanding of the overall complexity of tourism which will be followed by the discussion and theory about sustainable tourism development.

1.1 Definition of tourism

Tourism is an activity mankind has undertaken for a very long time, however only in last half of the century tourism has become recognized as an important phenomenon, while its effects can be recognized on both single individual as well as the whole society. The importance of tourism and its widespread effects were for the first time recognized in the Manila Declaration on World Tourism in 1980s where the following definition was presented: “the tourism comprises the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited” (WTO, 1995, p. 1). This definition was derived from the years of studying and improving definitions given by different authors in past, and by one of the most
remarkable ones most certainly is a definition given by the Hunziker and Krapf (in Cruz, 2006, p. 2) where it was stated that the tourism is the sum of the phenomena and relationships arising from the travel and stay of non-residents, in so far as they do not lead to permanent residence and are not connected with any earning activity. This definition was also approved by the International Association of Scientific Experts in Tourism (in Jayapalan, 2001, p. 5) as their official definition and it brings out the following three distinct elements of tourism:

- involvement of travel by non-residents;
- stay of temporary nature in the area visited; and
- stay not connected with any activity involving earnings.

Tourism industry has a great potential and in recent years it is being categorized as one of the fastest growing industries in the whole world. United Nations World Tourism Organization in their annual journal elaborated that in the last six decades tourism industry has experienced tremendous expansion and diversification as well as it has become one of the key participants in the international trade (UNWTO, 2013, p. 2). The massive growth can be clearly presented as well with the fact that this industry experienced constant growth in the last six decades, with an increase in number of international tourists from 25 million in 1950, over 278 million in 1980, 528 million in 1995, until 1.087 billion tourism arrivals in 2013 with an income up to 3.18 billion USD per day. The overall growth is recorded by an average 3.3% annually and if this trend continues, predictions are that by the year 2030 there will be more than 1.8 international tourism arrivals per year (UNWTO 2013, p. 2). Less developed countries in Europe and Asia can expect even higher annual growth rate, while Europe has the second fastest average annual growth rate of 5.0%. Tourism industry plays very important role as a participant in the World industry. This industry directly serves 101 million jobs, or 1 in 11 jobs in the World are directly related to tourism industry. Tourism industry contributes with 9.0 % to the global Gross Domestic Product (hereinafter: GDP) and international tourism receipt reached 1.2 trillion USD of exports, or 30% of all services globally exported relate to tourism industry (WTTC, 2013, pp. 2-3).

Figure 1. International tourism 2013
Tourism industry is becoming one of the key parameters in the Bosnia and Herzegovina’s economy, as this industry has been marked as key industry for BiH, and the one industry to which this country should turn on to, while finally overcoming the heavy metal industry. Bosnia and Herzegovina is listed as one out of only three countries in the world that might experience growth of more than 10% annually through 2020. However, regardless the fact that BiH has experienced constant positive trends in the last ten years, tourism in Bosnia and Herzegovina still has relatively small base value of the sector, being only 0.2% contributor to the European tourism (USAID, 2013, p. 1).

Except for the period 2008-2010, there was constant growth evidenced in tourism industry in BiH for the last fifteen years with the average annual growth rate of 6.04%. This percentage represents higher average rate in comparison to both European and global average. According to the Agency for statistics of BiH (2014, p. 5) in BiH in 2014 there has been evidenced 1.711.480 overnights created by 846.581 tourists, which is for 0.3% increase in comparison to the 2013. Revenue generated by this industry in 2014 equals 686 million BAM and direct contribution to GDP equals 2.6%. The expectations are that the direct impact of this industry to the GDP by 2024 will be 5.3% or 1.149 billion BAM. Additionally, it is important to mention that indirect effect to the GDP is much more significant, which also includes productivity by other indirectly related industries, with the contribution of 9.5% or 2,545 billion BAM. To the GDP. This industry in BiH directly creates 33.500 jobs, meaning that 3.1% of all employed in BiH work directly related to tourism, however, by the 2024 additional 10.000 people should be employed in this industry. At the moment, indirectly created by tourism industry 118.500 (10.9%) people in BiH have employment, with the potential of reaching number of 150.000 by the year 2024. Tourism is an important factor to the export of one country as well, having 10% of total export in BiH related to the tourism industry. This industry has generated 267 million BAM in capital investing in 2014, while majority of tourists arriving to BiH do that for the leisure and similar purposes, more than 80% of them. (WTTC, 2014, p.1). Seen from
the data presented BiH is following the global trends, but it still has a great unused potential and space for the greater development.

There is no generally agreed rule that all theorists approve when it comes to the debate of tourism. Page and Connell (2006, p. 8) say the tourism is a multidisciplinary subject matter and different disciplines examine tourism from their own standpoint and in this respect, the different subject areas studying tourism use concepts of analysis that have been developed by their disciplines rather from an universally agreed tourism perspective. Definitions of tourism can be distinguished into two areas of tourism, either as the demand-side definitions or supply-side definitions (Cooper, et al., 2008, p. 24). However, many authors divide the definition of tourism into two additional groups where the tourism is defined either in conceptual or in technical way. Classic example of conceptual definition given about tourism is the one previously mentioned by the Hunziker and Krapf (in Jayapalan, 2001, p. 6) saying “tourism is considered as composite phenomenon embracing the incidence of a mobile population of travellers who are strangers to the places they visit and where they represent a distinct element from the residents and working population.”

On the other hand, technical definitions, also called statistical definitions, allow all tourism affected population to be measured as a statistical activity of tourism market. The most remarkable definition was given in 1933 by Ogilvie (in Morley, 1990, p. 3) where he said that “tourists are all persons who satisfy two conditions, that they are away from home for any period of less than a year, and second, that while they are away they spend money in the place they visit without earning it there.”

Technical definitions provide instruments or particular statistical, legislative and industrial purposes and these definitions were accepted more often by different theorists who were trying to define tourism as a phenomenon (Batta R.N., 2000, p. 28). Holistic approach in defining tourism was given by the Goeldner and Ritchie (2009, p. 6) where they define tourism as “the process, activities and outcomes arising from the relationships and the interactions among tourists, tourism suppliers, host government, host communities and surrounding environments, which form the attraction of tourists.” Thus, tourism encompasses activities, services and industries that deliver a travel and leisure experience. It can be seen that Goeldner and Ritchie (2009) depart from the previous definition of tourism but despite the varying views and definitions of tourism, a common thread can be found to be running through, which is that it involves movement from one’s environment to seek pleasure.

Main characteristics of tourism from a business context were outlined by the Vanhove (2011, p. 18) where he presents tourism in business context as tourism where the small and medium sized companies are dominating the industry. The activities that are proposed to the visitors are called services in business concepts, making the tourism industry supplying tourists with services. Tourism product is a blend of activities, which also means that the tourism products cannot be saved or stored but instead are fresh services, interdependent with the specific accent on the seasonality of the most services, dependable on a tourism destination (Vanhove, 2011, pp.11-13). More specific summary of
the essential parts of tourism have been given by the Cooper, et al. (2008, p. 14) where they presented tourism as following:

- Tourism is a circulation of people who are moving from one permanent residential destination to other non-permanent destinations.
- Tourism consists of two elements:
  - the trip to the destination
  - the stay and activities at the destination.
- Tourism takes place outside of the ordinary environment of a visitor. The activities conducted at the destination are different from the activities conducted by the residents of the area;
- The movement of people is on a short-term basis. Tourist is supposed to return to its permanent living destination within days, weeks or months;
- The trip consists of purposes other than establishing a permanent life in the place visited.

1.1.1 Product life cycle of the tourism

There is a very little doubt that tourism destinations are dynamic and that they change and evolve during the time, thanks to deterioration, overuse, development and other types of tourism effects in a destination. As mentioned before, tourism can be seen as a product, and therefore, as every other product, tourism itself has its product life cycle. The stages of life cycle for tourism presented by Butler (2006, pp. 3-11) and illustrated in Figure 2 are exploration phase, involvement phase, development phase, consolidation phase, stagnation phase, and at the end either rejuvenation or decline phase.

Figure 2. Hypothetical evolution of a tourism destination
In (1) exploration phase there is a very small number of tourists followed by irregular visiting patterns. At this phase there are no specific facilities provided strictly for the visitors, while the use of local products and contact with the local population is high. This phase is followed by the (2) involvement phase which is characterized by certain regularity of visitors, and first specialized facilities are to be open, e.g. restaurants or café bars. Communication with the local population still remains high. (3) Development phase reflects itself in a well-defined tourism area and clearly defined tourism market. In this phase connection to local population rapidly decreases, as the local facilities are being overtaken by the larger, perhaps multinational companies. In this phase first obvious deterioration are visible due to the greater exploitation of the area. Development phase is followed up by the (4) consolidation phase whose main characteristic are the first decreases in the number of visits. Major part of the area will be tied to the tourism industry, and usually this will result with first oppositions against tourism in that destination. As the destination reaches (5) stagnation stage, peak in number of tourists will be reached. Destination will reach its full capacity, and will be less fashioned by individual tourists while more of the organized mass tourism can be expected in this phase. If (6a) decline phase occurs, destination will no longer be able to compete with different, newer destinations and constant decrease in number of arrivals will be present. The other possibility is the (6b) rejuvenation phase which will never occur without a change in attractions on whom the tourism is based. However, even when it happens, there are four different possible outcomes:

- Curve A: Successful redevelopment will result with renewed growth and expansion;
- Curve B: Minor modifications and adjustments to the capacity level with continued preservation of resources will result in moderate growth;
• Curve C: Readjustment in capacity levels could lead to small growth after initial downfall in number of visitors
• Curve D: Continued overuse of resources, with minor changes will lead towards slower, however, definite decline.

All these four possibilities, with an additional fifth possibility being total decline, simply suggest that a change in attitude towards destination is needed, in a combination with strategic planning and development policies provided by the responsible (Butler, 2006, pp. 3-11).

1.1.2 Categories of tourism

World Tourism Organization (1995, p. 1) has presented the concept of tourism beyond a stereotypical image of “holidaymaking” and from their definition mentioned previously it can be said that tourism is every movement that excludes trips within the area of usual residence, frequent and regular trips between the domicile and the workplace, and other community trips of a routine character. Based on this criteria UNWTO (1995, pp. 4-5) distinguishes five different tourism consumption types based on the location and those are the following:

**Domestic tourism consumption** comprises the activities of residents of a given country travelling and staying in places inside their residential country, but outside their usual environment for not more than 12 consecutive months for leisure, business or other purposes. Domestic tourism is the consumption made by the resident visitors within their own country of stay even if the final destination might be within the outside of the country, if one has certain tourist activities within the country of stay prior of the leaving. However the domestic tourism consumption is not the total consumption of “domestic visitors” because it also includes some consumption of visitors whose trip takes them outbound and which occurs outside the country of residence.

**Inbound tourism consumption** is the tourism consumption of non-residents visiting territory of the country of reference and which is provided by the residents. It does not comprise total visitors consumption expenditure of outbound visitors, as it excludes part of the consumption directly provided to them by non-residents before or even during the trip, in most cases this refers to the goods purchased in the country of reference that are imported do count in the overall consumption (air transportation on carrier resident of countries different from that of reference).

**Outbound tourism consumption** comprises the activities of residents of a given country travelling to and staying in places outside their country of residence and outside their usual environment for not more than 12 consecutive months for leisure, business and other purposes and provided by the residents of other country. It does not comprise all consumption expenditure attached to outbound visitors, as it excludes that part of consumption provided within the economic territory of residence by residents as for example travel insurance.
Internal tourism consumption comprises "domestic tourism" of residents of a given country and "inbound tourism" of non-residents to that country. It is the sum of domestic tourism consumption and inbound tourism consumption. It might include goods and services imported into the country of reference and sold to visitors and therefore this in aggregate provides the most extensive measurement of tourism consumption in the compiling country.

National tourism consumption comprises domestic tourism plus outbound tourism, that is to say, the activities of resident visitors within and outside the country of reference, either as part of domestic or outbound tourism trip. It’s the sum of domestic tourism consumption and outbound tourism consumption. These purchases include domestically produced goods and services, imported goods and service provided by the resident providers and goods and services purchased from non-resident providers.

1.2 Definition of sustainable development

In order to handle the concept of the sustainable development it is important to define and understand the linguistic meaning of the both words that form the term. According to the Oxford Dictionaries (n.d.) sustainability is defined as an “ability to be maintained at a certain rate or level; maintained through successive stages or over a long period of time, kept without intermission or flagging.” Development according to the Oxford Dictionary (n.d.) can be defined as a “specific level of growth or advancement; gradual unfolding; more elaborate form.” Development as a common goal can be found in different areas of economy and it represents a process that makes an effort to improve living conditions of people, rather than just the process of increasing the wealth. Because of the broadness of the definition of sustainable development, it can be distinguished within two components: the actual meaning of development and the conditions necessary to achieve sustainability (Miltin, 1992, p. 112). There are however undoubted evidences of the negative impacts that lie behind the successful development. In many cases wealth collected from greater development is not equally distributed to all stakeholders or areas. In matter of fact, majority of global problems as global warming or increase in atmospheric carbon dioxide are result of development on a global scale. These problems, in addition to the concepts of First and Third World countries, marginalization, poverty and other created a desire in some theorists to upgrade the system of development (Redclift, 2002, pp. 48-50). Original idea of sustainable development came from the idea that the societies must change their development priorities from the economic outlooks towards the social and economic questions while the main emphasis of the sustainable development is to carry developmental achievements into the future in such way that future generations are not left worse off (WCED, 1987, pp. 41-44). Historically speaking, one of the key moments for the sustainable development happened at the World Commission on Environment and Development (hereinafter: WCED) (WCED, 1987, pp. 5-9) where the Brundtland report “Our
Common Future” was presented in which the **sustainable development** was defined as a “development that meets the needs of the present without compromising the ability of the future generations to meet their own needs.” Concept of the sustainable development was induced in the report with not only the concerns about development itself but also on a growing difference between Northern and the Southern hemisphere as well as with the security threats, having in mind that this report was written in the middle of the Cold War between USA and SSSR in 1980s (Liburd, 2012). Sustainable development is a development strategy that manages all resources for the purpose of increasing long-term wealth and well-being. This policy preserves and conserves environment for the future without ignoring the present and vice versa. It also proposes inter- and intra-generational balance of welfare as well as the universally valid prescriptions which are supposed to be applicable to all countries without considering their level of development (Tosun, 2001, p. 290). However, the main element of sustainable development is the participation and responsibilities of individuals in the process of development, while building their consciousness about the present and the future.

In theory there are three aspects to sustainable development which are clearly recognized by the Brundtland’s report: economic, environmental and socio-cultural aspect. Economic aspect is focused on the minimisation of the negative economic impacts. It is also focused on creating positive atmosphere for promotion of goods and services on a regular basis without negative implications, as well as and to maintain manageable levels of growth. Socio-cultural sustainability aspect is managing living standards, equity, adequate access to social services, community participation and human rights. Environmental aspect of sustainable development is focused on a stable supply of mainly renewable resources while avoiding the over-exploration (Harris, 2000, pp. 5-6). Despite certain issues that come with the implementation of sustainable development, it is crucial that this concept is recognized not only in its definitional context but also as a concept which successfully encompasses the three upper-mentioned pillars into one harmonized union. Many theorists present sustainable development as illustrated in Figure 3 where three spheres equal in size and importance interconnect and overlap one over other forming one central area interconnected by all three pillars. This central area would be graphical presentation what is actually the sustainable tourism development.

Figure 3. Graphical presentation of the STD
Sustainable development is a shapeless concept which can be fashioned to fit a variety of perspectives, however this concept has its own weaknesses as well. Concept has been criticised for being vague, contradictory and subject to various interpretations (Ali & Frew, 2013, p. 41). Sustainable development is faltering mostly within its inability to develop a set of concepts, criteria and policies that are constant both externally and internally. The mainstream formulation of sustainable development is suffering from significant weaknesses in its characterization of the poverty problems and environmental degradation, conceptualization of the development objectives and the incompleteness of the strategy (Lele, 1991, p. 607). Some other issues that are linked to the sustainable development concept can be seen in a separation of the pillars or risk that one pillar becomes bigger in comparison to other two. This further lead to the debate about the “trade-off” between pillars and ignorance of the fact that no number of sawmills will substitute a forest (Mukherjee & Kathuria, 2006, p. 48). But despite all issues that come with the sustainable development, currently this is the best and most desirable model of development that refers both on present and future generations.

1.3 Definition of sustainable tourism development

While the original Brundtland report did not included tourism as part of the concept of sustainable development, having the one of the key aspects of the report being based on the environment, institutions devoted to the tourism easily adapted the concept to the tourism industry in the 1990s., along with the array of related terms including “natural tourism”, “responsible tourism”, “green tourism”, “eco-tourism”, etc. Sustainable tourism development should be seen as an adaptive concept and a sub-concept of the parental sustainable development. Being so, concept of sustainable tourism development should be seen as an union of all tourism developments that make a contribution, or at least do not contradict the principles of development without compromising the ability of future generations to satisfy their own needs and desires. Sustainable tourism development aims for contributing to objectives of sustainable development in general by determining specific principles in the light of its parental concepts (Tosun, 2001, p. 290). Many theorists involved in the
study of tourism in the terms of sustainable development have suggested that sustainability is conceptually important, however difficult to implement due to its indeterminate definition. Concerns with the negative impacts of the tourism can be traced back to the 1960’s when they were often directly related to the concept of carrying capacity (Stewart, 1993, p. 3). In the 1992 at the UN Conference on Environment and Development the term “sustainable development” was firstly introduced, elaborated and expressed in the famous Agenda 21 which covered a total of 40 different topics and 115 different programs. However, despite the thematic breadth and ambition to include all groups in society, the tourism industry was only featured in a few, brief references to ecotourism as a tool to promote sustainable development. Only after the publication of Agenda 21 the concept of carrying capacity was replaced with the concept of sustainable tourism development, however even though the WTO had presented their perspectives on sustainable tourism already in 1992 it was not until 2005 that the presentation of the concept managed to gain the position as authoritative definition, something that took place in the publication of the report “Making Tourism More Sustainable - A Guide for Policy Makers” presented by the UN Environment Programme and WTO (2005, pp. 8-10) who defined sustainable tourism development as follows: “Sustainable tourism development meets the needs of present tourists and host regions while protecting and enhancing opportunities for the future. It is envisaged as leading to management of all resources in such a way that economic, social and aesthetic needs can be fulfilled while maintaining cultural integrity, essential ecological processes, biological diversity and life support systems.” Sustainable tourism develops instructions and guideline practices that can be applicable to all destinations all around the world. This means that sustainable tourism development is applicable to all types of forms of tourism. In order to achieve long-term sustainability a suitable balance between three pillars of sustainable development must be established (UNEP & UNWTO, 2005, p. 11). Many researchers were devoted to concept of sustainable tourism development in the last decade, however there is still no unified and commonly agreed definition of sustainable tourism development. One of the most significant authors who will define sustainable tourism development most certainly was Richard Butler whose definition has made a substantial contribution in the terms of unifying the sustainable tourism development with its parental terms. Butler (1993, p. 12) stated that sustainable tourism development is “tourism which is developed and maintained in an area (community, environment) in such a manner and at such scale that it remains viable over an indefinite period and does not degrade or alter the environment (human and physical) in which it exists to such a degree that it prohibits the successful development and well-being of other activities and processes. That is not the same as sustainable tourism, which may be thought of as tourism which is in a form which can maintain its viability in an area for an indefinite period of time.” This definition is one of the most important definitions given because Richard Butler was one of the first theorists who clearly distinguished the difference between sustainable tourism and sustainable tourism development. Taking into account conceptual arguments for the sustainable tourism development, Tosun (2001, pp. 290-291) listed common principles of sustainable tourism development. One destination to be able to achieve sustainable tourism development should achieve following goals:
• contribute to the satisfaction of basic and desired needs of the local community in terms of quality life improvement;
• reduce inequality and absolute poverty in local tourist destination;
• help host communities be free or emancipated from alienating material conditions of life from social servitude, to nature, ignorance, other people, misery, institution, and dogmatic beliefs;
• fulfil the tourism demand and of the tourism industry and continue to attract people to be able to meet the first aim;
• accelerate not only national economic growth, but also regional and local economic growth which should be shared fairly across the social spectrum;
• preserve cultural, natural and all other local resources on which tourism is based in order to achieve the preceding aims; and
• should achieve the above objectives in an indefinite period of time without compromising the ability of future generations to meet their own needs.

One of the most common and most useful methods where the principles of sustainable tourism development are promoted is via the publication of guidelines for development or through the actual political documents (Telfer & Sharpley, 2007, p. 50). One of the most significant documents that serves as a guidebook is published by UNEP and UNWTO (2005) and this document is significant for two very important aspects. Firstly, the guide identifies that it is on the governments to develop and implement policies, while the particular focus is based at regional or national tourism policy makers. Secondly, it signifies a departure from the rigid “blueprint” approach to sustainable tourism development by stating that “it must be clear that the term “sustainable tourism” – meaning “tourism that is based on the principles of sustainable development” – refers to a fundamental objective: to make all tourism more sustainable” (in Telfer & Sharpley, 2007, p. 51). Telfer and Sharpley (2007, p. 51) also adapted the 12 aims that represent the agenda for sustainable tourism development which could also be seen as objectives of STD are as follows: (1) economic viability, (2) local prosperity, (3) employment quality, (4) social equity, (5) visitor fulfilment, (6) local control, (7) community well-being, (8) cultural richness, (9) physical integrity, (10) biological diversity, (11) resource efficiency and (12) environmental purity.

For the sake of further explanation it is also important to mention that sustainable tourism development must be considered as an “adaptive paradigm” that accommodates both weak and strong interpretations of the sustainable development idea. **Weak sustainable tourism development** are strategies that increase capital in infrastructure, human capital and social capital on the expense of natural resources such as polluting water, air and land. This means that the consumption and overall stock capital will be constant in time, while the natural resources will decline. Additionally, if any asset is reduced, other capital asset will be increased to compensate this loss. A weak sustainable development includes that the certain amount of preserved environmental
resources will be saved in the way that the limit will be set on how much a human life can be increased in quality. This is more concerned about managing human needs instead of putting the concern about preserving the ecological systems in the first place (Weaver, 2006, p.20). Large resort hotels and theme parks are excellent example for weak sustainable tourism strategies.

**Strong sustainable tourism development** concerns with the ecosystem and aims for the constant natural resource maintenance while developing new renewable resources and environment friendly products. Strong development moves from focusing on mainly sustained economy and human life towards more environmentalist approach. Even though very strong sustainable tourism development is practically unfeasible, it’s important to it one of the extremes. Basics of the very strong development would be that the same amount of resources is required for both present and future generations to utilize, in addition to zero economic growth and zero population growth in order to accomplish this stage of development. Strong development would most likely prohibit tourism activities from one area, however more likely result would be a development of small-scale ecotourism facilities that would preserve nature (Weaver, 2006, p.20). To summarize, “weak sustainability” paradigm states that man-made capital is more important than natural capital where the “strong sustainability” is based on the idea of non-substitutable natural capital.

Even though sustainable tourism development is supported by the adoption of strict principles, the concept itself still creates an ongoing controversies. Controversies do arise because in one hand there are appeals with recognized needs of limiting and controlling tourism activities which can also be seen as a sustained use of limited resources. On the other hand there is a desire for opportunities that will maximize growth and benefits associated with increased visitor use and tourism activities without deterioration (McKercher, 1993, p. 133). If taken that previously mentioned adoptions of principles are at the two ends of the extreme, middle between these two adoptions could be seen as a sustainable tourism optimum. Seen differently, sustainable tourism development could be placed within one of two broad schools of thought. One school tends to support sustainability by representing an alternative to the conventional mass tourism with new green products (product approach) while the other school argues that mass tourism is inevitable due to sheer tourist demand, and what is needed is a way to make all tourism more sustainable (industry approach) (Godfrey in Attia, 1999, pp. 17-18). Garrod and Fyall (1998, pp. 205-208) speak about two approaches towards sustainable tourism: macro and micro approach. The macro approach includes usage of environmental balance sheets to measure sustainability conditions, while the micro approach includes the use of social cost-benefit analysis at the level of the individual tourism development projects.

Most of the theorists at the end agree that the real value of the sustainable tourism development is not lying in replacing mass tourism, but rather in supporting the “reform” of the tourist establishment and mass tourism within it (Godfrey, 1996, p. 61). Furthermore, most theorists agree
as well that the concept of sustainable development in tourism could be seen as an attractive political objective. It has a realistic potential for political support as there are strict guidelines for development and management of tourism and although sustainability is not specific and not easy to understand and quantify, it is “probably the most important planning and policy issue of our time” (Hall, 2008, p. 27). Generally speaking sustainable tourism development appears to be beneficial to the destination especially in dealing with the mass tourism issues previously mentioned, which as an alternative could evoke additional forms of tourism. At this point it is also important to mention that the sustainable tourism development cannot be equally treated in developed and developing countries even while the principles are applicable to both levels of development. Additionally, additional questions could be identified in countries as Bosnia and Herzegovina that are not common to the developed European or Northern American countries. Some of those problems can be expressed in the term of priorities for the national economy, lack of contemporary tourism development approach, structure of the public administration system, emergence of environmental matters and over-commercialisation as well as the structure of the international tourism system. All of these problems are named “challenges of sustainable tourism development” while majority of these variables are interconnected and not completely exclusive as well (Tosun, 2001, p.291).

1.3.1 Conventional tourism versus sustainable tourism

Many destinations experience direct benefit from a tourism industry having economic aspect being more developed by creating job opportunities, investment opportunities, etc. However, that strive for greater economic gain in a long-term period creates major problems with both social and environmental sustainability as well. At this point, two types of tourism activities can be clearly identified, conventional tourism and sustainable tourism activities. Conventional tourism highlights the importance of the market and the pricing of resources used. It also lacks of the regard towards the environment. Common synonym for the conventional tourism is “mass tourism” because of the way it is organized, having standardized and low cost organized tourism packages. (Spilanis & Vayanni, 2003, p. 4). It is also very clear that conventional tourism is not sustainable due to the number of side-effects it generates as pollution, waste, aggressive construction, etc. Mass tourism has also a great impact on social and cultural assets of a destination. Historical remnants are under risk of being damaged by intense tourism flows while local cultural traditions risk being diluted by the influences of the visitors’ different lifestyles. In comparison to the theory just presented, sustainable tourism is any form of tourism development that respects environment and preserves cultural and historical resources. Company that takes care that sustainable tourism development is maintained properly is a small scale enterprise which operates relatively small number of tourists. It is usually owned by a local person in whose best interest is to preserve the environment and minimise pollution, while taking care of the cultural and historical resources in order to keep tourists interested into the destination. This company will save the local social heritage by educating the foreigners about the domestic culture while introducing them the most interesting habits and way of living. With the regard that sustainable tourism benefits all three pillars, sustainable tourism
enhances education and contributes to greater understanding between hosts and guests having mutual learning which results with nothing but positive know-how. Having everything combined, local population creates added value to their community or region consequently enhancing the feeling of togetherness and pride over their culture and over what they have achieved. Sustainable tourism helps to break down social barriers such as class, race, political, religious or gender barriers (Carson, Richards & Jacobsen, 2004, p. 5).

Sustainable tourism develops environmental awareness of people and enhances a need for conserving not only nature, but also historical and archaeological sites in a destination. It further allows tourists to visit sustainably developed tourism destinations without experiencing damaged environmental resources. Having sustainably developed tourism destination will result that the income of this activity is being channelled back to the communities which may reinvest these fund into further protection of the environmental, cultural, historical, or any other potential site. Sustainable tourism also creates income opportunities in the areas where the opportunities are relatively low. This means basically creating opportunities for handcrafts and other local products while economic diversification is being achieved. Focusing society on one industry, in this case tourism, results that one area is self-employed and that financial resources are circulating inside that specific area minimising need for the money outflow. Every action whose plan is to move from a conventional tourism towards new forms of tourism should be supported since that contributes to the area’s sustainability, however changing the tourism ideology from conventional towards sustainable is not an easy task. On the other hand it is important to notice that it’s not impossible, especially if considered the recent changes in tourism preferences for vacations, the environmental awareness of consumers and the development of environmental friendly technologies (Spilanis & Vayanni, 2003, p. 5). In order to have a clearer understanding, Table 1 below shows the differences between the conventional and sustainable tourism.

<table>
<thead>
<tr>
<th>Table 1. Attributes of mass and alternative tourism</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mass tourism</strong></td>
</tr>
<tr>
<td>General features</td>
</tr>
<tr>
<td>Rapid development</td>
</tr>
<tr>
<td>Maximizes</td>
</tr>
<tr>
<td>Uncontrolled</td>
</tr>
<tr>
<td>Short term</td>
</tr>
<tr>
<td>Sectorial</td>
</tr>
<tr>
<td>Tourist behaviour</td>
</tr>
<tr>
<td>Large groups</td>
</tr>
<tr>
<td>Fixed programme</td>
</tr>
<tr>
<td>Tourists directed</td>
</tr>
<tr>
<td>Comfortable and passive</td>
</tr>
<tr>
<td>No foreign language</td>
</tr>
<tr>
<td>Nosy</td>
</tr>
<tr>
<td>Loud</td>
</tr>
<tr>
<td>Basic requirements</td>
</tr>
<tr>
<td>Holiday peaks</td>
</tr>
<tr>
<td>Untrained labour</td>
</tr>
<tr>
<td>Publicly clichés</td>
</tr>
<tr>
<td>Hard selling</td>
</tr>
<tr>
<td>Development strategies</td>
</tr>
<tr>
<td>Unplanned</td>
</tr>
<tr>
<td>Project-led</td>
</tr>
</tbody>
</table>
1.3.2 Minimalist versus comprehensive sustainable tourism development approach

Seen from the above discussions it can be concluded that application of sustainable development principles is not a simple task, especially in a situation where a vision of an individual on sustainable tourism development pre-determines how each individual will conceptualise theory into practice (Hall, 2008, p. xiii). From the discussions above one can also conclude that there is a possibility of two composite “ideal types” (i.e. polarized models against which real life situations can be assessed and compared) of sustainable tourism development. While almost nothing in the real world is ideal, one would say that either of the ideal types are rarely encountered in the real world and it is generally more useful to describe a destination as “trending towards” rather than adhering to one model or the other (Weawer, 2006, p. 445).

In minimalist sustainable tourism development priority is given to either environmental (biocentric) or sociocultural and economic (anthropocentric) impacts within a small-scale destination without considering sectors other than tourism or intergenerational equity. Attention is focused only on a short-term direct impacts only. Whether weak or hard approach is adopted depends on the nature of the product or a destination, however the combination might be warranted if the latter incorporates diverse settings or elements (Weaver, 2006, p. 450). On the opposite side of the spectrum, comprehensive sustainable tourism development has a holistic approach where environmental, sociocultural and economic impacts are combined within a regional or even global area. This approach takes into account the indirect and induced impacts over the long-term period. Having comprehensive sustainable tourism development requires the entire array of destination settings while both weak and strong approach will be incorporated into strategic planning and management.

### Table 2. Minimalist and comprehensive sustainable tourism ideal types

<table>
<thead>
<tr>
<th>Minimalist sustainable tourism</th>
<th>Comprehensive sustainable tourism</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Environmental, sociocultural or economic impacts</td>
<td>• Environmental, sociocultural or economic impacts</td>
</tr>
<tr>
<td>• Site specific or local focus</td>
<td>• Regional or global focus</td>
</tr>
<tr>
<td>• Short-term effects of actions</td>
<td>• Long-term effect of actions</td>
</tr>
<tr>
<td>• Tourism sector only</td>
<td>• Tourism in the contexts of other sectors</td>
</tr>
<tr>
<td>• Direct impacts only</td>
<td>• Direct, indirect and induces impacts</td>
</tr>
<tr>
<td>• Intergenerational equity</td>
<td>• Intergenerational and intragenerational equity</td>
</tr>
<tr>
<td>• Status quo sustainability</td>
<td>• Enhancement sustainability</td>
</tr>
<tr>
<td>↓↓</td>
<td>↓↓</td>
</tr>
<tr>
<td>• Weak or strong sustainability approach, depending on context</td>
<td></td>
</tr>
<tr>
<td>• Financial sustainability</td>
<td></td>
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</tbody>
</table>

However, which of these upper-mentioned theories will be applied hardly depends on a political ideology in a destination, meaning the approach is different depending if the political ideology is liberal or radical, but in most cases the sustainability itself is recognized as a part of the economic development. It can be said that in the majority of developed countries in the world cherish liberal political ideology, however in that case the economic development is privileged in comparison to the socio-cultural and environmental development because of the philosophy that without efficient economic power there is no mean to enhance environmental concerns and global quality of life.

Based on a previous evidences it is clear that the concept of sustainable development theory as well as the sustainable tourism development as the part of broader system, is very complex matter. In the other hand, to be able to upgrade tourism and all other industries to this desired level, one must be perfectly aware of the difficulties and by all means overcome it for both present and future benefits.

1.4 Impacts of tourism

For every action there is an equal and opposite reaction says Newton’s third law of physics (in McCharty, 2005, p. 840), a theory which can equally be applied to the tourism industry and its impacts on a behaviour of society. The final action in a development process of tourism strategy is in maximizing and minimizing certain impacts created by a tourism. This goal is achieved when the positive and negative impacts are identified and the needed actions are made on maximizing or diminishing the impacts. All impacts of tourism industry could be identified and divided into three major subgroups: (1) economic impact, (2) socio-cultural impact and (3) environmental impact of tourism in a destination. Impacts are presented in general terms with the awareness that every community will not equally experience the impacts because of the particular natural resource, economic development, or any other relevant condition. Understanding the impacts of tourism is very important for the society and societal involvement into the development process itself, while analysing different perspectives helps society to identify and resolve concerns that would otherwise create problems in the upcoming period.

1.4.1 Economic impact

Economic impact is defined as a total cost or benefit that a particular situation can create on the overall economy. Without any doubt economic impact of tourism is the most significant out of three identified and can have extremely positive, but also extremely negative impacts on a destination. Of the most influential positive economic impacts is the fact that tourism creates employment opportunities for the local population. Additional jobs, ranging from low-wage entry-level to high-paying professional positions in management and technical fields generate income and raise standards of living which further reflects in an increased spending and the economic growth of the society increases. In practice, this happens mostly in the less developed countries where the money
is still greater scarce and where the whole economy is based and dependent on a few industries. With additional financial resources generated by tourism new opportunities for investment, development and infrastructure spending are being made. Higher development will also attract Multinational corporations (hereinafter: MNC) to invest in certain areas, where those investments are most likely to be through franchising or joint-partnerships with local businesses and in that way healthy competition would be created. However, nothing of this mentioned above is possible without the initial effort of local authorities who, in order to attract more new tourists improve public utilities as water supply, sidewalks, lightning, parking, public restrooms as well as safety from whom both tourists and locals jointly benefit.

Economic impact of tourism is significant for governmental budget as well because revenues from different taxes are being collected. Revenues are being collected by both direct and indirect taxation. Indirectly, government benefits from the value added tax (hereinafter: VAT) and other taxes and charges because overall consumption is increasing with the increase of population at certain area. Direct benefit in other hand would be from the taxes and social charges for the newly employed, with additional other different taxes as for tourism association and similar organizations. New revenues created from tourism do have positive impact because those funds are being then further reinvested in public utilities and similar.

On the other hand, economic impact has its drawbacks as well. The jobs created by the tourism are commonly low-wage entry-level jobs, often on minimum wage or even less. These jobs are in most cases seasonal while at the off-season labour is unemployed which could lead to dissatisfaction and frustration within the population. Problem could also persist if the labour is being imported from other regions instead of employing local population which could have negative implications, especially on the younger population, when the local and the newcomers mix-up. When one destination increases it’s “popularity” costs of living in that area do increase as well. Real-estate industry will experience a boom and if not controlled the over-investment into this industry could destroy the whole area in more different aspects. Additionally, food and other living-needed groceries will have increase in prices as well. Negative impact of tourism development can be evidenced on younger population, especially in a destinations where the economic benefit of tourism was rapid and where majority of population got rich very fast because in those destinations population is more likely to become addicted to drugs and alcohol (Kreag, 2001, p. 6). In brief, economic impacts are presented in Table 3.:

<table>
<thead>
<tr>
<th></th>
<th>Positive impacts</th>
<th>Negative impacts</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Contributes to income and standard of living</td>
<td>• Increases price of goods and services</td>
</tr>
<tr>
<td></td>
<td>• Improves local economy</td>
<td>• Increase price of land and housing</td>
</tr>
<tr>
<td></td>
<td>• Improves development and infrastructure spending</td>
<td>• Increases cost of living</td>
</tr>
<tr>
<td></td>
<td>• Improves public utilities</td>
<td>• Indirect cost for additional infrastructure (water, roads, etc.)</td>
</tr>
</tbody>
</table>
• Improves transport infrastructure
• Creates new business opportunities
• Increases public infrastructure maintenance costs
• Risk of under- and unemployment issues
• Profit might be exported by non-local owners
• Risk of low-wage jobs


1.4.2 Socio-cultural impact

A socio-cultural impact is any change to the socio-cultural environment, positive or negative, that wholly or partially results from a project activity or as associated process. When one destination becomes mainly a “tourism destination” it is then affected with a massive flow of people of various nationalities, religions, beliefs, etc. which could either become precious asset or detriment to the whole community. Constant flow and mixture of foreigners with local inhabitants will have certain influence on a behaviour or local population in a way that they will start copying and accepting foreigner’s behaviour. Interaction between two groups in that way could have positive effects if creative expression is provoked or one population becomes more open minded or simply increases knowledge about other and different. In other hand, negative effect could occur as well like provoking additional restrictions or prejudices about other nations or religions. Increased tourism activity could evoke a need in local authorities to organize additional educations in schools or through media about health and safety issues. Younger population would become better educated and raised-up in a way that they are aware of the problem from the very early stage which might be a method of limiting AIDS or drugs problems.

Tourism can improve the quality of life in an area by increasing the number of attractions, recreational opportunities and other different services. It offers to residents the opportunity to meet interesting new people, make new friendships and learn about the World while exposing themselves to the new perspectives. Experiencing different cultural practices enriches life-experience, broadens horizons and increases insight and appreciation for different approaches of living. Tourism can eventually provoke in hosts the willingness to consider becoming a tourist themselves and in that way to increase and share the gained knowledge. It is important for a destination to organize a cultural nights or any other show-programs in a local society to stimulate additional interest, but also share and preserve the cultural and historical heritage of a destination. Events like these give opportunity for learning and the cultural difference between locals and tourists becomes less threatening which can have as a final result greater number of tourists visiting a destination based on a positive reviews of the previous guests. Tourism often promotes higher levels of psychological satisfaction from opportunities created by tourism development and through interactions with travellers.

Just like economic influences, socio-cultural influences can have its drawbacks as well. The most common problem nowadays is when one location reaches a level of a “must-see” destination,
especially if it is designed for younger population, then the illegal activities have tendency of increasing. Increased underage drinking or drugs consumption can become a major issue, especially in coastal destinations, areas with music or film festivals or ski villages. With the increase in number of tourists, lifestyle of habitants change as well. Local population might start avoiding downtowns which can have negative implication on a community socially and culturally in a way that hotels, restaurants and shops push tourism development into a residential areas. This may cause the change in physical structure of a community because “specially designed” tourism locations as hotels with private beaches could make residents feel exploited and non-welcome from the same resources. Problem can also be evidenced in a tourism attraction interesting for the long-term staying tourists as the local inhabitants could experience changes in their own culture and language, meaning that local population will start accepting habits of guests. The "demonstration effect" of tourism resulting residents adopting tourist behaviours and the addition of tourist facilities may alter customs, such as dating habits, especially those of a more structured or traditional culture (Kreag, 2001, pp. 8-10). In brief, socio-cultural impacts are presented in Table 4.:

<table>
<thead>
<tr>
<th>Positive impacts</th>
<th>Negative impacts</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Improves quality of life</td>
<td>• Excessive drinking, drugs, gambling, etc.</td>
</tr>
<tr>
<td>• Facilitates meeting visitors (educational experience)</td>
<td>• Increased underage drinking</td>
</tr>
<tr>
<td>• Positive changes in values and customers</td>
<td>• Increased crime and prostitution</td>
</tr>
<tr>
<td>• Improves understanding of different communities</td>
<td>• Increased smuggling</td>
</tr>
<tr>
<td>• Preserves cultural identity of host population</td>
<td>• Language and cultural effects</td>
</tr>
<tr>
<td>• Increases demand for historical and cultural exhibits</td>
<td>• Unwanted lifestyle changes</td>
</tr>
<tr>
<td>• Increases tolerance</td>
<td>• Displacement of residents for tourism development</td>
</tr>
<tr>
<td>• Satisfaction of psychological needs</td>
<td>• Negative changes in values and customs</td>
</tr>
<tr>
<td></td>
<td>• Family disruption</td>
</tr>
<tr>
<td></td>
<td>• Exclusion of locals from natural resources</td>
</tr>
<tr>
<td></td>
<td>• New cliques modify social structure</td>
</tr>
<tr>
<td></td>
<td>• Natural, political and public relations calamities</td>
</tr>
</tbody>
</table>


1.4.3 Environmental impact

Environmental impact refers to the direct effect of socio-economic activities and natural events on the components of the environment. Regardless of the type of tourism, both positive and negative impacts of tourism on environment can be identified as well. Environmental impact, just like previous two, also affects more the local population than it does affect tourists. Areas with high-value natural resources tend to attract more tourists in the recent years because of the increase in number of tourists who seek emotional and spiritual connections with the nature. Ecological prohibition which would prohibit natural destruction is classical example of the major environmental influence of tourism. This would mostly be applied on local population in whose best interest is to keep the natural wealth for the future generations. Also by declaring wider areas as
“national parks” is a win-win situation because at the same time the destination is more profitable but as well more protected. Monetary gain received from this activity could be further used for maintenance of the area ensuring it’s presence for the future. This can also be the case for the historical monuments which are possible to be preserved and restored in a same way. Improvements in the area’s appearance through clean-up or repairs with the additional public art such as water fountains, parks and monuments are benefit to both visitors and residents. Tourism is generally considered as a "clean" industry, one that is based on hotels, restaurants, shops and attractions, instead of factories.

The negative aspect of the tourism is that it can also equally degrade and destroy the same environment. Increased tourism is generating more air, water and solid pollution both directly and indirectly. Natural resource attractions can be jeopardized through improper use or overuse and the landscape’s appearance can be destroyed. Many woods are being destroyed for the purpose of creating additional space for camping logs, parking spaces, parks, etc. which in the end harms local community more than it benefits to it. The destruction or loss of flora and fauna can happen as well because tourists tend to bring with themselves smaller plants, rocks, corals and similar as souvenirs, which on a small scale is insignificant, however on a global scale whole natural habit of a specie can be destroyed. Travellers can also inadvertently introduce nonindigenous species and even illegal animal trafficking can occur. A constant stream of visitors and domestic pets may disrupt wildlife by disturbing their breeding cycles and altering natural behaviours. It is vital to preserve the natural habits because without forethought, natural landscape and open space can be lost and at the end there would be no attraction to be visited by tourists (Kreag, 2001, pp. 8-9). In brief, environmental impacts are presented in Table 5.: 

Table 5. Positive and negative environmental impacts of tourism

<table>
<thead>
<tr>
<th>Positive impacts</th>
<th>Negative impacts</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Protection of selected natural environments</td>
<td>• Pollution (air, water, noise, solid waste)</td>
</tr>
<tr>
<td>• Protection of further ecological decline</td>
<td>• Loss of natural landscape and agricultural landscapes to tourism development</td>
</tr>
<tr>
<td>• Preservation of historical buildings and monuments</td>
<td>• Loss of open space</td>
</tr>
<tr>
<td>• Improvement of the area's appearance (visual and aesthetic)</td>
<td>• Destruction of flora and fauna</td>
</tr>
<tr>
<td>• A &quot;clean&quot; industry (no smokestacks)</td>
<td>• Degradation of landscape, historic sites and monuments</td>
</tr>
<tr>
<td></td>
<td>• Introduction of exotic species</td>
</tr>
<tr>
<td></td>
<td>• Water shortages</td>
</tr>
<tr>
<td></td>
<td>• Disruption of wildlife breeding cycles and behaviours</td>
</tr>
</tbody>
</table>


Directing tourism growth toward local needs, interests, and limits can greatly enhance tourism’s value to the community and help create a sustainable and wealthy industry. Many communities have the skills and resources for successful tourism development and creating a local tourism industry is not a daunting task, but making tourism really "fit" the community requires work. Creating a
successful and sustainable tourism industry is like creating any successful economic activity – it takes vision, planning and a lot of dedication.

1.4.4 Problems regarding tourism growth

In sole economic terms, growth and development are justified when being positive regardless any other consequences that can reflect on a society. The problem occurs when one, because of its desire to make profit very fast is ready to ignore all other consequences that can affect the whole society. Many individuals in the less developed countries got very wealthy fast and created social situation so that now the whole societies are on the edge of total social disaster. Other problem is in growth of many tourism destinations (tourism supply) paired with a greater desire for travelling (tourism demand) resulted in creation of the mass tourism. As previously mentioned, according to the UNWTO (2013, pp. 2-3) international tourism arrivals from 1950 to 2012 grew from 25 million to 1.035 billion and the businesses in this industry grew in same percentage so today the daily revenue from tourism is US$ 2.95 billion. However, many theorists ask the reasonable question, can global economy handle this growth and can this growth rate be sustained after all because it is very well known that in economic theory great growths at one point reach “the peak” which further usually leads them towards downfall, and there are number of examples in different industries for that. Tourism as industry is not so inelastic that can easily fall to the rock-bottom, however with such growth in the past, international tourism brought society a variety of tourism forms therefore mainstream mass tourism gradually became ethically, politically and ideologically intolerable and accused for all kinds of damage to the disappearing natural environment as well as for socio-cultural ignorance and destruction (Luck, 2008, p. 329)

Mass tourism in 1980s and 1990s created some of the greatest ecological damages in recent history and therefore need for the alternative and more green-oriented models occurred. This problem created interest among researchers whose main focus was on future and well-being of the planet Earth therefore some of those papers have been strictly addressed to the problems created with the tourism as a factor of the climate and environment change. This growing problem in 1980s imposed policy-makers to become more aware of the alarming need to consider the environmental consequences of developing industry beside pure economic factors among whom Butler (in Taslidza, 2010, p. 12) became one of the most recognizable authors. These policies implied the right of both present and future generation on clean and healthy environment undestroyed by the previous generations.

1.5 Role of the public sector in the sustainable tourism development

Tourism as an activity is very complex because of many positive and negative impacts combined with the great number of stakeholders directly or indirectly related to the development that need to
be controlled and united towards the same goal in order to achieve the desired sustainable tourism development. Part of stakeholders this master’s thesis is mostly interested into is public sector and its role in the sustainable tourism development process. Of course, beside public sector, tourism is also influenced by the private sector and other non-governmental organizations, inter-organizations or trade associations present or in some other way in connection with the specific destination.

Governments are one of the key-factors in tourism industry of the modern world, in matter of fact tourism industry could not even survive without the governmental interventions. National governments provide the essential services and basic infrastructure and it is only the government that can negotiate and make agreements with other governments on issues connected with the tourism (Elliott, 1997, p. 2). In regards to these facts it can be said that the tourism industry beside that it is an economical, socio-cultural or environmental phenomenon is also a “highly political phenomenon” (Richter, 1989, p. 2). There is a constant debate about the tourism industry and to which extent the governmental intervention should go. In the modern world and in the developed countries governmental intervention can be found in a number of different forms, roles or responsibilities. The government’s intervention is essential for the sustainable tourism development in the long run and “the extent of the state’s role in tourism varies according to the conditions and circumstances peculiar to each country (politico-economic-development)” (IUOTO, 1974, p. 67).

Government plays one of the major roles in the tourism industry as it has duty to coordinate, plan and formulate policies as well as to establish the objectives and strategies to reach the desired policies (Petrevska, 2012, pp. 120-121). Hall (2008, p. 184) suggests that the most important role of the government is the coordination role, further elaborating that the success of the implementing policies will depend on the government's ability to coordinate different roles in the development process. It is also important to mention that the importance of the governmental intervention is greater in developing than in the developed countries. Planning is an exceptionally important part of the development process and governmental role is by good planning policies to attract investors to the areas that might be considered potentially beneficial or somehow risky for investments. In addition to this, governments also have to invest prior to the private organizations to ensure that the quality infrastructure is provided so that private and other organizations could operate undisturbedly.

Considering all above presented, the first and most crucial issue every government has to face with is the implementation of the legislative about the tourism industry. By having quality legislative, specific tourism area will have protected its historical, cultural and environmental resources from overexploitation and overuse which further ensures longevity in the destination. After the legislative is on a fully operational level, second major step government has to do is to advertise destination in the best possible way. This step is most commonly enforced through tourism associations or via Ministries of tourism. In this way the correct information are given to the potential tourist as well as educational material which is provided about the hosting country. Tourism association has a double role and beside outland promotion it also gives support and information inland to the tourist upon
Third major step government should make is to encourage research on tourism industry in order to receive key information about the new and upcoming trends that could influence and perhaps modify the ruling policies and make the sustainable tourism development more effective (UNWTO, 2011, pp. 10-11).

1.6 Tourism planning and policies

In general, terms “policy” and “planning” are very closely related and Hall (2008, p. 10) in his work gives three steps in successful approach for policy making: (1) understanding the shaping of policy decisions and their impacts (the policy approach); (2) providing information about solutions to practical problems and then include this information into policy process (scientific approach); and (3) understanding the interests and values involved with the policy and planning process (social approach). It is very difficult to define planning because, although people do realize that planning has a more general meaning they also remember the idea of the plan as something physical and that planning must include the preparation of such physical design (Hall & Tewdwr-Jones, 2010, p. 2). Merriam-Webster open dictionary (n.d.) define policy as “a definite course or method of action selected from among alternatives and in light of given conditions to guide and determine present and future decisions”. Definition of tourism policy is given by Goeldner & Ritchie (2009, p. 414) as “a set of regulations, rules, guidelines, directions and development/promotion objectives and strategies that provide a framework within which the collective and individual decisions directly affecting tourism development and the daily activities within a destination are taken.” A tourism policy defines the course of action one plans to take on developing or promoting tourism. Hall (in Butler & Suntikul, 2010, p. 9) notes that tourism policy is whatever government choose to do or not to do with a respect to tourism. Due to the practical and theoretical importance, it is critical to define tourism planning and policies as well. As previously stated, governments are a fact in tourism because tourism is very dependable on a governmental cooperation. Dependability arises because only governments do have the power to provide or solve many issues, as political stability, security, etc. (Elliott, 1997, p. 2). Planning is primarily public sector activity that may be done in a combination with private sector, but for which the original rationale lies within the broader issue of the role of the state (Hall, 2008, p. 8). Therefore, policy is a consequence of the political environment, values, ideologies, the distribution of power and decision making process. Fennel, Buckley and Weaver (2001, p. 463) defined that policies provide broad guidelines whose purpose is to shape the development of a particular sector in a way which the relevant authorities find being desirable. Wilkinson (in Fennel, Buckley & Weaver, 2001, p. 463) defines planning as a process by which the policy is implemented while plan itself is a document usually created by the group of independent experts that in details specifies this process. The ultimate objective of a tourism policy is to improve the progress of development in the region.
It can be said that tourism is an open system that is a microcosm of wider society. Tourism is operationally very complex system involving often simultaneously cooperative and competitive behaviour among the stakeholders. Therefore it can be said that the correct approach has to be made towards tourism’s final development rather than completing and executing individual decisions only (Scott, 2011, p. 4). Development has no specific duration and it takes place in an environment with constant change, however the aim characteristic of planning a development is that it is directed towards the future (Hall, 2008, p .8). Planning is predicting and therefore requires some estimated perception of the future and planning should provide a resource for informed decision making (Fennel & Dowling, 2003 p. 6). Hall (2008, p. 8) suggests that planning is only a part of an overall planning-decision-action process while Friedmann (1959, p. 334) provides a list of planning characteristics by whom planning:

- has a specific time limit upon which the projections into the future can be made without losing a practical significance for present decisions;
- establishes continuing planning analysis and assessment throughout planning period in combination with the constant revaluation of the same;
- suggests the use of expectation calculus in connection with statements about the future;
- argues for the adoption of a system of structural planning; and
- forces a careful consideration of flexibility in planning process.

Planning is the purposive process in which goals are set and policies elaborated to be implemented in contrast to policy analysis which is concerned with the understanding and explaining the substance of policy content and policy decision and the way in which policy decisions are made (Hall, 2008, p. 9).

1.6.1 Planning for tourism

Demand for planning and governmental intervention in tourism industry was developed as a response to the unwanted growing effects of tourism development, particularly at the micro level (Hall, 2008, p. 10). However, Hall (2008, p. 11) also believes that due to the rapid growth and development of tourism, public sector is mainly making ad hoc decisions rather than predetermined strategies oriented toward development objectives which, ironically, is an antithesis of planning. According to Inskeep (in Hall, 2008, p. 13), tourism planning principles represent global trends being mirrored within the urban or regional planning traditions mainly because the focus is on a destination planning rather than individual tourism business planning. However, this trend started changing in more developed countries in the mid-1980s when the sustainability became a major research area (Inskeep in Hall, 2008, p. 13) with an additional attention specially given to the policy making (Hall, 2008, p. 13). Inskeep (in Coccossis & Psycharis, 2008, pp. 287-288) suggests that once government made decision to develop tourism in a destination, a basic planning process should
be adopted that includes at least the following eight steps which precisely must be taken into account if tourism is to become sustainable:

- study preparation - identification of a specific entity that is in charge for the plan and policy creation. In the case of more than one entity, strictly formulated tasks should be assigned to each party;
- objectives determination - clearly formulated goals and objectives are identified that should be reached in future;
- survey of all elements - collection of information about all existing tourism facilities and resources, as well as about the structure of the local tourist economy for the purpose of getting a clearer image about the current situation at the site. Survey should identify all stakeholders in a destination;
- analysis and synthesis - plan to be formulated based on a collected data including four techniques: asset evaluation, market analysis, planning for development and impact analysis;
- policy and plan formulation - future scenario development for tourism development based on the previous four steps. This plan can be seen as a draft of tourism development plan with tourism policy options. This policy should be consisted of three main aspects: (1) satisfying needs of stakeholders, (2) environmental protection and (3) return of investment;
- recommendations - evaluation of the drafted plan with future recommendations by organization’s committee followed up with a preparation of a final plan and its acceptance;
- implementation and monitoring – project’s specifications plan is implemented and put into action, usually for a five-year period. At the same time, plan is constantly monitored, evaluated and improved;
- periodic review - after the plan has run its course, progress is to be periodically reviewed for failure or success.

All of these above-mentioned steps must be taken into account if tourism is to be sustainable in the long term. It could be concluded that the main focus should be on the “analysis and synthesis” phase whose analysis includes information about present tourism development, historical background as well as the major obstacles for progress, prospects and potential future development plan.

Without any doubt Gunn & Var argue how local or land-use planning is extremely important for a destination (in Hall, 2008, p. 13). However, it is a big challenge to all policy makers to precisely position the tourism policy planning at the continuum of planning-related activities which range from the local to the global and which similarly range from being land-use oriented at the local level to being policy oriented at the global level (see Appendix B, Figure B.a) (Hall, 2008, p. 14). Since there is a multiple interest groups involved in tourism that needs to be coordinated by government, tourism policy often requires many objectives set in its strategy (Page, 2009, p. 433). Due to the
complexity, Hall (2008, p. 14) therefore presented how planning for tourism can occur in number of different:

- forms (development, infrastructure, human, land and resource use, marketing);
- structures (different government and non-government organizations);
- scales of governance (international, transnational, regional, local, sectorial, personal);
- spatial scales (international, supranational, national, regional, local); and
- temporal scales (for measuring change, development, implementation, etc.).

Furthermore, Hall (2008, p. 14) argues that planning within a public agency is very rarely exclusively devoted only to tourism and that planning tends to be a combination of economic, social, political and environmental considerations that influence tourism development. In recent years there is a constant growth in demand for public tourism planning. This need is raised by perceived change in tourism marketplace which is driven by a governmental response to the economic problems in urban and rural areas. This means that the rising competition has provoked improvements in a destination as in the quality of the attractions, facilities and infrastructure in order to stay attractive to the tourists. Planning also assists in determining who will win and who will lose in the tourism development process. It contributes to the more sustainable forms of tourism in which economic, environmental and social goals are in balance. “Winner” destinations do have greater equity of outcomes for stakeholders in tourism, which means not just for the developers, tourism industry and the tourist but also for the wider community whose destination is being consumed. Most fundamentally, tourism planning should be about the creation of sustainable destinations. (Hall, 2008, p. 14).

1.6.2 Planning methods

For tourism to generate success and benefits it is of a crucial importance to make sure that the destination is planned, organized, led and controlled (Ritchie & Crouch, 2003, p. 166). Page (2011, p. 440) argues that the very basics of the tourism management are the planning, organizing, leading and controlling and that every tourism management has to deal with these four aspects in order to ensure that the tourism is being developed in the right way. A strategic or policy-driven framework for the planning and development of the destination with particular economic, social and other societal goals as the intended outcome can provide a guiding hand to the direction, form and structure of tourism development (Ritchie & Crouch, 2003, p. 71). Hall (2008, p. 50) presents five broad approaches of public tourism planning that can be identified as:

- “Boosterism” – primary focus of state tourism policy that at its core has a conclusion that the basic attraction of tourists has greater benefits which exceed the costs. For years it has been main tourism planning and development approach, however it is still debatable whether it actually
constitutes planning in a true sense. “Boosterism”’s main approach to tourism planning is that it represents a simplistic view where tourism is by default good with automatic benefits to the host. Within this approach, towards analysis and goal settings is being approached from a purely marketing context where very little attention is being given to the potential negative impacts of the tourism. Natural or historical resources are seen only as objects for the exploitation for the sake of tourism development. Local participation is very limited in the planning process, having decisions primarily deferred by government or industry experts (Marcoulier, 2007, p. 28).

- An industry-oriented approach could be defined as a more regulated form of “boosterism” but with a stronger focus on planning in order to achieve efficient and sustainable use of resources for the sake of regional development. Tourism as industry is being equalized in importance to other industries while the tourism is being used to promote growth and development in a specific area. Activities such as marketing and promotion are more prioritised in order to reach economic goals in comparison to the socio-cultural or environmental activities. This is the greatest benefit of this planning approach which is believed to be a key driving force for economy through greater employment, exchange rates, etc. Industry-oriented approach gives very little attention to the impacts of tourism on both socio-cultural and environmental aspect. Most common issue is how tourism wealth will be distributed across communities (Williams, 2007, p. 159).

- A physical/spatial approach is based on a traditional form of urban planning. It is primary concerned with regulation of physical development and proper organization of land use and associated infrastructure in order to minimize the negative impacts to the environment. The main objective of this approach is to maximize the use of one area and in that way save the other areas from being overused. As a response for rising concerns about environment, physical-spatial approaches have become more attuned to managing the environmental impacts of tourism, but the socio-cultural issues in this approach are neglected (Williams, 2007, p. 159).

- A community oriented approach towards tourism development is one of a main prerequisites to sustainability as the concept of community involvement moves nearer to the centre of sustainability debate (Puad Mat Som, Mohamed, Jusoh, Marzuki & Bahauddin, 2007, p. 56). Community oriented approach reflects the growing realisation that the local participation is often essential for securing sustainable development of tourism and effective management of tourism’s impacts. Community’s participation is also the most effective way of resolving socio-cultural tensions between tourists and locals. Community oriented planning can provide essential framework through which local living standards may be raised and infrastructure improved in the way suitable for both locals and tourists, however it additionally enables development that is in alignment with the cultural, social, environmental and economic agendas of the local community (Williams, 2007, p. 160). One additional characteristic of community oriented approach is that it constantly seeks for the alternative to the mass tourism in order to achieve sustainable tourism development. This type of planning is the “bottom-up” approach which means that the expression of needs and necessities come from the local community.
A sustainable tourism approach is an integrative form of tourism planning which brings together economic, environmental and socio-cultural planning methods. This approach is designed to provide long lasting livelihoods with minimal depletion of resources (Hall, 2008, p. 62). Sustainable tourism approach includes long-term protection of environment resources, national identity, economical stability, etc. The biggest critic on sustainable tourism planning approach is that it has contradictory goals that never can be completely achieved. Those goals require cooperation and coordination between the industry shareholders and the manager of a destination with the overall goal of creating consumer and producer awareness.

These categorizations of tourism planning approaches are not mutually exclusive, nor all approaches are necessarily sequential, however it is very convenient way to examine different and sometimes overlapping ways in which problems of tourism planning are perceived as well as planning and research methods that were used (Hall, 2008, p. 50).

### 1.6.3 Planning and management of sustainable tourism

While the main purpose of sustainable tourism development is to minimize negative impacts of tourism on a destination and to optimise tourism’s contribution to the local economy, tourism development also has to be effectively managed and implemented. Unplanned and uncontrolled tourism growth can destroy the foundations on which it was built on (Fennell & Dowling, 2003, p. 6). For a destination to become a sustainable tourism destination, planning is one of the key factors to be considered. Well-planned, attractive and functional destination does not exist by chance and it requires a lot of dedication and planning within which the appropriate forms of tourism development are encouraged and facilitated (Ritchie & Crouch, 2003, p. 145). Successful planning strategy gives the opportunity to the local population to benefit from the tourism. It requires their participation in planning process to avoid the adverse impacts of development as well as to be able to maintain continuous elements of tourism destination. However, apart from planning for the future tourism development, it is also important to identify and analyse all relevant past events that occurred in a destination that lead to the un-sustainability. This will provide a basis for a proffer solution before moving to the sustainable tourism planning phase. In some situations it is more useful for sustainability to make changes in the long standing problems rather than immediately embarking for future tourism development (Hardy, Beeton & Pearson, 2002, p. 490).

As mentioned before, planning is a process which aims to anticipate, regulate and monitor the change. Planning has become an important component of wider sustainable tourism development
because it enhances tourism experience (Page & Connell, 2006, p. 488). One of the main reasons why the tourism destination planning exists is the fact that the destination areas tend to rise and fall in popularity and tend to lose their appeal over the time. Therefore Gunn & Var (2002, p. 15) identified four goals of tourism planning as follows: (1) to enhance visitor satisfaction, (2) better business, (3) sustainable resource use and (4) community integration. These goals can be easily transferred to the sustainable tourism planning as well with a shifted focus from the local to the global community. In addition to this, sustainable tourism planning benefits the quality of life, helps protect the environment, improves the economy and develops local community.

For sustainable tourism planning it is very important that the scope of planning is not limited to the present needs but that it also includes a consideration of the future needs as well. As mentioned before, sustainable tourism can be achieved through education and training of shareholders involved within the tourism destination, and therefore having more stakeholders involved there are more interests to be protected within a specific destination. This will automatically have as a result a positive impact on tourists. Ten factors which are very important to successful tourism development could be identified as following: (1) having complete tourism package that attracts tourist to visit, stay and spend; (2) having good leadership that supports efforts towards tourism development; (3) having local government support through funding, maintenance, and education; (4) having availability of funds from government and private sectors towards tourism development; (5) having strategic planning for development and support of local tourism businesses; (6) having coordination and cooperation between public and private sector; (7) having information and technical assistance for tourism development and promotion; (8) having coordination and cooperation between tourism entrepreneurs; (9) having good convention and visitors bureaus to market local tourism, recruit persons and businesses and to coordinate tourism events and (10) having widespread community support for tourism (Wilson, Fesenmaier, Fesenmaier & VanEs, 2007, p. 134).

The purpose of the planning process is to achieve sustainable tourism development. Page and Connell (2005, pp. 479-481) have given the guidelines to achieve this development level which are: (1) study preparation, (2) determination of objectives, (3) survey of all elements, (4) analysis and synthesis, (5) policy and plan formulation, (6) recommendations, (7) implementation and monitoring and (8) periodic review. It can be concluded that sustainable tourism development depends on forward-looking policies and an effective management process but it also requires a harmonious relationship among the community, government and private sector in order to be able to effectively protect the natural, and historical environment (Edgell, 2013, p. 4).

1.7 Tourism in a destination: The factors to consider

This chapter will develop a particular points that are necessary to take into an account when the tourism sustainability is planned in a destination. Sustainability in tourism as any other economic
activity is primarily based on a financial interests of shareholders as it is a commercial activity. Furthermore, tourism is based in a certain geographical area, therefore it is very important to take into the consideration all particular factors unique to the destination as the scale of destination or the habits of the domestic population. Tourism destination is very complex and all spatial entities inhabiting specific destination have the “place” as a common characteristic that indirectly dictates how the sustainable tourism will be engaged. All characteristics associated with place presented and described on following pages including cultural landscape, scale of a destination, boundaries, spatial hierarchies and absolute and relative location, do have the purpose of identifying specific factors that influence sustainable tourism development in a destination.

1.7.1 Cultural landscapes

Sauer (in Wiens, 2007, p. 63) defined in 1925 the cultural landscape as a “fashioned out of a natural landscape by a culture group. Culture is the agent, the natural area the medium, the cultural landscape the result”. In almost all cases, relationship between tourism industry and a destination is complex and is closely linked to the quality of the landscape itself. Cultural landscape is a combination of public and private areas in which the tourism is developed and on whom it is dependent on. It is an area on whom tourism industry has very limited or no control overall. However, external decisions for certain project implementation or further subdivisions of a destination can undermine the landscape's integrity which might further result with the resentment of tourists willing to visit the specific destination. On the other hand, tourism industry benefits from the cultural landscapes because they are cost-free and do not require any financial resource in exchange (Weaver, 2006, p. 133). Potential threat to the cultural landscape can come with the growth of tourism industry in a location from the residents as well. This might become a case if tourism development becomes increasingly influential over the destination and in that way threatens to destroy the cultural heritage preserved for generations.

1.7.2 The scale of a destination

The sustainable tourism is also influenced with the spatial quality of scale of a destination (Weaver, 2006, p. 133). A destination can be presented in different forms of territorial organization, like municipality, canton, district, region, entity or a whole country itself. Identifying the scale of a destination is crucial for sustainable tourism development because some characteristics of a region are not necessarily relevant for the rest of the state. The level of complexity is evident in a location as the greater number of interest groups is proportional to the scale of a destination. This further leads to difficulties in obtaining consensus or implementing the policies which result with “soft” consensuses which in long-run can be harmful for a destination.

1.7.3 Boundaries
In order to achieve sustainable tourism development it is very important to clearly define and mark the boundaries of a destination. Tourism destination in one area can be demarcated by different forms of boundaries, formal or informal, that separate destination from other entities in the same level of hierarchy. Formal boundaries, such as political boundaries of a sovereign state are highly stable. In the other hand, interstate boundaries as those between municipalities or regions may be adjusted depending on the needs and are less formal in comparison to the political boundaries. Purpose of the interstate boundaries is to separate current tourist destinations, planning zones or other different types of spatial activities (Weaver, 2006, p. 134).

Boundaries are very important part of the sustainable tourism development. Their permeability for population or degree to which boundary resists penetration is a very important statement in tourism development. This is crucial because even though some destinations do have potential of becoming a tourism destination, it is simply unreachable because of the lined borders. Best example of this are the areas organized as national parks. The level of permeability can be illustrated in the difference between international and municipal boundaries in the level of restrictions for tourists. However, even when the boundaries can resist entrance for tourists, political boundaries at any level are similarly ineffective in resisting the entry of pollution into the boundary area (Weaver, 2006, p. 135).

1.7.4 Hierarchies

Additional difficulty in the implementation of the sustainable tourism development can be expressed by the destination’s hierarchy. Destination hierarchy represents a presentation of all destinations by the power they have over other destinations and it ranges from local municipality or sub-municipality towards national level, supranational level and eventually the whole World (Weaver, 2006, p. 134). Hierarchy in a destination like Bosnia and Herzegovina makes the sustainable tourism development even more complicated due to the additional number of federal jurisdictions whose discrepancy in policies might cumulatively interfere the sustainability of tourism in a destination. Higher in hierarchy destination (federation) might interfere into the efforts of lower in hierarchy destinations (municipalities or cantons) in implementing the sustainable tourism development separately from the whole country’s effort. In order to ease difficulties in the policy implementation process as like implementation of the sustainable tourism development, in recent years there is a trend among states to join into greater bodies on supranational level as European Union (hereinafter: EU) and jointly resolve common problems they face on their way (Weaver, 2006, p. 134).

1.7.5 Absolute and relative location

Absolute and relative location in the aspect of sustainable tourism development differ in definition only in a form of geography terms. Absolute destination is a precise geographical site of a
destination. Absolute destination is a specific location as beach or alpine valley which greatly increases the pressure for tourism-related development and hence the likelihood of progression towards the more unsustainable phases of the destination life cycle (Weaver, 2006, p. 134). Another relevant dimension of the absolute destination is presented in the level of current development which differs from uninhabited natural area towards highly modified urban area in which a strong and weak perspective on sustainable tourism may be respectively warranted. Relative destination could be defined as a destination which has potential of becoming a tourism destination but is not willing to develop any strategies on its potential. Areas passing a slow-growth tourism policies experiencing negative tourism growth are examples of relative destinations (Weaver, 2006, p. 134).

1.8 Identification of the barriers to successfully implement sustainable tourism development policies

Implementation of the sustainable tourism development policies is a very complex process that is faced with many barriers common for most destinations. A number of themes can be identified that represent barriers to sustainable tourism development ranging from power clashes between political parties at national level to the lack of shareholder involvement and accountability at the local level. As the core principles of sustainable tourism development are based on economic, socio-cultural and environmental aspect, barriers will be analysed through these three aspects with an addition of the political aspect which cannot be excluded in this case.

1.8.1 Economic aspect

Tourism product life cycle can often create a distortion between the long-term sustainable objectives and the economic reality. Therefore it is not a surprise when the most common barrier to the sustainable tourism development can be seen in the economic priority over social and environmental concerns. Economic aspect and the barriers arising from it are strongly related to the political governance’s short term focus which creates a negative feedback loop and many additional problems arising from it. Barriers arise because the political short-term decisions are focused on immediate results as job creation and development for growth, instead of equal prioritization with environmental and social concerns. This is the case because some development projects require 10+ years to be implemented while these short term projects are implemented in a 4-5 year-period so that the results are immediately visible to the community and do represent a tangible example of what has changed, however with disputable quality of production. A 4-5 year political term is not long enough to achieve sustainable tourism policy objectives (Dodds & Butler, 2010, p. 41). In parallel, private sector also feeds into this negative loop as this sector is mainly interested in the shortest possible return on investment (hereinafter: ROI) (Dodds & Butler, 2010, p. 41). However, if a destination creates activity during one period and cannot maintain this activity indefinitely, destination becomes unsustainable. Many fear that the change towards more sustainable business
practices is prohibitively expensive (Bohdanowicz, P., & Martinac, 2003, p. 1). Butler (2008, p. 237) admits that first generation of the energy-saving or alternative technologies were expensive and relatively inefficient so that customers do not have faith in the new products. Additionally, tourism industry is located in the same geographical space with other industries, and therefore is in a constant struggle for the resources which in some cases can create inflation of labour with the side effect of the inflation in prices for land and production.

1.8.2 Environmental aspect

“Sustainability assures the profitable future of tourism… Tourism cannot destroy the environment without destroying itself.” (Hughes, 1994, p. 7).

Many theorists argue that there is little convincing evidence that the commercial decisions in tourism will have significant reflection on environmental conditions in an area, however Middleton (1998, p. 124) stated that the principles for the international tourism in the long run confirms the above statement. There are numerous examples of negative impacts where tourism reflects on environmental conditions. If the impacts would be considered in the production process order, the first effect is reflected on land used by tourism activities. The land is being destroyed in many ways, but mostly it is when the natural habits of flora and fauna are being transformed into the industrial or construction areas. With the great expansion of tourism, greater demand for the accommodation and additional infrastructure is being required, which forces locals to transform the uninhabited land into inhabited areas. The second example is the post-effect of the first effect because there is an automatic link between greater population and greater pollution. It is a logical flow that after the population is inhabited in the certain area, the pollution will increase through greater waste disposal, greater sewerage disposals, greater exhausting waste from vehicles, etc.

1.8.3 Socio-cultural aspect

One additional barrier to the implementation of the sustainable development policies can be seen in the socio-cultural aspect. Problem arises when the community’s participation in decision-making process is very low and this is especially common in the developing countries. Tosun (2000, p. 618) divided these limitations into three groups: a) operational limitations, b) structural limitations and c) cultural limitations. Operational limitations include centralization of the public administration, ineffectiveness and lack of coordination and communication. Structural limitations refer to lack of expertise and know-how with additional lack of developed legal system. Cultural limitations cover the area of limited capacity of poor people and apathy. Structural limitation can be highlighted a-s the main hurdle of community participation in the decision-making process. (Tosun, 2000, pp. 618-626).

1.8.4 Political aspect
Even when it is not one of the main pillars of the sustainable tourism development, political aspect is a topic that cannot be avoided when analysing barriers to the implementation of STD. Political power and influence arise in all areas and are one of the critical topics for the acceptability of any solution. Butler & Hall (in Mason, 2010, p. 167) argued that it is almost impossible to separate the sustainable tourism development concept from political context in which it is applied. Planning is rarely exclusively devoted to tourism only but instead it is a mix of economic, social and environmental considerations which reflect all factors that influence tourism development (Hall, 2008, p. 14). Additionally in practice in the tourism destinations the case is that development occurred much prior the sustainability was considered and the sustainability policies later only improved the development (Gossling, Hall & Weaver, 2008, pp. 47-48). Politicians mostly survive on the basis of widespread support while they try to maintain their “positive image” (Ritchie & Crouch, 2003, p. 47). As mentioned before, for the implementation of the sustainable tourism development a lot of time and dedication is required while the results might not be seen immediately. That is why the politicians prefer more “sparkling” solutions with immediate results which, indeed, are often better accepted by the population as well. These decisions are closely related to the short-term economic decisions priory mentioned (Dodds & Butler, 2010, p. 41). The role of government should be more protection oriented rather than promotion oriented because most of the destinations focus on number of tourists rather than yield. Success of a tourism season is being measured by the number of arrivals rather than the net benefit that has accrued by the destination (Gossling, Hall & Weaver, 2008, pp. 47-48). It is also important to mention that the policies and the relationship towards tourism usually change in the period of elections when all political individuals try through tourism improvements promptly “collect” few additional votes.

One problem that is characteristic to the smaller and less-developed countries is that the tourism is being developed and controlled by the large multinational tour and hotel companies which blackmail ruling political power and which have little regards for the local socio-cultural and economic conditions. In some cases the ruling power over one destination swings to the entrepreneurial individuals while the elected political structure has minimal strength to influence decision making process. In those conditions tourism destination has less possibility to survive in the long term with additional no chance of achieving sustainable tourism development. The local community will lose the destination’s goodwill as well as the jobs generated from this industry while the powerful multinational company will switch to the next vulnerable destination (Mustapha, Azman & Ibrahim, 2013, pp. 105-106).

1.8.5 Thresholds and carrying capacity

Despite the best wishes, it is almost impossible to have tourism without negative effects on the environmental, social and economic aspects of a certain destination which is namely been connected with the constant increase in the number of tourists visiting a specific location. This correlation
creates for probably the most complex concept in tourism theory and practise, also known as carrying capacity. Tourism carrying capacity can be defined as the measure of the tolerance a site or building is open to tourism activity and the limit beyond which an area may suffer from the adverse impacts of tourism (Middleton & Hawkins, 1998, p. 239). In other words the capacity is dictated by how many tourists are wanted rather than by how many tourists can be attracted (O’Reilly, 1986, p. 254). According to Wearing & Neil (2009, p. 48) the carrying capacity is fundamental for environmental protection and sustainability while according to the WTO (in Mokry, 2013, p. 2548) the carrying capacity stands for the maximum number of people that may visit a tourist destination at the same time without causing destruction of the physical, economic or socio-cultural environment and an unacceptable decrease in the quality of visitors’ satisfaction. Main question related to the carrying capacity in a destination is the actual physical impact of tourism on a destination while the threats to the economic and social qualities are usually overseen. In many locations, and especially in the developing countries, it can be noticed that due to the irrational behaviour of the tourists who destroy historical and cultural monuments the level of tolerance for the presence and behaviour of the tourists is being surpassed. For those locations it is said that the carrying capacity in being overrated (O’Reilly, 1986, p. 255).

Economic, physical and social impacts of tourism are result of the interactions between the tourists and the destination area (Mathieson & Wall in O’Reilly, 1986, p. 256). Physical carrying capacity can be defined as the limit of one relevant site beyond which the destruction will start taking place. Coupled with the physical carrying capacity is the psychological capacity which defines the lowest level of satisfaction tourists are prepared to accept before they switch to alternative destinations. Social carrying capacity is the level of tolerance of the host population for the presence and behaviour of tourists in the destination area, with additional economic carrying capacity which is the ability to absorb tourism functions without squeezing out desirable local activities (O’Reilly, 1986, pp. 256-257). To be able to achieve the maximum carrying capacity in tourism, the industry itself has to be independent and able to support itself and this is achieved by establishing workable sustainable tourism development which respects concerns of both local and visiting population. Carrying capacity as a concept is a major concern at the local level when discussing the sustainable tourism development because of the concerns that come with it, however those it can easily be overcrossed by introducing effective planning steps with the overall policy guidelines.

2 ANALYSIS OF THE CURRENT TOURISM SITUATION IN THE CITY OF MOSTAR

For the purpose of clearer understanding and achieving the aim of this master’s thesis, presentation of the current tourism development in the city of Mostar will be given on the following pages which
will give the ability to the reader to compare the secondary data from the literature review presented before with the primary data presented next.

City of Mostar has been taken for a scope of this master’s thesis for more reasons. It can be said that City of Mostar, according to its relevance to the topic of this master’s thesis is perhaps only one of the few tourism destinations in Bosnia and Herzegovina that comply with the characteristics of the potential sustainable tourism destination. City of Mostar has all of the previously mentioned characteristics as well as the potential of achieving the STD in the long-run. With its tourism offer of excursions, religious and cultural tourism, City of Mostar has followed global tourism trends and its attractiveness as a tourism destination is determined by specific natural, multicultural, multi-religious, historical and demographic factors where the old core of Mostar, as a UNESCO world heritage site has a specific significance (Pestek & Nikolic, 2011, p. 90). Unfortunately, the high tourism potential of the City of Mostar has not been adequately exploited and some of the reasons are the underdeveloped concept of managing the tourism destination, tourism image of the City of Mostar combined with the low infrastructure, low quality of offer and low knowledge in the governing institutions (Pestek and Nikolic, 2011, p. 90)

Even though City of Mostar has a great potential, there are many barriers for achieving the sustainable tourism development in the City of Mostar. This chapter will present the characteristics of the City of Mostar as a destination, its potentials as well as the difficulties for the STD’s implementation in order to highlight some of the key issues that will be valuable data for the research question.

2.1 City of Mostar as a tourism destination

City of Mostar is located in the Herzegovina-Neretva Canton, in the Federation of Bosnia and Herzegovina (hereinafter: FBiH) and is the largest and most populated city in that part of the country. Tourism in City of Mostar has been highly developed and had strong image and reputation even in the former Yugoslavia and it was one of the most recognizable tourism destinations (Klaric, 1987, p. 165). Area covered by the City of Mostar is 1.175 km2 with the population of the 112,240 citizens (Federal agency for statistics, 2015, pp. 7-11). The Old Core of the Mostar, dominated by the Old bridge has been recognized by the UNESCO World Heritage Site and in year 2005 it has been listed as preserved monument, first one in Bosnia and Herzegovina.

The Old Bridge is the most important tourism attraction in the City of Mostar. Although the terrain around City of Mostar was populated much earlier in the history, the first time Mostar as a city known as today’s Old Core of the City of Mostar was mentioned was in the Dubrovnik report in 1452 as the “two fortifications at the Neretva river”, while the first mentioning of the name Mostar was in 1468 in the Ottoman census, as an Ottoman frontier town while the Old bridge itself was built by the Ottoman architect Sinan in 1557 (Juzbasic, Maric, Paskvalin & Govedarica, 2006, pp.
The bridge itself is four meters wide, about 20 m high with a 29 m stone arch. The traditional story however says that Mostar was named after the people who inhabited both towers at the both ends of Neretva river, and who called themselves “mostari”. Mostari were guards at the both ends of the wooden bridge located at the spot of the today’s Old Bridge (Kresevljakovic in Hadzihasanovic-Katana, 2012, p. 305). Additionally, it is very important to mention that the Old Core of the city remained mostly unchanged until the War and the aggression in Bosnia and Herzegovina in the period 1992-1995 even though territory of the Bosnia and Herzegovina was occupied by Austro-Hungarian Empire as well in 1878. At the 9th November 1993, the Old bridge was destroyed, with additional seven out of thirteen original mosques also dating from 16th century (UNESCO, 2005, p. 9). In 2004, the “new” Old Bridge was rebuilt and opened with the most of the destroyed historical sites being rebuilt as well. Today the reconstructed Old Bridge and the Old City of Mostar is the symbol of reconciliation, international co-operation and the coexistence of diverse cultural, ethnic and religious communities in the City of Mostar (UNESCO, 2005, p. 183).

2.1.1 Tourism environment

Tourism of the City of Mostar is to a great extent integrated to the tourist offer of the Neretva-Herzegovina Canton and the rest of the Bosnia and Herzegovina. According to the Agency for Statistics of BiH (2015a, p. 5) in 2014 there were evidenced 846.581 tourists arrivals to the Bosnia and Herzegovina with the total of 1.711.480 overnight stays. These data represent about 7% decrease in comparison to the year 2013. However, for the first six months of 2015 total of 467.225 tourists was registered in BiH with the total of 949.430 overnight stays which represents an increase of 25% in comparison to the same period in 2014 (Agency for statistics of BiH, 2015b, p. 2). On the other hand, City of Mostar has registered slight stagnation in the number of tourists in the period 2008-2010 however the positive trend in recent years suggest that this stagnation was permanent and provoked by the Global economy downfall experienced by the whole World. In the 2013 was the first decrease in the evidenced number of arrivals and overnight stays therefore the positive trend in the period over 10 years was disrupted, however, according to the statistical parameters, 2013 was in general one of the weakest years for the tourism industry in the last Century therefore these data shouldn’t be a surprise.

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Total arrivals in '000</th>
<th>Total overnights in '000</th>
<th>Av. Det. days</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Domes.</td>
<td>Index</td>
<td>Foreign</td>
</tr>
<tr>
<td>2002</td>
<td>15</td>
<td>25</td>
<td>1,7</td>
<td></td>
</tr>
<tr>
<td>2003</td>
<td>13</td>
<td>21</td>
<td>1,6</td>
<td></td>
</tr>
<tr>
<td>2004</td>
<td>16</td>
<td>29</td>
<td>1,8</td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td>16</td>
<td>23</td>
<td>1,4</td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td>22</td>
<td>39</td>
<td>1,8</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>23</td>
<td>43</td>
<td>1,9</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>24</td>
<td>41</td>
<td>1,7</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>104</td>
<td>11</td>
<td>30</td>
</tr>
</tbody>
</table>
In 2013, number of international tourists accounted for 65.5% of the arrivals and 60.8% of the overnights which is under the Canton’s average. In past, majority of the tourists visiting Mostar were from the bordering countries as from Croatia, Serbia and Montenegro however in the recent years there is a positive trend of arrivals from Italy and Poland as Mostar is located on their route to the pilgrimage town Medugorje. It should also be noted that the average detention time of 1.6 days in Mostar is on a very low level and is also under the regional average. This fact points out the nature of tourism in Mostar which is mainly based on a short term pilgrimage visits. According to the Pestek and Nikolic (2011, p. 91) the average room occupancy is at the less than 33% which suggest that there is a great over-capacity of tourism facilities and sufficient number of accommodation facilities that are capable of receiving and increased number of tourists.

USAID (2013, p.2) clearly elaborated that there is a great discrepancy between real and presented number of tourists in BiH and according to this study, statistical agencies on all levels miss to evidence three very important groups of tourists in BiH which are (1) tourists from Diaspora, (2) daily excursions which are very popular in Herzegovina’s tourism and (3) the tourists who do not use the conventional registered accommodation. According to the data the USAID (2013, p. 5) collected from the two biggest receptive tour operators in BiH, the Fortuna tours d.o.o. Mostar and the Atlas tours d.o.o. Zagreb, in 2011 there were about 498,000 daily excursions evidenced in BiH, while according to the Central bureau for statistics of Croatia (2014, p. 70) in 2013 there were 629,000 daily excursion evidenced in BiH only from Croatia. The predictions are that only Mostar is annually visited by 350,000 – 400,000 daily visitors. Furthermore the predicted number of Diaspora that annually visit BiH was developed on a basis of the total 1.3 million Diaspora people in the World and the frequency of their visits according to the distance of their residential country from

### Table 7. Number of arrivals and overnights in HNC in period 2010 – 2014

<table>
<thead>
<tr>
<th>Year</th>
<th>Total arrivals in '000</th>
<th>Total overnights in '000</th>
<th>Av. Det. days</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Index</td>
<td>Domes.</td>
</tr>
<tr>
<td>2010</td>
<td>104</td>
<td>25</td>
<td>9</td>
</tr>
<tr>
<td>2011</td>
<td>110</td>
<td>33</td>
<td>14</td>
</tr>
<tr>
<td>2012</td>
<td>112</td>
<td>36</td>
<td>17</td>
</tr>
<tr>
<td>2013</td>
<td>113</td>
<td>34</td>
<td>14</td>
</tr>
<tr>
<td>Aver.</td>
<td>112</td>
<td>35</td>
<td>14</td>
</tr>
</tbody>
</table>

BiH. Since 2013 when the WizzAir airlines was introduced to the Tuzla international airport the number of Diaspora visits slightly increased, therefore the predicted value for the 2013 was that 550,000 tourists visited BiH. Additionally there is one additional major group of tourists that is the effect of global modernization and innovations which sleeps in the non-conventional type of the accommodation. There is an estimate that about 600,000 tourists used this type of the accommodation in 2011. If only the 9,1% growth is taken into the consideration, it can be estimated that 655,000 people used this type of accommodation in 2013. One should be aware that this given document is only a prediction, however the fact that 846,581 tourists evidenced in 2013 is only a 45% of the “real” tourism activity is an alarming figure (USAID, 2013, p. 4).

Table 8. A collective estimate of arrivals by category of foreign tourists in 2011 and 2013

<table>
<thead>
<tr>
<th>Estimated number of arrivals</th>
<th>Foreign tourists in the unregistered accommodation</th>
<th>Daily excursions</th>
<th>Diaspora</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>600.000</td>
<td>490.000</td>
<td>498.000</td>
</tr>
<tr>
<td>2013</td>
<td>655.000</td>
<td>660.000</td>
<td>550.000</td>
</tr>
</tbody>
</table>


Destination of a City of Mostar can be defined as mostly unified product compounded of the historic and cultural sites. Unfortunately the UNESCO’s heritage site of the Old Core around the Old Bridge is mostly of the only point of interest to the tourists. However, not to be tricked, Mostar has other attractions to be offered as well, beside the Old Bridge, as religious and nature potentials that current tourists have not yet discovered.

2.1.2 Social context

City of Mostar is located in the southern part of Bosnia and Herzegovina, in the Herzegovina - Neretva canton (hereinafter: HNC). According to the Agency for statistics of BiH (2013, pp. 6-7) this canton is inhabited by 236,278 people, and it is the sixth most populated canton in BiH while almost 50% of the population lives in Mostar. Despite the fact that Mostar has very thankful geographical position and that only this canton has the access to the open sea and the coast, tourism is not the main industry in which population is employed in. Employment rate in FBiH is in a constant increase equally as the number of employed women as well. By the official statistics in FBiH unemployment rate is very big and is varying around 47%. On the other hand, additional problem to the very big unemployment rate is the so-called “grey labour market” which is according to the Federal Employment Institute (2010, p. 7) between 16% and 22% of the total unemployment rate.Officially, total number of employed people in FBiH in 2014 was 443,587 against 391,427 unemployed. In parallel to the employment growth, the average monthly net salary was increasing as well so that in 2008 it was 751,00 BAM, while in 2014 it was 833,00 BAM.
In the Herzegovina - Neretva Canton at the end of 2014 according to the Federal agency for statistics (2015, p. 14) 48.245 people were employed against 33.818 unemployed. Unemployment rate is slightly lower than in the rest of the Federation, and in 2014 it was at the rate of 41% with the average salary of 866,00 BAM. It is very important to mention that out of these 48.245 people, those 29.877 were employed in the City of Mostar, however on the other hand exactly 50% of all unemployed in HNC belongs to the same geographical area. It is also very important to mention that more than 87% of unemployed are unskilled or very low-skilled workforce with the maximum education of elementary school (see Appendix B, Figure B.b) while the most of the workforce with the some kind of degree is employed (Employment agency for HNC, 2015, p. 16).

Based on the given data by the Federal agency for statistics (2014, p. 98) out of all employed in FBiH, only 4% were employed in the services related to the tourism. In the 2013. in the sector related to tourism which combines both restaurants and accommodation facilities, 17.667 people were employed. The percentage of women employed in tourism industry is around 45% and is for 6% above the average in comparison to the other industries in FBiH. Average salary in tourism industry is also below the average net salary in the FBiH (see Appendix B, Figure B.c), and while the growth is constant it hasn’t followed the growth of average salary in FBiH (Federal agency for statistics (2014, pp. 111-112). Situation is similar in the HNK as in the rest of the FBiH with the total share of employment in tourism industry about 7%. There is 3.150 people employed within this industry while the average salary in tourism in HNK is 588,00 BAM in 2014 and while it is above the average it is still significantly under the Federal average net salary (Federal agency for statistics, 2015, p. 13).
Based on previous evidences it can be concluded that the HNK is in slightly better economic situation than the rest of the country, with the lower unemployment rate, higher average salaries and greater percentage of women employed in comparison to the rest of the Federation. Additionally, employment rate also varies during the summer and winter period because of many part-time jobs that are offered in the summer-time. This is especially significant which effects the 5% share in employment priory mentioned. There is no official statistical data about the number of part-time employees because majority belongs to the grey labour market. It is important to mention as well that out of all employed in the tourism industry 30% is employed in accommodation services and tourism agencies while the rest 70% is employed in less skill-demanding restaurants and catering services which might be the main reason of the very low average salary in this industry which has a lot of space for the prosperity and development, especially in the HNK area.

2.2 Problems faced by the destination

The first utility of the example of the City of Mostar is that its analysis allows the author to find out and show elements which influence sustainability development both positively and negatively in a destination. The main element which triggers the tourism interest of the site is its historical and cultural heritage of the Old Core of Mostar. This heritage is unique representation of the Ottoman building traditions on a trade route in a frontier region with the additional influence of the Austro-Hungarian Empire and the Mediterranean style. This was precisely mentioned in the UNESCO’s report (2005, p. 182) where the emphasis was put on the influence of tourism on the Old Core of the Mostar.

2.2.1 Old Town of Mostar

The value for tourism is created by the specific combination of the historic and cultural resources developed through the years. Different governing powers starting from the Ottoman Empire over
Austro-Hungarian Empire, through socialism and communism, until nowadays, had its own influence on the Old Town Mostar. The recognition of the Old Core Mostar by the UNESCO as a World heritage site gives one additional obligation to preserve this historical gem in Bosnia and Herzegovina in its original condition. However, UNESCO was not the first organization which will recognize and preserve this location. First steps in history made on the conservation date from 1872 when the Ottoman Grand Vizier issued a decree “prohibiting the export of antiques and the destruction of old buildings” (UNESCO, 2005, p. 180). During the World War II the first major damages were reported in the Old Town of Mostar, however all damages reported prior 1991 could be negligible when compared to the destructions that occurred in 1990s in the War in Bosnia. In this period most of the Ottoman buildings were either damaged or completely destroyed, among whom the Old Bridge which was completely shot down (UNESCO, 2005, p. 3). The biggest threat with the preservation of the originality in the Old town of Mostar, beside the fact that it was merely completely destroyed was the restoration process. Majority of the objects were rebuilt to the original state on the basis of the original documentation available in the Archive of the HNK, however the concern was raised with the objects whose documentation was not existing and most of those objects were modernized in some aspect of the reconstruction which diminished the originality of the Old Town. These concerns were reported by the UNESCO as well (UNESCO, 2008, p. 12).

Additional threat to the conservation of the Old town of Mostar is the saga that is lasting since the 2005 with the Hotel Ruža. Investor initially got the permissions to rebuild the old Hotel Ruža and at the same location build the new one, however after few years of the construction UNESCO ordered the investor to abandon the reconstruction because, as it is said in their report, the new hotel is in total contradiction with the basic principles of urban planning, especially those applied for urban historical zones (UNESCO, 2008, p. 10). The new design is in total contrast with the ancient typology of the urban zone of City of Mostar. In the report it is also reported that none of the original elements of the original Hotel Ruža were preserved, and that the widely recognized example of interpolation of contemporary architecture within urban historical zone has been totally demolished (UNESCO, 2008, p. 10). The new project is an example of the new international style architecture neglecting in all senses the specific spirit of the place. Its scale and physical impact, its height, total surface, morphology and architectural expression banalize and even aggress its immediate environment (UNESCO, 2008, p. 10). After the years of the negotiations first agreements were finally registered in 2014 and the problem could be soon resolved on the happiness of both parties, however, the effect that the Hotel Ruža left on tourists for being in the construction phase for more than ten years will not be so easily forgotten.

Third threat identified is the minor damage and cracks at the Old Bridge itself, which was later sanitized and even UNESCO (2010) in its report stated that the all required precaution measures were carried out. Damages on the bridge were minor and were naturally caused as a reaction to the weather conditions because the bridge is made of stone blocks that might experience minor cracks over the time. The most important information is that none of the identified threats are result of a
constant increase in the number of tourists which means that the maximum capacity of the Old Core has still not yet been fully reached. This also means that if the sustainable tourism development policies are correctly implemented, the Old Bridge and the Old Core could serve for many more years as one of the most important tourism destinations in BiH without any major damage or breakdown.

2.2.2 Boundaries scale and hierarchies

Bosnia and Herzegovina, when it comes to the political and governmental organization of the area, is one massive and complicated bureaucratic system that is very difficult to explain because of the enormous number of governing powers on different national levels. The biggest questions are risen because in many cases duties different levels are not clearly identified, confined and in many cases overlapping. The bureaucratic system was mostly overtaken from the previous socialism system while the majority of the legislation was copied from the Ex-Yugoslavia and at least 30 years old. Little of the legislation was ever modernized completely as well, so the majority of the overtaken legislation is still in use.

Bosnia and Herzegovina is perhaps unique example of the territorial and state organization in the World. For better understanding it is important to elaborate the very basics of the governmental organization in BiH. Bosnia and Herzegovina is consisted of three constitutive nations: Bosnians, Croatians and Serbs. There is a judgment by the European Court of human rights (2009, p. 41) to recognize the “others” - minorities as constitutive nation as well, however this has not yet been implemented. Constitution of BiH was an Annex 4 of the Dayton peace agreement (1995, pp. 34-45) by whom BiH was divided into two major territorial parts: Federation of Bosnia and Herzegovina which is mainly populated by the Bosnians and Croatians and Republic of Srpska (hereinafter: RS) mainly populated by the Serbs. In 2009 Amendment 1 (2009, p. 1) has been added to the Constitution of BiH by whom Brčko District was created as third territorial unit. Brčko District is populated by all three nations almost equal in percentage. Federation BiH is divided into ten federal units - cantons which are equal by rights and responsibilities while cantons are further divided into municipalities and cities as units of local governments. City of Mostar is located in the FBiH. In comparison, RS does not have cantons, but only municipalities and cities after the entity level. In total the whole territory of BiH is divided into 141 municipalities, among whom 79 are part of FBiH and 62 are part of the RS (Gavrić, Banović & Krause, 2009, p. 420).

The situation with the ministerial authorities is similarly complicated as the organizational structure of the BiH, as most of the authority levels do have their own ministries. Therefore the highest ministerial institution in BiH in charge for the tourism is the Federal Ministry of Tourism and Environment. There is no unified ministry for tourism on a state level, while in RS the highest ministerial institution is the Ministry of Trade and Tourism of the RS. Both of these two ministries are in a direct supervision of a Ministry of foreign trade and economic relations of BiH. The Federal
Ministry of Environment and Tourism, performs administrative, professional and other activities within the jurisdiction of the Federation of Bosnia and Herzegovina relating to: (1) environmental protection of air, water and soil; (2) strategies and policies for environmental protection; (3) standardization of quality of air, water and soil; (4) environmental monitoring and controlling of air, water and soil; (5) strategies and policies for the development of tourism and hospitality; (6) monitoring of tourist movements on domestic and foreign markets; (7) directing long-term development of tourism within the economic system and (8) other tasks. Federal Ministry of Environment and Tourism is internally organized in five sectors: (1) the environmental sector, (2) sector for environmental permits, (3) tourism and hospitality sector, (4) sector for project implementation; and (5) the sector for legal, financial and general affairs (Federal Ministry of Tourism and Environment, 2010). On a Cantonal level the Ministry is called Ministry of Trade, Tourism and Environment of HNK. This ministry is, in addition to the upper mentioned obligations, also responsible for the trade issues in the HNK.

Figure 6. Graphical presentation of tourism authority levels in BiH

In parallel to the ministries, second very relevant institution for tourism is the tourism association in BiH. Tourism associations are established for strengthening and promotion of tourism and economic interests of natural resources and legal entities in the sectors of catering and tourism. Activities directly related to tourism are under the direct responsibility of the tourism associations and there are currently 11 tourism associations in FBiH, one for each canton with additional one at the federal level. Common goals of the tourism associations are defined by the Law on tourism associations and tourism promotion in FBiH (1996, p. 589) and those are:

- improving the general conditions of stay for tourists, especially raising quality of tourism and other complementary services, preservation and creating a recognizable and attractive tourism environment and establishing tourism hospitality in the areas for which the tourism association is established.
• promotion of tourism product of the area for which TA is established in accordance with the system of promotion of tourism and its special and general tasks of the area in order of faster and easier joining the European and global tourism flows.
• awareness about the importance of economic, social and other effects of tourism where appropriate and the importance of preserving and improving all elements of the tourism product of a certain area, especially environmental protection.

Tourism associations are non-profit organizations financed from the national budget and they have status of a legal entity. Statute defines the rights, responsibilities, organization and the way of conducting business. In organizational sense, tourism association is created out of the following four bodies: the assembly, the tourism board, the supervisory board and the president of the TA. The organizational structure, obligations and the statute for all tourism associations is in tune with the Federal level. City of Mostar belongs to the tourism association of the Herzegovina-Neretva Canton


Based on previous evidences it has become clear that for achieving sustainable tourism development and its successful implementation, each level of authority must precisely know their boundaries and the scope of responsibilities. In BiH there are multiple governmental sectors without clearly defined responsibilities which potentially could have a distracting impact on a decision making process. In practice, most of the tourism related decisions important for a destination should be decided at the local level. Unfortunately at the lowest authority level development is not a specific competence, but rather part of the greater economic development competence (Johnson-Webb & Zeller, 2007, p. 2). This is the case in City of Mostar as well, where the Ministry responsible for tourism industry is in a collaboration with the trade industry as well. As the case in past was that trade industry has been given a priority over tourism because of its relevance to the economy, problems related to the trade industry were also given more priority in resolving. Ministry of Trade, Tourism and Environment is funded mostly from the Budget HNK, where out of the total 193,5 million BAM budgeted for 2015, to this Ministry is planned 1,6 million BAM (Government of the HNK, 2015). On the federal level, out of the 2,33 billion BAM budgeted, only 5,8 million BAM will be allocated to the Ministry of tourism at this authority level (Government of the FBiH, 2015, p. 81). Having less than 1% of the total budget planned for the tourism industry only represents how little attention is actually given to this industry in practice. These funds are not sufficient to be able to create anything significant as majority of the 1% budgeted is further planned for the salaries of the employees so therefore there is no space for any important investments. When seen from this perspective it can be concluded that any positive results in tourism trends achieved by the authorities in past years could be characterized as unexpected and extraordinary.

2.2.3 Historical issues - post war situation

51
The aggression on BiH in the period 1992-1995 has had devastating effects on the City of Mostar. Majority of historical and cultural buildings were destroyed and among whom the previously mentioned seven out of thirteen original Ottoman mosques as well as the symbol of the Old town Mostar - The Old bridge.

Before the 1992-1995 war in Bosnia and Herzegovina, Mostar was known and appreciated both locally and internationally as one of the most important historic urban ensembles in the region. It was Bosnian city with a culturally mixed population living peacefully together, and was often referred to as “the most Communist city in BiH” meaning that people lived unitedly without any national or religious burdens. However, most agree that this multicultural image of the city was threatened and even destroyed during the recent war as well as there has been little consensus on rebuilding the old famous image (Gunzburger-Makaš, 2006, p. 1). According to the census from 1991, almost equal number of Bosniaks (34,6%) and Croats (34%) lived in Mostar with additional majorities evidenced themselves as Serbs (18,8%) and Yugoslavs (10,0%) (Federal Agency for statistics, 1993, p. 17). Official data from the census held in 2013. have not yet been published, however speculations are that Croats have now barely become majority in City of Mostar with the percentage of cca. 45%, while Bosniaks are in slight minority with cca. 40% of the population. Yugoslavs, Serbs and Others are almost negligible in percentages when compared to 1991. Mostar’s nationalism tolerance transferred itself completely from a multicultural centre of former Yugoslavia to becoming one of the most nationalistic cities in the separated Bosnia and Herzegovina. In as short period of time at the beginning of the war Bosniaks and Croats were jointly fighting against the invading Serbs, while later and the most part of the war, Bosniaks and Croats were fighting between themselves. This resulted having almost totally destroyed and completely divided city - east Bosnian side and the west Croatian side of the city. This separation of Mostar into Croat and Bosniak sides during the war was institutionalized in the post-war government when the Dayton peace agreement brought peace in 1995 (Burg & Shoup, 1999, pp. 376-377).

In the present days the tolerance is on a slightly higher level, however even with the unified institutions in Mostar, the well-known imaginary line of division between two sides of the city is still strongly present in the minds of all citizens of Mostar, no matter on which “side” they live. Higher representative for the BiH Paddy Ashdown (2004, p. 2) made the decision by whom the Statute of the City of Mostar was changed and by whom Mostar became formally the “city”. This decision united many institution in Mostar that prior to this Statute were doubled, one for both national majority. The new Statute was not welcomed by both political elites considering it to be discriminatory, however the Statute stayed on power till today. It is important to mention that the new Statute voided the existence of six municipalities which reduced administration and flattened the governmental hierarchy. Many still find the new Statute inefficient and light, but the truth is that it unified Mostar into one city which gave the prerequisite in creating more normalized city.
When a city is heavily destroyed in a conflict, economic situation and future economic development in the period after the war is extremely important. In a post-conflict economic situations four main aspects are being recognized in the literature. First, there is the destruction of private and public physical capital, such as roads, bridges and factories. Then, the social disorder and the destruction of social capital, such as trust and stability, which is also connected to the third aspect, which is insecurity that leads to a lack of investment and a rise of transaction costs. Finally, there are the government expenditures that are spent on political stabilisation instead of being invested in the knowledge-building sectors such as education and research. Last two aspects are extremely important to the topic of this thesis because with the lack of investments and capital being invested in other sectors as rebuilding the destroyed infrastructure, the potential investments in a destination diminishes (Deininger, 2003, p. 584). When there is no or little developed infrastructure the tourism is on a very low level of development, especially organized and sustainably developed tourism. Additionally, low financial situation in one area increases criminal rate which further diminishes the chances for sustainable tourism development. Furthermore, one additional outcome in war-torn societies is the existence of corruption and an informal economy, which can be seen as a result of a lack of public order and legal framework. This means then that the well-being of the whole society is less important in comparison to the well-being of few individuals, which results with a great number of unsatisfied tourists (Deininger, 2003, p. 597). These all factors could be evidenced in Mostar, however after the UNESCO's recognition and the start of the tourist “invasion” into Mostar, individuals have less power of control in the Old Core of Mostar.

The Old Bridge is the symbol of the City of Mostar. After the war many international organizations and governments raised funds so that the new Old Bridge was opened for public use once again in 2004, as identical replica of the previous Old Bridge. It was especially enforced that the Old Bridge is identically rebuilt as a mean of resettling the situation as it was before and trying to erase the traces of the war. One of the most magnificent events that occurred in Bosnia in the last 20 years was the opening of the new Old Bridge, show that was transmitted in live in many countries around the world. A year later, the Old bridge was also recognized as the UNESCO world heritage site which increased the popularity of Mostar even more (D’Alessio, 2009, pp. 12-15). The symbolism of the Old Bridge can be divided into the pre-war and post-war time-terms as well. Before the war the Old Bridge was the meeting point and even if the reconstruction of the bridge itself perhaps did not created the unification of the city, the symbolism of the post-war Old Bridge represents the multiculturalism of Bosnia and Herzegovina and multiculturalism of Mostar (Gunzburger-Makaš, 2005, pp. 62-63). The Old Bridge is not the only symbol of Mostar but there are some other symbols that have raised many controversies in the newspapers as well. Some of the examples might be the newly built Cathedral in Mostar that has the bell tower of 107 meters of height and is one of the highest buildings in Mostar and many citizens find it equally provocative as the massive stone cross at the top of the hill Hum, being 34 meters high and representing one of the biggest Christian objects in the world (Traynor, 2004).
Post-war reconstruction and construction programs have also greatly influenced how Mostar has been envisioned in the past decade and what was the effect on urban identity of City of Mostar which is now switching to the newer and more modern architecture styles. Having constant increase in the number of tourists, citizens of Mostar of all nationalities are working and living more jointly for the wellbeing of all and much brighter future overall.

2.2.4 Traditional dives into Neretva from the Old Bridge: a relevant example of what is sustainability in a destination

In the July 2015, the 449th traditional dives into Neretva from the Old bridge were held. The dives are traditional annual event that are a highlight of the multi-day programme that occurs at the last weekend of July in Mostar, with additional tournaments in backgammon, competition in diving for younger generations, etc. (BHRT, 2015). The tradition the dives is old as the Old Bridge itself and has never let up, not even during the war when the Old Bridge was destroyed. The dives from the Old Bridge for all Mostarians represents the confirmation of the identity as well as the representation of extreme bravery where only the toughest fearlessly jumps from the height of 28 meters into the Neretva river. This very long tradition can be confirmed as well by the memos of the Evlija Čelebija who mentioned the traditional dives in his travelogues dating from 1664 where he also confirms that the jumps are lasting since the creation of the bridge (Anadolija, 2014).

To explain the crucial importance of the dives for the whole city, it is necessary to consider the advantages that the ceremony of traditional dives has for the whole tourism offer of the area. Firstly, the event itself attracts in average about 15,000 spectators during the competition of the diving with additional one to two thousands in other events, which is important source of revenue for the local community. The revenues are collected both from ticket sale and this revenue goes to the funding of the Old Bridge with additional revenue collected by the restaurants and other private entities. Secondly, each year the festival benefits on a popularity from an important media coverage because of the live transmission on national TV with additional news coverage from the whole region. The negative aspect of the dives is that the revenues from the whole ceremony including ticket sales and marketing resources are mostly collected by the Union of the divers into the Neretva while the city itself receives a minor part of the share. Problem with the union is that they do not have any significant power in perceiving and saving the Old core of the City of Mostar and that they operate as a private company with a direct benefit to few individuals. There is a discrepancy between representatives of the City of Mostar and the Union, therefore in recent years city’s administration is making saves on the infrastructure and tourism funding in the Old core itself. However, there is a belief that the jumps because of the popularity of Mostar and the Old Bridge brings greater benefit to the overall image and tourism offer in Mostar than the harm to it.

2.2.5 The UNESCO added value of the site: a protection or a label?
The United Nations Educational, Scientific and Cultural Organization (UNESCO) seeks to encourage the identification, protection and preservation of cultural and natural heritage around the world considered to be of outstanding value to humanity. This is embodied in an international treaty called the Convention concerning the Protection of the World Cultural and Natural Heritage (UNESCO, 1972, pp. 2-3). UNESCO today has more than thousand World heritage sites in 161 country all around the world.

“Ironically, today, the biggest threat to many protected area in the developed world is tourism.” (Murphy, 1985, p. 41).

Equally to many of the world heritage sites, Old town of Mostar is faced with certain number of threats that came together with the UNESCO. One outcome of the designation of a site on a World Heritage List is that it publicises it, emphasising that there is something worth visiting. Listing itself consequently shift the focus to the tourism, offering economic opportunities but also leads to problems of tourism management. The economic benefits that world heritage site (hereinafter: WHS) designation can bring to the area of a natural or cultural site are those generic to tourism. A variety of economic multiplier effects will be experienced, however the greatest threat to the destination might be the destination’s “overuse”. Overuse of a destination might be seen as the situation in which destination is simply unable to handle the whole demand for visits (Holden, 2007, pp. 182-183). A well-known phenomenon is that one area becomes more visible after it is protected and that it attracts more tourists can be also evidenced in Mostar as the extremely positive trend in number of tourist arrivals can be seen since 2004. with the 110% increase. There are few additional costs and benefits of the UNESCO’s recognition as the WHS (see Appendix B, Figure B.d) but despite all the drawbacks and threats, benefits are still greater and in the overall brings good to the area.

3 RESEARCH METHODOLOGY AND RESULTS

3.1 Research methodology

In order to successfully achieve the objectives of this master’s thesis and to be able to objectively look at the big picture of the problematic in the City of Mostar regarding the sustainable tourism development, primary research was conducted. Following pages will contain the presentation and justification of the methodology used for collection of a relevant information used for the research and analysis of this thesis. Techniques used and difficulties met to complete the research will also be presented as well as the limitations of the research itself.
According to the Oxford dictionary (n.d.) research “is a careful study of a subject or a topic, especially in order to discover new facts or information about it”. In other words, it is an in depth study of a known topic for the purpose of discovering additional advanced new facts or information previously unknown to society. Jennings (in Callahan & Jennings, 1983, pp. 3-35) in his work presented the research by following the Interpretive Social Science paradigm which primarily uses a qualitative approach to obtain subjective and value laden information. This means that for every person conducting a research or participating within it there is a multiple choice of outcomes or solutions on a problem depending on a participant’s background.

While the research itself is the most important part of one thesis, without a well-defined objectives it is worthless. Aim of this thesis is to discover, understand and clearly present the difficulties that affect the development of sustainable tourism in Mostar and why do they make the development of sustainable tourism so unachievable at this moment. In order to be able to fully understand the objectives presentation of both theoretical and practical aspect was presented. It was methodologically set in a way to introduce the reader to the main discussion based on the in-depth interviews conducted with employees from relevant institutions for Mostar. The case study itself also had purpose to point out generic issues to fulfil the following aims of this thesis:

- to identify and critically assess the barriers for the sustainable tourism development of the City of Mostar;
- to confront both primary and secondary data to point out an order of importance of the problems revealed; and
- to clearly elaborate results and give the recommendation for the City of Mostar in the context of overcoming identified barriers for sustainable tourism development.

Even if the topic of sustainable tourism development has been introduced few decades ago, in Bosnia and Herzegovina it is relatively new research topic that has been researched only in recent years. There is a very limited quantity of scientific work for BiH published in any relevant publications, therefore as a supporting research material scientific publications from the region were used as well. As a parallel, scientific publications of the same topic from more developed Western countries were also used for the purpose of clearer comparison with the current situation in the City of Mostar. More surprisingly was that there is a limited resource of scientific work in the area of tourism as well, even though the tourism industry was very developed even in the former Yugoslavia. Most of the work is primarily focused on a specific issues or topics in BiH as like marketing of tourism and similar and therefore cannot be used on a broader scale. It is important to mention that most of the scientific work published is either in the terms of dissertations or specific studies with very few books or academic journals published on this specific topic by the authors from BiH. Secondary data sources used for this thesis were mostly books relevant for this topic from the authors all around the world. Part of the books were reviewed in hard copy thanks to the library.
of the School of Economics and Business in Sarajevo, while the rest was accessed via online database providers. Academic and scientific journals as well as other publications were either published as free material and as that downloaded from internet or were, as like as e-books accessed through the licenced databases. The advantage of the journals over books is that journals are more focused on a specific research question that can be used as a comparison to the issues found in Mostar. Books on the other side mostly discuss the questions in general terms. Additional support for the secondary data were as well the other publications used as publications issued by the institutions as WTO or Agency for statistics of BiH and etc. All secondary data used in this master’s thesis was promptly referenced to the real author and none of the work was plagiarized and misused.

Qualitative research was conducted in years 2014 and 2015 eight institutions were identified as target group, while six of them were actually willing to participate and give their contribution to this master’s thesis. Even though there is a number of ways to collect primary data, author himself believed that the in-depth interview is the most suitable type of data collection method for this master’s thesis because it allows the participant to freely express its opinions and feelings without limiting one’s response by giving pre-written response options.

The interview questions were semi-structured with nineteen questions that could be grouped in several topics based on the similarity, having each group containing minimum two questions. Author himself formulated the questions. Base for the formulation was previously published academic work in this academic field with additional questions derived which specifically targeted problems in the City of Mostar. All of the interviews were completed in person and in author’s native language which gave an indubitable strength to this work because of the understanding of culture and knowledge about planning in Bosnia and Herzegovina. It is important to mention that the complicated bureaucracy and the unwillingness to participate in the questionnaire were the most common barriers author faced trying to reach the relevant respondents. Unwillingness was especially obvious, while most had the patronizing attitude towards the institution and additionally charactering the author with suspicion. Because all of the institutions targeted were public institutions that serve for the wellbeing of its citizens the response rate of ¾ represents that the institutions in BiH are willing to participate and be part of a future change and development. Solution to overcome their noninterest was to more closely introduce them into the topic and research question of this master’s thesis. Last, but perhaps most important discovery was that the knowledge of the examinee about the sustainable tourism development theory was much higher than expected at the beginning.

The political arrangement of Bosnia and Herzegovina is that usually on every governmental level there is an institution in charge for the specific industry, in this case tourism industry, so creating a sample of 7-10 public institutions was not very difficult task. The institutions that were chosen are following: (1) Federal Ministry of tourism and environment, (2) Federal tourism association, (3) Ministry of Tourism, Trade and Environment of HNC, (4) Tourism association of HNC, (5)
Institutio for Tourism of City of Mostar, (6) Airport Mostar, (7) Commission to preserve national monuments of BiH, (8) REDAH - Regional Development Agency for Herzegovina. As the topic of the thesis is quite niche, the representativeness of the examinees was the key factor for quality responses. Because of the delicacy of the interview, author made a contact with the respondents prior to conducting the interview introducing them to the topic. Goal was to conduct the interview with the relevant key person in each institution and that goal was accomplished. Qualitative research is about the quality and not quantity, however when the quality is multiplied quantity the result is nothing than the excellence.

The disadvantage of a quality research is the data analysis process itself. Whereby, when data is collected quantitatively, data itself is easily transferable into charts or graphs and is easily analysed as well. On the other hand, qualitative data is much more complex and therefore more difficult to analyse as every response has its own uniqueness. This problem is especially common with topic as sustainable tourism development which is not so very much common to the general society. The questionnaire itself was created in a way that few consecutive questions cover up one topic author was interested into so the results will be later presented by the topics and not the questions themselves. Data collected in this way is more beneficial for the quality of responses as the respondents have more experience in the area of tourism than the examiner itself. It also gives the freedom to the respondents to freely give answers and express opinions and feelings without limitations and in that way unknowingly they covered additional topics as well. This all gave additional relevance to the discussion and the master’s thesis as well.

There are a number of problems and limitations which occurred during the research that are important to be identified. The limitation of the chosen interviewing method can be seen as a disadvantage. The very limited resource sample gave no choice but to go with the in-depth interviews which resulted with excellent responses, however in-depth interviews cannot neglect in the fact that the respondents are often biased which can result with refined answers and nicer presentation of the problem than it really is. All respondents had only to identify the institution they belong to and not themselves so it can occur that the respondent gave the general opinion of the organization instead of his directly. Nevertheless, respondents had given more than enough information that will significantly contribute to the quality of this master’s thesis. Also, the information required is not really a common knowledge and even if the profession of the respondents is strictly tourism, some answers will be analysed with a reserve. The greatest problem of all that author has faced while conducting the interviews was definitely the bureaucracy that is still present in the administration of BiH. The time-consumption required to reach each respondent was much greater than expected, forcing the researcher to go through many formal and informal steps for the sole purpose of conducting an interview because the hierarchy in most of the mentioned institutions is still very narrow and complicated. However, thankfully to the all the nice employees in the institutions willing to help, interview was successfully conducted at the end.
All of the above presented summarizes the primary and secondary research method conducted for the purpose of data collection for this master’s thesis only. This chapter additionally presented the methodology author used as well as limitations that were faced in order to complete the research in a most professional manner. Lastly to be mentioned is that this master’s thesis is based only on a public sector of tourism industry in Mostar and on the problems in that area neglecting the private sector as a shareholder in this case. Unfortunately tourism industry itself is always a combination of both public and private institutions which sometimes could present shortage in the objectivity of the thesis. Additionally the sustainable tourism development as a topic is a very broad theory to be covered, which sometimes created problem of achieving coherence inside the work, however, those situations were set to minimum.

3.2 Main findings and discussion

In the following pages the results of the research that was conducted will be presented. The presentation itself will be conceptualized in similar way as the theory overview. Main findings will be presented in a couple of broader topics covered and backed-up with factual results collected from the examinees. Similarly to the literature review, this chapter will firstly present the overall knowledge of the examinees about sustainability in general and their seeing of the sustainable tourism development. As the examinees are the key-informants for the research purposes, their overall knowledge is important for the assessment of the analysed topics. Afterwards, this chapter will evaluate the shareholders and their direct and indirect role in the development of sustainable tourism. Barriers confronted in the development process and the effects of the sustainable tourism development will then be presented. At the end, this chapter will end with plans and visions for the future of tourism in the City of Mostar.

Finally, finding from secondary and primary research will be compared in a way that deviations from the literature will be presented more accurately and the “gap” will be highlighted more properly.

3.2.1 The understanding of the sustainable tourism development

The common element between the literature and primary research is the meaning of the sustainable tourism development and the sustainability in general who have different meanings for most people. Majority also characterise them and connect those terms with the way they understand it. As presented previously, the sustainability is the ability to maintain one activity during a longer period of time and it is developed when one society’s mind-set moves from one condition to another. Most of the responses on the question “How would you personally define the term “sustainability”?” replied close enough to the definition pointing out that sustainability is and activity which is self-
maintained and can last for a longer period of time. These answers should be enough to persuade one to assume that examinees knew the basis of the sustainability.

However, on the other hand, some respondents automatically associated the sustainability with the economic sustainability whereby, if one society has enough financial resources it should automatically mean that it is sustainable, which, of course does not necessary must be the case. This is perfectly reasonable association for the respondents because Bosnia and Herzegovina is a post-war country in development stage and on an European Union roadmap, therefore great percentage of the population in BiH struggle and live within or under the line of poverty and without essential resources for survival. Having this economical situation, in combination with non-functional government, the responses prioritizing the financial means is perfectly reasonable. Some respondents as well associated the sustainability with the sustainable development defining sustainability through the characteristics of sustainable development. As the sustainable development is a development which will ensure that needs of the present will not overrule and jeopardize the needs of the future, respondents replied explaining that sustainability is a process of ensuring that the living standards will be developed for the future wellbeing. This can once again be connected with the previous explanation. Television stations and newspapers are very strong media in BiH and almost on a daily basis the economical analytics of BiH or analytics about the integration in the EU are broadcasted with a common usage of the words “sustainability” and “sustainable development”, quite often in different aspect or meaning which again gives the author the liberty to conclude that this is very expected and reasonable response from a point of view of an average citizen in BiH. In the end, it can be concluded that the overall knowledge about sustainability was quite good and clear.

As supporting question to the sustainability, the question about understanding the sustainable tourism development was posted as well. By the definition the sustainable tourism development meets the needs of present tourists while preserving the resource for the future generations in a way that all three pillars of STD are achieved. Majority of the respondents once again presented good knowledge about the theory, having almost all of them defining the sustainable tourism development correctly by stating that the STD is tourism which uses natural or historical resources for the purpose of financial gain from tourism, however preserving those resources for future generations as well. This once again means that the understanding of the core ideology of the STD is not unknown for the examinees. Furthermore, some respondents went even further by presenting and backing-up their responses with the positive examples of the sustainable tourism development from other more developed countries like Australia or UK. On the other hand, some respondents were not very familiar to the definition of the sustainable tourism development stating that the STD is a constant investment in the development of tourism for the purpose of developing tourism industry. This statement could be evaluated as the absolute opposite of the concept of the STD. With a constant development of tourism industry for the purpose of financial gain, the resource itself would eventually become unusable and drown-out which is exactly against what the STD is as a concept.
This response from this examinee could be a honest mistake as well because development in local language can also mean expansion or increase in capacity which could give a reasonable excuse for the given response on this question. However, it is important that five out of six respondents had given the correct definition of sustainable tourism development.

In continuum to the general knowledge about sustainable tourism development, question about the three pillars of sustainable tourism development was risen as well. Examinees were questioned which of the three pillars of sustainable tourism development they would point out as the most important as well as which one they would highlight as most developed in the City of Mostar. Author structured this question as a trick-question, resulting that only two out of six respondents answered correctly that all three pillars are equally important. What was not surprising is that the highlight was once again focused on an economic aspect neglecting the importance of the other two. Examinees introduced that economic aspect is the most important pillar for sustainable tourism development for the same reasons as explained in prior questions as well. Additionally, most respondents pointed out that the economic aspect is also most developed one in comparison to other two, having belief that without economic aspect development of the environmental and socio-cultural pillars is unachievable. What was more surprising is that interviews revealed that most examinees reduce the importance of socio-cultural and environmental pillar while systematically pre-calculating the economic gain of the sustainability.

Furthermore, examinees do not think that the socio-cultural or environmental aspects are equally important for the development as well. All respondents mentioned that the environmental pillar is the least developed in the City of Mostar which might introduce additional concerns. In addition to this, author could not escape from a feeling that some respondents were very frustrated with the current situation in the City of Mostar. This conclusion was derived from the answers that none of the pillars are developed enough, further pointing out on an awareness of the responsible institutions and their low interest into the historical and environmental resources that City of Mostar possesses. Until the low interest is present and the situation continues as present, none of the pillars will be developed in closer future. All of these answers prioritizing economic development also highlighted one additional issue which would be the time duration. What author noticed was that the gap between the short-term and long-term visions is still present, prioritizing the development of economic pillar in the short term without thinking about the time-scale needed for the complete development and what will happen to the other two pillars in the same time period. Overall knowledge about the core ideology of the sustainable tourism development that all three pillars should be equally developed was in general unsatisfactory.

This chapter will be closed with the fourth analysis of examinee’s level of knowledge about sustainable tourism development by questioning their understanding of the objectives of the sustainable tourism development and ranking them by the priority. For the achievable sustainable tourism development it must be clear that all principles and objectives lead towards more
sustainable tourism development, therefore the agenda of twelve objectives was developed and published by the UNWTO. Author questioned examinees about the objectives by listing all twelve and asking to point out most important objectives for the sustainable tourism development in the City of Mostar. The answers once again revealed very low knowledge about the basis of sustainable tourism development having only one respondent answering correctly and stating that all objectives are important and that sustainable tourism development is achieved by a combination of all mentioned objectives. Additionally, one more respondent was very close listing nine out of twelve objectives as important providing additional recommendations how to achieve each of the mentioned. Graphically presented it can be seen that all respondents believe the local prosperity is the most important objective to be achieved by the sustainable tourism development, with additional cultural richness and economic viability being very important to them as well. Biological diversity is the least desired objective to be achieved by the sustainable tourism development.

Figure 6. Graphical presentation of the answers to the Question 1
“In your opinion what are the most important objectives of sustainable tourism you would like to achieve in the City of Mostar? Why”

Having local prosperity, economic viability and cultural richness prioritized over other objectives is once again not very uninspected outcome for the City of Mostar. Local seeing of tourism industry is still strictly based on a view that tourism will serve as a potential trigger to the economic development. This should create more working places and increase economic well-being overall. It cannot be said that this approach is completely wrong knowing the opportunity given by the tourism potential in Mostar, however it is wrong from the sustainable tourism development point of view. From the rest of the answers it can be seen that other important objectives for the examinees were more connected to the economic or socio-cultural pillar, still undermining the environmental pillar as less important. All of the answers analysed previously indicate that the overall knowledge about the sustainable tourism development is rather low and underdeveloped. Even having promising start of the interviews by presenting good knowledge about sustainability and sustainable development in general, after more detailed questioning about the sustainable tourism development the examinees have shown rather low overall theoretical knowledge about the sustainable tourism development. This outcome can be seen as surprising having in mind that tourism is a high-trend and high-priority
industry in many nations. It can be concluded that the “course” tourism development in the City of Mostar is “sailing on” is not leasing towards the sustainable tourism development if only judged by the knowledge in the relevant institutions. This is more economical tourism development which has high risk of destroying the whole resource and in the end leaving the Mostar without one of its greatest potentials.

3.2.2 Competencies

Bosnia and Herzegovina is a country with a multiple level of authorities, from state level down to the local or municipal governmental level. Massive bureaucratic system and its legislative was overtaken from the former Yugoslavia and therefore it is either outdated or unsuitable for present times. This often further leads to the situations where the ruling documentation that dictates power of one unit overlaps with another, or being even more bizarre, to the situations where no unit has power over something. This means that there are gaps in law and that legislation should be individually evaluated. In governing situation like this it is not uncommon that one unit transfers the responsibility onto the other and so on. The question of which decision-making levels should create the initiative to plan the sustainable tourism development is therefore crucial and responses vary from one examinee to another. One of the most common answers was that it should be the Administrational unit of the City of Mostar in association with the mayor of the city, with the additional support of the Cantonal ministry of Tourism and environment. However, it has been also stated that all levels are concerned from top to bottom of the hierarchy in all institutions from Ministries over tourism associations up to national agencies on different levels which do have power over this question. Additionally, most responses are not only based on a public sector and their responsibility but they see the private sector equally responsible for not bringing up the initiative for more sustainable tourism development when the tour operators, accommodations and other direct and indirect shareholders should be involved as well. As one examinee replied, “no link in the chain should be left out”.

In a complex situation as it is in Bosnia and Herzegovina with multiple-level authorities, natural question that should be raised was how closely the authorities cooperate among themselves. Once again, just as in previous question, replies given were politically correct, however some did not convinced the author that they are completely true. Most of the answers given were that the cooperation exists, however it could be better and that they cooperate with the authorities on the same level of hierarchy as well as in both ways, up and down through the hierarchy level. Even the replies themselves perhaps do not reveal, once again in some interviews frustration could be felt. It is not uncommon, and that can be seen from the interviews as well, that one ministry either overrule decision from the lower level or simply limits one so that the second cannot make any changes towards development even if one should. The feeling was created that the decisions are being created on the top of the hierarchy without consulting with the lower institutions in the chain of command which are more involved or informed about certain issues, and that needs to be improved.
The overall result is that Administration for tourism in the City of Mostar, or Ministries on Cantonal level are being faced with the legislative that could been much better if all levels worked as a team. According to Buse, Mays & Walt (2012, pp.131-133), top-down approach suggests that there is a policy hierarchy in which policies are introduced at the top by decision makers and then implemented by those at the bottom of the hierarchy. On the other way around, a bottom-up approach suggests that the initiative is brought from the bottom all the way up to the top of the hierarchy where the decision is being made. In the situation as it is in BiH, author believes that there is a clear top-down approach in decision making which brings many issues for the local authorities to deal with. At this point of interview, some examinees additionally mentioned barriers that they are faced, both with decision making process and cooperation with other institutions that will be presented later in this work as well.

Additionally, the authorities have been questioned how the responsible for the development should approach to the development of sustainable tourism. The answers were more or less unified and supported with additional barriers immediately. Most examinees said that it is crucial to build the strategy for the sustainable tourism development for the City of Mostar. It has also been mentioned that the strategy has been already developed for the Herzegovina-Neretva Canton with the development plan introduced by the year 2021. However, as it is covering broader geographical area, the implementation is more difficult and the focus is on a development of the whole Canton in general, not the City of Mostar as sole. It has been further mentioned that promotion of the City of Mostar is being done on many fares, however most of them are in local or regional scopes due to the lack of funding from the national budgets. Tourism fares are very important for creating broader positive image of the City of Mostar as a beautiful and safe city, with its unique heritage. In the other hand, common belief among the examinees was that the City of Mostar as a tourism product needs additional development meaning that the tourism industry is based mainly at the Old core of the City of Mostar while neglecting other potential sites. Strategy for sustainable tourism development should cover all of these questions and should be created in an association with local communities and private sector and an additional advisory of independent experts in tourism so that all parties could be on a same path for achieving the goal of desired sustainable tourism development. Having the strategy will automatically create additional funding in budget. Desire is not lacking though, therefore positive results can be expected very soon.

The general conclusion is that there is a good cooperation between the institutions on a public side of the tourism industry but quite low further with the private sector. This can be a case because private owners do not have faith in the public institutions with a general opinion that public institutions are not doing much for private sector anyway. However it is crucial to mention that even with the imposed ruling documentation and other barriers, ruling power in charge for the tourism in City of Mostar is more or less on a same path when it comes to the sustainable tourism development, which is very promising. Additionally, they are all willing to develop tourism and preserve the
cultural and historical heritage of the City of Mostar. It can be concluded that the desire to make changes left positive impression on author.

3.2.3  Barriers for sustainable tourism development in City of Mostar

In order to fulfil the aim of this master’s thesis, barriers for sustainable tourism development in the City of Mostar will be closely presented on upcoming pages. The barriers will be presented in a chronological order, from the lesser important and proceed towards the more important and more evident barriers in the tourism development. The hierarchy has been created on the basis of the author’s experience while conducting the interviews. Barriers identified during the interviews will be presented under five aspects that have been previously identified in the literature review.

3.2.3.1. Thresholds and carrying capacity

In the literature review it has been clearly explained what the thresholds and carrying capacities do represent and why are they important for the destination. Carrying capacity was also one of the solutions for the sustainable tourism development in a destination brought in the literature mainly by authors who work in more developed countries as like United Kingdom or Australia. It is also one of the ideas for the Old core of Mostar of whom it has been most loudly spoken of and which would perhaps resolve many issues. One of the most common methods of introducing the carrying capacity is to implementing the entrance fee to the location, but that might be a very difficult task to implement in the present situation. Entrance fee would be a great solution for the budget of the City itself, especially having in mind that there are estimated at least 350.000 tourists that are visiting Mostar as a daily visitors annually, spending minimal financial resources in Mostar. This means that the entrance fee would additionally boost the budget for at least 350.000 BAM which would by the way represent 20% of the estimated budget for the years 2013-2016 (Ministry of finance HNC, 2013, p.43) that could be reinvested in other development projects. The problem of a day-trip tourist has also been mentioned few times during the interviews by more examinees, however author personally believes that they are not a threat but more an opportunity. Examinees stated that many excursions are providing daily trips to Mostar with the tourists spending very little. But even little on a number of 350.000 is a significant sum.

Despite numerous positive, additional negative effects might be expected as well if the entrance fees would be implemented, one of the most likely to happen is a decrease in number of “daily visitors”. The entrance fee itself might be very difficult to implement for a couple of reasons. Most important one is that, despite the fact that the Old Core is the property of the City of Mostar, majority of objects inside the Old core area itself are private property ranging from private houses to the hotels and restaurants. This leads to the question asked directly in interviews about the private and public homogeneity regarding sustainable tourism development. Majority of the answers were negative. Examinees mostly said that the expectations of the private sector is that public sector will on sole
provide the positive atmosphere for the tourism industry, while the public will only wait for the opportunity to achieve financial gain, which is simply unrecorded in the practices in EU. In the positive examples of STD, public and private sector are working together in union for the mutual goal, whereby in Mostar, the situation is that one sector sees the other one as an enemy or threat. Because of that, it would be very difficult to implement entrance fee for the Old core of Mostar because private sector would be strongly against that implementation. Furthermore, there are at least seven entrances into the Old core of Mostar, meaning that there should be numerous of entrance points, additionally requiring numerous of new employees, which further more requires an whole organizational plan, if not sole institution on the City level. Even though it is achievable, it is not likely to happen. And even if it does happen, it rises additional question about the compatibility of the employees, the company, and etc.

The reason why the threshold and carrying capacity aspect is the issue least perceived as a barrier is because this concept is more expressed for natural resources than historical or cultural, however far from the case that it cannot be evidenced in these resources as well. Due to the fact that natural resources are less resistant on tourist activities and the effects are immediately recorded while historical monuments can withstand much more tourists. The Old bridge and the Old core of Mostar has been fully renovated in 2003 and is greatly withstanding the tourists and citizens of the City of Mostar up to now without showing any marks of use. That is the reason why this is the most important reason why the examinees mainly do not see this aspect as a threat to the destination or to the sustainable tourism development.

3.2.3.2. Environmental aspect of the destination

Environmental aspect of the destination, just as the carrying capacity is less mentioned and preserved as less important in comparison to other barriers that can be found in City of Mostar. For the same reason as before, because the Old core is historical resource, environmental aspect is being less prioritized than it perhaps should be. Environmental issues connected with the destination are naturally connected with natural beauties because natural resources are more sensitive on human change. In the interviews it has clearly been mentioned numerous of times that City of Mostar has issues with the cleanliness of its streets. City of Mostar has two communal enterprises whose duty is to keep city clean, however both of those are in a very bad shape, almost in bankruptcy phase, which immediately indicates that the services they are providing are in a similar condition. The case is far from alarming and it is important to mention that employees are giving their best, however without sufficient funds and new machinery it is impossible to achieve better than the current situation, which on a scale from one to five would get a decent three.

Even though environmental aspect does not directly affects Old core in a mean that pollution will destroy it, indirect effect of a dirty destination will discourage tourists from visiting the location itself, therefore the tourism industry as whole might be under a threat. A positive example is
resolving the problem of stray dogs that was very much expressed, however, with sufficient funds dog asylum have been made and most of the dogs were removed from the streets. Additionally, there have been evidenced many polemics about the disposal waters in Mostar, and this debate is going on for years. Most of the waste water from Mostar is directly going into the river Neretva that is flowing through Mostar and especially in summer periods when the water level is low, bad smells around the Old core can be sensed. How serious this issue is can be seen in the example that last few years it was unadvisable to swim in the river Neretva by the Ministry of health during the summer months. This exact barrier can be expected to be resolved in a very close future as for the budget 2014 the funds of two million BAM have been reserved for the construction of water disposal collector for the whole City of Mostar (Official gazette of the City of Mostar, 2014, p.72) which would be a great benefit for City of Mostar for the long run.

3.2.3.3. Social and political aspect

In the common literature it has been clearly identified that understanding of the sustainable concept can vary from one shareholder to another depending of its role in the decision making process. Perhaps more evidently it can be seen in the case of the City of Mostar mentioned previously, understanding can be differently seen between public and private sector because usually the individual goals are prioritized over society’s well-being. While conducting interviews, examinees mentioned problems regarding social and political situation, referring to the tourism industry in Mostar as well which will be closely examined on following pages.

Mostar is a very specific city in Bosnia and Herzegovina and its specificity could be seen in the literature review priory presented. After imposing the decision which changed the Statute of the City of Mostar in 2004., higher representative Paddy Ashdown “united” post-war Mostar and its institutions, however many problems are present until today. Mostar is one of the cities that have suffered mostly in the last war, and it was, and unfortunately it still is, very much divided city on many levels onto Bosniaks and Croats living and working in Mostar. Additional division into municipalities, cantons, etc. is not more helpful to the overall situation and even while the tensions are diminished in the last years and division is less felt, there are still situations that national affiliation sometimes evokes barriers in different processes for the development of the City itself. The internal political process in a destination is a closely related to the question of which level is more relevant to take the control or to lead sustainable development process. While questioning examinees one out of two most common barriers mentioned was that the city is still divided and that it is causing many problems in operational work in field. It is important to present how much problems Mostar does have with the governing bodies. Last official elections for the institutions on a municipal and cantonal level in Mostar were held in 2010. Since then, Central Election Commission (hereinafter: CIK) conducted two more elections, one for the national level and one on a municipal level, however Mostar was excluded from the municipal elections due to the many issues in the governing regulations, among other problems, resulting that the politicians in the
institutions have got one additional mandate without elections. This indirectly means that institutions do have much greater priorities to resolve in Mostar, which leaves tourism industry in a way left aside as a less prioritized question. Examinees said that Mostar is becoming important destination in a South-East Europe with hundreds thousand tourists annually, however due to the bad, or perhaps outdated governing regulation this opportunity cannot be capitalized in a more efficient way. Many clearly mentioned that politics is one of the greatest reasons why the tourism industry is still underdeveloped in Mostar, resulting with having inefficient acts and laws which cannot provide further development. All of this is resulting that the institutions have problems in communication, and in their authorities in destinations. Many acts are overruling one the other, and strategic tourism planning is missing out. Even though most examinees do have fair cooperation with other institutions, issues are present there and Institutions of higher national levels are sometimes imposing acts and ruling documentation which can evoke additional frustration among lower governing levels. However the willingness to make changes in tourism industry and change the course towards sustainable development is evident.

On the other hand, there are not only political problems that are causing barriers in development of sustainable tourism in Mostar. It can be said that there are many shareholders and interest groups in the area that do have certain problems in the operations as well, while their participation and willingness to make changes towards the sustainable tourism development is of the critical importance. Development of sustainable tourism is based on values and ideologies of various shareholders as they act inside the destination jointly and are those who are carrying out the development itself. One of the common problems mentioned by the examinees was that the public and private sector is not cooperating. The main problem and barrier towards the sustainable tourism development can be said that is the misunderstanding of the importance of the cooperation itself among the shareholders. Furthermore, it has been said that public sector is doing minimum on providing the atmosphere for the development of sustainable tourism, while the private sector is using the opportunity and providing the financial gain only for itself. This goes so far that there is a real risk of destroying some resources due to their overexploitation. Sustainable development is quite unfamiliar term in BiH society, as the nation is still in a transition and development from the socialist regime towards capitalism. It is important to stress out that most of the employees in the governing relevant institutions are born and lived in the socialist regime, and not only in tourism industry but others as well. Socialism was a structured in a way so that the country itself provided everything for an individual. Author believes that this is one of the greatest barriers in social aspect, and that can be concluded from the interviews as well, that individuals are used to be “served” by country, that there is still the socialist mind-set among the people, that country and the institutions themselves will provide better atmosphere and develop tourism industry, and that sole individual does not need to interfere and be part of the development process itself.

In order to involve all shareholders and force them to cooperate among themselves it is critical to achieve fair and honest level of communication between all parties involved with the tourism
industry in Mostar. The communication concept provided by the literature would be the one where all shareholders are making visible sustainability development through concrete projects together. Interviews confirmed that there is firstly and most desirably needed a strategy for sustainable tourism development of City of Mostar that would collect all shareholders and direct them towards mutual goal of sustainable tourism development. While there are some intentions to create strategy on a higher national levels, most of them either failed or are taking too long, institutions on Cantonal or even City level could create micro-strategies independently of national level that would, on a micro level as in the Old core of Mostar, introduce sustainable tourism development concept, and then after positive results are achieved, use that successful positive concept as a leverage for greater areas that might be covered. It can be concluded that there are many problems in political and socio-cultural aspect of tourism industry in City of Mostar, greatest among them obviously is the non-functional government and institutions, which are resolving their own problems while neglecting other less prioritized questions as like tourism development. Misunderstanding of the sustainable development concept among the shareholders is an additional barrier, however, the light at the end of the tunnel might be found in the willingness of the authorities to go towards the STD, however only a smaller boost is required from the politicians, at least not to block the reforms and development process if they are not able to help in the end. Communication up and down the hierarchy line is needed, so that the issues from the field can be resolved on a greater scale, without imposition of the legislative on their own.

3.2.3.4. Economic aspect

All upper mentioned problems regarding the sustainable tourism development in City of Mostar can be associated with the greatest problem in the destination - very little funds are being reserved and invested into the tourism industry of Mostar. It can also be said that this barrier is the creator of most other barriers in the development process as well. All examinees in the interviews have confirmed that the lack of economic power and resources are the greatest barrier for the sustainable tourism development in a destination. It has been said that lack of funds are basically postponing all reforms required for the sustainable tourism development to happen. It is important to mention that in the framework of the budget of HNC the funds of 1.5 - 1.7 million BAM are planned for the development of tourism industry in this area annually for the period 2014-2016. (Ministry of finance HNC, 2013, p.43). Additional 900.000 BAM are financed by Federal level institutions annually and the rest of funds needed is left to the cities or municipalities to provide which is simply too little for the major step-forward in the development process. In the budget of the City of Mostar for 2014 minimal resources are being planned for the tourism industry as well. It is critical to stress out here that City of Mostar is still repaying the loan for the rebuilding of the Old bridge twelve years later, having loan payment in amount of 500.000 BAM annually. 15.000 BAM is also reserved for the obligatory attendance of the UNESCO’s conference, and for the other fares there have been reserved additional 23.000 BAM. Furthermore, out of budgeted 234.000 BAM of sub-financing airline carriers from Italy for the 2014 only 164.000 BAM have only been actually paid out which is about
⅔ of the funds. It is also important to mention that 2.000.000 BAM have been granted from the Federal ministry of tourism and ecology for the construction upper mentioned waste water collector (Official gazette of the City of Mostar, 2014, p.72).

As it can be seen, minimal funds are being given to the development of tourism in Mostar which was clearly mentioned by the examinees. Author got the feeling that the money is budgeted only for the most prioritized issues, funding most critical problems, and creating loans wherever it is possible, as like to the upper mentioned airline carriers, which means to the direct provider of tourists in Mostar and Herzegovina. It can be said that the budgeting is only covering the loans from the previous periods, and are not directly developing any additional attractions that would create further interest of tourists in it. Some examinees said that they are giving their best to collect additional funds from grants of different private parties in BiH as well as from partners from the Italy, Spain or Japan so that different fares and other events are being organized. Ministry of finance HNC in its framework budget plan also mentioned that the tourism industry in Mostar is the extremely important potential for development of tourism, however, a lot of activities are being also executed on elementary level of development and out of institutional control. The destination management is also not giving desired results which furthermore diminishes the experience for the tourists with low-quality tourism offer (Ministry of finance HNC, 2003, p.13). These statements that institutions are sometimes operating in a “grey area” can also be supported by the “Opinion with reserve” given to the Federal ministry of tourism and environment for the financial year 2013. Where the numerous non-purposed financial resources have been spent for the questionable goals (Office for audit of institutions of BiH, 2014, pp. 1-2). Additional issue that needs special mentioning is the financing of the Airport Mostar. City of Mostar is the major owner of the Airport Mostar, however very limited funds are being given to the airport as well, even when the airport itself with a quality low-cost carrier as Ryanair and Wizz air has the potential of providing additional 350.000-400.000 tourists with the current capacities. Having low-cost carrier as mentioned would cost City of Mostar around 1.000.000 BAM annually, however, the revenue that could be collected through taxes and other fees could be at least 5-7 times more than the cost.

The key recommendation for the sustainable tourism of Mostar, as well as for the overall development is to ensure to provide funds for the quality development strategy to be created by high-level professionals, further to adapt the legislative so that all shareholders must follow the strategy and educate the all shareholders about the importance of co-work and the potential gain that could be achieved. In interviews it was mentioned that there are also foreign institutions willing to invest resources in Mostar, both financial and know-how resources, however they are being rejected by the complicated and slow bureaucracy in BiH and deadlines that are not being followed. The touristic cluster of Herzegovina is micro-project funded by the Government of Japan which collects all tourism shareholders and guides them towards sustainable development in a micro level, however without support of the national institutions this project is unavailable to make greater changes in the tourism industry until now. However, it is a positive example that changes are
possible. In a short run the whole development process might need significant funds, especially the subsidies for the airline carriers, however, with the potential that Mostar has, the development process will be financially justified, and City of Mostar will achieve massive gain of tourism.

Continuing with the operations as they are conducted today, perhaps tourism industry still has some future, however, the overall well-being will not be achieved, and what would be left from the Old core will be only ruins destroyed by the mass tourism that is provided today in Mostar, and the opportunity that has given to Mostar today to achieve the sustainable tourism development will be gone.

3.2.4 Today and tomorrow of the sustainable tourism development in City of Mostar

Previously in the literature review the process of planning and management of sustainable tourism has been clearly presented, as well as the eight steps required for achieving the sustainable tourism development itself. City of Mostar does not have the strategy for the sustainable tourism development, however, the examinees have been questioned what example they would identify as the example of the sustainable tourism development in City of Mostar. One of the most common cases given was the reconstruction of the Old Bridge with the Old core of Mostar. Even though reconstruction itself would not be example of the sustainable tourism development, examinee stated out that the constant maintenance is being conducted to preserve the look of the Old core in constant shape or even to improve some aspects. Agency “Old town” has the duty to constantly monitor on the given area and immediately intervene in order to prevent destruction of the look of the specified area. Furthermore, the enrolment of the Old Bridge as the UNESCO’s world heritage site requires constant monitoring and preservation of the monument, in this case the Old Bridge itself. Additionally few crucial museums have been rebuilt after the war, which do have the similar maintenance as the Old core, however on simpler level organized by the institutions on a Cantonal level. Many examinees said that they were directly or indirectly involved in the processes of development and reconstruction of many historical and cultural monuments, as well as providing support in the know-how and awareness increase about the importance of the sustainable tourism development. As City of Mostar does not have the strategy of development of sustainable tourism some smaller projects cannot be said that are of crucial importance for the tourism, but author believes that, if the strategy was existing, these projects would be definitely be part of it. Out of those smaller projects for the touristic development it was important to mention the project carried out as the “Tourism signalization of HNC”. This project is important because it made some fairly unknown touristic destinations in Mostar available to tourists, as well as it gave those destinations additional funds to maintain itself and operate independently of the help of institutions. Additional project worth mentioning is the “Wine roads of Herzegovina”, project that popularized natural resources and well-known wines from Herzegovina on both local and global scale, again increasing awareness of the tourists about new touristic products in the area and in that way collecting more revenues for the society. When sometimes in future the desired strategy sees the light, these projects will be named as the positive examples from the past.
Additionally, it has been mentioned that beside the material heritage, non-material heritage has been rebuilt and is being maintained, meaning that the national awareness about the importance of the ecology is being risen, so that this resource in Herzegovina is preserved for future generations as well. Project of education started mainly from elementary and secondary schools in Mostar, as this population is easiest to educate. Project was further expanded on the whole community, and as the providers said, the awareness was risen and the results are positive, however, there is always place for development. Positive project few examinees mentioned as well is the Touristic cluster of Herzegovina and their activities. Touristic cluster has the duty to evoke fair business environment and to increase quality in the touristic offer. Additional workshops on developing atmosphere free of discrimination of the tourists are the small steps conducted in the sustainable tourism development in Mostar. Furthermore, workshops with the shareholders in tourism have also been introduced in more occasions, trying to teach the shareholders, especially restaurant and hotel owners about the new trends in tourism and in that way increase the efficiency of those mentioned.

It could be concluded before, and definitely can be concluded not, that there is a massive desire to rise up the level of touristic development City of Mostar has now by different projects of all shareholders, and definitely, with more organization and additional funds from higher national levels, tourism industry can become as it should be and definitely has a bright future.

**CONCLUSION**

In order to fulfil the aim and to understand and identify what sustainable tourism development really represents as the global trend in tourism industry author has used many sources of literature and other relevant information. The author has identified the context relevant to the tourism industry and how that concept and the specificities of tourism industry itself affect the local context and how does that correlation interacts with sustainable development itself which is the indispensable consideration in a holistic approach. The objectives of this master’s thesis mentioned at the very beginning of this thesis were all achieved.

After completing these objectives the master’s thesis has risen couple of substantial points of discussion. One of the relevant questions that could be questioned, is if absolute sustainable tourism development is actually achievable, based on all the prerequisite and demands given in the theory, and having in mind that each individual destination is a specific and unique case itself. Swarbrooke (1999, p.358) stated out that sustainable tourism development is a continuous journey to a destination, whose end will never be reached. However the reasons for developing sustainable tourism and the benefits achieved by the “almost” fully developed destinations are numerously over-counting any other type of the tourism development known today.
Both primary and secondary data has shown to the author that the first problem that persists is the problem of defining and understanding the sustainability itself. For the purpose of this master’s thesis, those definition from most relevant institutions or individuals were used, however, that does not automatically means that similar definition given by any other individual, based on their experience, would automatically be wrong. Nevertheless, literature has overcame problem of individuality giving clear definition and objectives of the sustainable development, and furthermore the steps of achieving sustainable tourism development at the end.

This master’s thesis was conducted as an exploratory research in nature. Author’s personal connection to the City of Mostar and the feelings held towards this city motivated author to conduct the research in order to be able to fully understand, beside the goal of developing the academic theory in Bosnia and Herzegovina on this field, what is the main reason of the dubious situation in last years in Mostar’s tourism, especially while seeing other cities in region experiencing massive growths and developments based mostly on tourism industry. Literature has been clearly presented, as well as the presentation about the current state in the Mostar’s tourism industry which naturally lead to primary research and the interviews themselves. Author gave its best to leave the subjectivity out of the interviews, and results have shown quite different results than expected. While author expected total incompetence and unawareness of the relevant institutions, one has been proven quite wrong. Additionally, many barriers have been indicated in the interviews, majority of them are presented as well in the main discussion, and most of them could be assumed right from the secondary data analysis, however what surprised was the willingness and the desire for change and development in all institutions interviewed, as well as numerous important activities already conducted with very much limited resources. Furthermore, all barriers were pointing on one massive problem which is lack of financial resources. The recommendations for overcoming each barrier was previously given, however, author believes that pointing out the importance of developing high-end quality strategy for sustainable development, and implementation of that strategy in cooperation with all shareholders would give desirable results in a very short period of time. For doing so, it is the final moment of opportunity given to Mostar, and this moment will define its development in future years and path it either towards important touristic destination in South-East Europe, or towards one additional city in Bosnia only worth visiting on a day-trip while driving-by towards more developed destinations in a region.

It is hoped that this research will stimulate both academic debate beyond the theory and towards the practicalities of implementation. Additionally, it is hoped that the relevant institutions will find desperately needed funds for the development of the touristic destination and its path towards sustainability. For the end, author hopes that this master’s thesis will serve as a trigger, towards future development of sustainable tourism in Mostar. Finally, this research cannot be deemed representative for the entire topic, since it was primarily based on shareholders from public institutions, neglecting the private owners as well. It has numerous times said that only with the cooperation of all, the sustainable tourism development is actually reachable. Additionally, it has
only been based primarily on the views and opinions of couple participants, even though from relevant institutions, number is still relatively small.

Even though the author itself gave its best to cover the whole research question, the theory of sustainable tourism development is very broad theory, with constant developments and improvements as it is a current touristic development trend, and being so, it is very difficult to cover all important points. It has been mentioned on a numerous occasions that the theory and relevant academic work in the area of Sustainable tourism development in BiH is very much limited. As it was said before, this master’s thesis was only covering the public authorities relevant to the destination of Mostar, therefore author suggest for the further research, on the basis of this master’s thesis future research between private sector, and eventually covering up the all shareholders in one study. Additionally, there is a space for conducting research on the effects of the sustainable tourism development in a destination on all shareholders as it was evident in literature that sustainable tourism development requires many changes in mindsets and habits of the people occupying one destination. The last, but not least important recommendation would be to explore the benefits of sustainable tourism development in a destination. All these researches, as well as this one could be used for the mean of creating strategy for sustainable tourism development in City of Mostar.
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APPENDIXES
<table>
<thead>
<tr>
<th>Appendix</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appendix A</td>
<td>List of abbreviations</td>
<td>1</td>
</tr>
<tr>
<td>Appendix B</td>
<td>Supporting data</td>
<td>2</td>
</tr>
<tr>
<td>Appendix C</td>
<td>Overview of the interviews</td>
<td>4</td>
</tr>
</tbody>
</table>
APPENDIX A – List of abbreviations

BHRT - Radio – televizija Bosne i Hercegovine / Bosnia and Herzegovina’s radio and television
BiH - Bosnia and Herzegovina
CIK - Centralna Izborna Komisija / Central Election Commission
EU - European Union
FBIH - Federation of Bosnia and Herzegovina
GDP - Gross Domestic Product
HNK - Hercegovačko - Neretvanski Kanton / Herzegovina - Neretva Canton
IUCN - International Union for the Conservation of Nature and Natural resources
IUOTO - International Union of Official Travel Organizations
MNC - Multinational Corporation
REDAH - Regionalna razvojna agencija za Hercegovinu / Regional development agency for Herzegovina
ROI - Return on Investment
RS - Republika Srpska / Republic of Srpska
STD - Sustainable tourism development
TA - Tourism association
UNEP - United Nations Environment Programme
UNESCO - United Nations Educational, Scientific and Cultural Organization
UNWTO - United Nations World Tourism Organization or
VAT - Value added tax
WCED - World Commission on the Environment and Development
WHS - World Heritage Site
WTTC - World Travel & Tourism Council
APPENDIX B – SUPPORTING DATA

Figure B.a - Positioning tourism planning in the continuum of planning-related activities.

![Diagram of tourism planning levels and dimensions]

Source: M. C. Hall, Tourism planning: policies, processes and relationships, 2008, p. 14, Figure 1.3.

Figure B.b – Unemployed persons in the register on the 31.12.2014 by the level of education

<table>
<thead>
<tr>
<th>Level of education</th>
<th>Number of workers</th>
<th>Portion</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>7-2</td>
<td>902</td>
<td>2.7%</td>
</tr>
<tr>
<td>7-1</td>
<td>1997</td>
<td>5.9%</td>
</tr>
<tr>
<td>6-2</td>
<td>519</td>
<td>1.5%</td>
</tr>
<tr>
<td>6-1</td>
<td>684</td>
<td>2.0%</td>
</tr>
<tr>
<td>5</td>
<td>120</td>
<td>0.4%</td>
</tr>
<tr>
<td>4</td>
<td>10207</td>
<td>30.2%</td>
</tr>
<tr>
<td>3</td>
<td>12002</td>
<td>35.5%</td>
</tr>
<tr>
<td>2</td>
<td>519</td>
<td>1.5%</td>
</tr>
<tr>
<td>1</td>
<td>6868</td>
<td>20.3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>33818</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

Figure B.c – Average net salary in tourism vs. Average net salary in FBiH

Figure B.d – Advantages and Disadvantages of World Heritage Site listing

<table>
<thead>
<tr>
<th>Advantages</th>
<th>Disadvantages</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Conservation and preservation</td>
<td>• Damage to the site</td>
</tr>
<tr>
<td>• Responsible management</td>
<td>• Over-crowding</td>
</tr>
<tr>
<td>• Support for restoration</td>
<td>• Investment and effort (time and money)</td>
</tr>
<tr>
<td>• National and local pride</td>
<td>• International organization interference</td>
</tr>
<tr>
<td>• Establishing national and local identity</td>
<td></td>
</tr>
<tr>
<td>• Educating the public</td>
<td></td>
</tr>
<tr>
<td>• Increase in number of visitors</td>
<td></td>
</tr>
</tbody>
</table>

Perceived economic benefits:
• Land value increase (could change residence social fabric)
• Increase in profit due to increased demand (could damage the site)
• Increase region's revenue (but could leak abroad)

APPENDIX C – OVERVIEW OF THE INTERVIEWS

INTERVIEW 1:

Examinee 1: Tourism association of Herzegovina - Neretva Canton

Q1: In your opinion what are the most important objectives of sustainable tourism you would like to achieve in the City of Mostar? Why?
Objectives for sustainable tourism development: (1) economic viability, (2) local prosperity, (3) employment quality, (4) social equity, (5) visitor fulfilment, (6) local control, (7) community well-being, (8) cultural richness, (9) physical integrity, (10) biological diversity, (11) resource efficiency and (12) environmental purity.

A1: (1) economic viability; (2) local prosperity; (4) Social equity;

Q2: Which aspect of sustainable tourism development (socio-cultural, economic, environmental aspect) you would consider mostly developed and mostly underdeveloped in the City of Mostar? Which one would you highlight as most important?

A2: The most important is the economic aspect of sustainable tourism development which is the most developed aspect as well. The most underdeveloped is the environmental aspect of sustainable tourism development in the City of Mostar.

Q3: How would you define the term “sustainability”?

A3: The term "sustainability" could primarily be associated with the need for the economic sustainability, ie. economic development by using its own resources.

Q4: For you, what is the understanding and the definition of the term “sustainable tourism development”?

A4: Sustainable tourism uses the natural and culturo-historical heritage in order to increase the number of visitors and turnover, but in a way so that the both natural and culturo-historical heritage is preserved for future generations.

Q5: In your opinion, what would you highlight as the perfect example of the sustainable tourism development in Mostar?
A5: A true example of the sustainable tourism development in Mostar could be the renewed cultural and historical heritage (Old Bridge and the Old core) together with the natural environment as well (the Neretva River with the banks). In addition to their renewal, the constant monitoring is conducted for preservation and possible improvement of the appearance. That is achieved by constant monitoring, promptly interventions, etc. by responsible institutions (ie. the Agency "Old Town").

Q6: Have you personally been directly involved in the process of sustainable tourism development in the last five years?

A6: Tourism association HNC has been directly involved in the processes of sustainable tourism development not only in the past five years but throughout the whole period of its activity. We have been active through different projects in the tourism sector, through funding generated by legally binding rate of revenue TA HNC collects from membership fees and tourist taxes which are earmarked for renovation and maintenance of the cultural and historical monuments such as the fortress in Počitelj, the tower of Herceg Stjepan Kosača in Blagaj, Kajtazova house in Mostar, Velagićevina in Blagaj, etc. All of this mentioned above contributes to the sustainable tourism development. Additionally, significant investments and support has been made to the natural parks like Bliđinje, Rujište and Hutovo blato.

Q7: Which exact processes and practices have you implemented in the process of sustainable tourism development?

A7: In addition to those mentioned previously there are also additional projects carried out by the TA HNC as the “Tourism signalization in HNC”, project which marked all valuable cultural and historical monuments in the area of HNC with proper signalization. These monuments become "more valuable" and more accessible to tourists and the growing number of visitors. This further more means that there is ensured greater income from these monuments which improves the sustainability of tourism in these destinations. Worth mentioning is our project " Wine Route of Herzegovina” where natural resources (famous wines, the beauty of the landscape) of the Herzegovina are offered as a new tourism product, thereby improving economic aspects of sustainable tourism as well.

Q8: What would encourage and motivate you to perform additional practices towards sustainable tourism development?

A8: Definitely there should be more trainings for all shareholders who make for living from the resources in the tourism sector so that they preserve and refine them. Additionally, to create projects which would be mainly used for the increasing the awareness of the importance for the preservation of these resources for future generations, and those resources are not only important for tourism
development (increasing the number of visitors, more overnights made due to the visits to these specific resources and spending made while in a visit) but also for other aspects of life and socio-economic development (preservation of identity, both cultural and social, etc.).

**Q9: Do you think that the general understanding of the theory of sustainable tourism development is homogeneous between all shareholders, ie. between the public and private sector?**

**A9:** There is often a misunderstanding in the need for the sustainable tourism development and a disharmony in actions between public and private sector; the private sector aspires towards higher profit and thereby often disrupts the landscape (e.g. parking in front of the river Buna spring in Blagaj, where the construction of illegal souvenir shops endanger the safety of visitors but also block the view to the Buna river).

**Q10: What factors would you indicate as the most important in the process of planning and development of tourism product in City of Mostar?**

**A10:** The most important thing is to analyze the overall tourism supply and demand in the City of Mostar (number of visitors, general spending of the tourists, the objects available for visit and the condition of the object), revenues, ie. economic effects of tourism in Mostar and similar.

**Q11: By your opinion, who should take the initiative for the development of sustainable tourism in the City of Mostar? Which shareholders should be involved and why?**

**A11:** The Tourism association of HNC of course, then the local authorities responsible for the economy and the tourism sector, Ministry of trade, tourism and environmental protection of HNC should also be involved. Furthermore hotels, travel agencies, Federal Ministry of Physical Planning, SME sector, tour operators, etc. All should be involved in order to identify opportunities for the development of tourism based on heritage or natural resources and to ensure that the policy of sustainable tourism developed carried out and promoted in the best interests of all.

**Q12: By your opinion, how should the responsible authorities for development approach to the development of sustainable tourism in City of Mostar?**

**A12:** Development plans for for local or regional development of tourism should be created which would further assist in the implementation of individual projects. For the HNC the development plan has already been done as the “Tourism development strategy until 2021”. Additionally, improve current tourism products or identify opportunities for new products. The improvement should be made in building better relationships with the local community and heritage managers.
Q13: Which barriers would you identify as the most important for planning and implementation of sustainable tourism development in City of Mostar?

A13: Barriers would be as follows:
Lack of cooperation between public and private sector in the field of sustainable tourism.
Lack of or inadequate implementation of management plans for tourist destinations where the resource is located.
Lack of resources, sometimes even a lack of awareness or activities to prevent the distortion of heritage, its identity or valorisation.
The costs of the tourism for the City of Mostar are underestimated.
Insufficient communication between the partners in the sector of tourism development.

Q14: What are the advantages and benefits you see of sustainable tourism development?

A14: The main benefit is to manage to preserve the resource in the present form and quality and to use that resource for tourism purposes only. Furthermore, very important is the economic aspect, ie. greater employment rate in the location in which sustainable tourism development has been achieved.

Q15: How do you find that development of sustainable tourism affects three aspects that constitute sustainable tourism development?

A15: Sustainable tourism development affects positively of course positively affects on all three aspects of sustainable development, namely:
on socio-cultural aspect in a way that it satisfies social and cultural needs of the local population;
on economical aspect in a way that it introduces a higher quality employment;
on ecological aspect in a way that it preserves heritage for future generations.

Q16: How would you define the current situation in tourism industry in the City of Mostar? Would you do anything differently?

A16: As long as the City of Mostar as a tourism destination is being concerned, it is becoming extremely popular on global level which can be supported by an annual visit of about half a million tourists. The structure of the visitors is majorly based on a daily excursions. There are certain problems with regard to tourism infrastructure as bad roads, lack of parking spaces, insufficient environmental cleanliness of tourism attractions, constant issue with the beggars during the summer season, etc.

Q17: How closely do you cooperate with other relevant governmental institutions on different authority levels?
A17: TA HNC does closely cooperate with other institutions in different levels of government, especially with the Federal Tourism Association and the Ministry of Trade, Tourism and Environment of HNC, as well as with the authorities of the City of Mostar.

Q18: Do you think that the legislation regulating this industry is sufficiently adapted and developed to be able to ensure further development of destination and sustainable tourism development in the same?

A18: I think the legislation is not appropriate and adapted to be able to ensure further development of destination (a concrete example is too long construction of the hotel “Ruža” and the hotel “Neretva”) which directly slows-down the development of tourism in the City of Mostar.

Q19: Would you like to add anything that you’d find relevant for this master's thesis, and that is not included in the above questions?

A19: I emphasize that one of the major barriers to the Sustainable Tourism development is an insufficient cooperation between the public and private sectors on issues relevant to the further development of tourism in Mostar.

INTERVIEW 2:

Examinee 2: Ministry of trade, tourism and environmental protection of the Herzegovina - Neretva Canton

Q1: In your opinion what are the most important objectives of sustainable tourism you would like to achieve in the City of Mostar? Why?

Objectives for sustainable tourism development: (1) economic viability, (2) local prosperity, (3) employment quality, (4) social equity, (5) visitor fulfillment, (6) local control, (7) community well-being, (8) cultural richness, (9) physical integrity, (10) biological diversity, (11) resource efficiency and (12) environmental purity.

A1: (2) local prosperity; (3) employment quality; (7) community well-being; (8) cultural richness; (11) resource efficiency.

Q2: Which aspect of sustainable tourism development (socio-cultural, economic, environmental aspect) you would consider mostly developed and mostly underdeveloped in the City of Mostar? Which one would you highlight as most important?
A2: Socio-cultural and economic aspect.

Q3: How would you define the term “sustainability”?

A3: Sustainability is something that can survive and prosper for many years.

Q4: For you, what is the understanding and the definition of the term “sustainable tourism development”?

A4: Sustainable tourism is the satisfaction of both tourists and service providers. Sustainable tourism contributes to the economic viability and well-being the local community.

Q5: In your opinion, what would you highlight as the perfect example of the sustainable tourism development in Mostar?

A5: Youth employment in tourism as travel guides. Increasing number of tourists automatically resulting with more tax from tourism collected, higher turnover in tourism and hospitality industry as well as in complementary business activities. Overall better financial effects.

Q6: Have you personally been directly involved in the process of sustainable tourism development in the last five years?

A6: Yes.

Q7: Which exact processes and practices have you implemented in the process of sustainable tourism development?

A7: We have performed trainings for tourist guides. Furthermore we have founded the tourism association of HNC and created institutional prerequisites for tourism development (implementation of legal regulations in the tourism and hospitality industry). We have also done categorization of accommodation venues in the area of HNC and introduced conditions for operation of travel agencies.

Q8: What would encourage and motivate you to perform additional practices towards sustainable tourism development?

A8: It would definitely encourage me if I’d have more authorities to decide where to invest money in tourism industry and to have better communication along the hierarchy.
Q9: Do you think that the general understanding of the theory of sustainable tourism development is homogeneous between all shareholders, ie. between the public and private sector?

A9: No.

Q10: What factors would you indicate as the most important in the process of planning and development of tourism product in City of Mostar?

A10: Those questions are being decided by the authorities in the City of Mostar.

Q11: By your opinion, who should take the initiative for the development of sustainable tourism in the City of Mostar? Which shareholders should be involved and why?

A11: Initiative should be encouraged by the Mayor of the City of Mostar and in that initiative all shareholders should be involved as tourism agencies, tour operators, Ministry representatives, etc.

Q12: By your opinion, how should the responsible authorities for development approach to the development of sustainable tourism in City of Mostar?

A12: Mayor should, for start, through the Institution for urban and communal services on whom he has the jurisdiction provide more cleaner City.

Q13: Which barriers would you identify as the most important for planning and implementation of sustainable tourism development in City of Mostar?

A13: The division of the city, unfunctional communal enterprises, the existence of parallel public companies that do not operate, whereby some are in bankruptcy for even 15 years. Additionally strategy of travel agencies for City of Mostar is based on a daily excursions underestimating the local tourism potential.

Q14: What are the advantages and benefits you see of sustainable tourism development?

A14: Economic prosperity of the local community.

Q15: How do you find that development of sustainable tourism affects three aspects that constitute sustainable tourism development?

A15: Better use of cultural and historical monuments, faster economic prosperity, environmental conservation.
Q16: How would you define the current situation in tourism industry in the City of Mostar? Would you do anything differently?

A16: I would make the City of Mostar nicer, cleaner, more prosperous city so that all of its citizens are satisfied.

Q17: How closely do you cooperate with other relevant governmental institutions on different authority levels?

A17: I cooperate with the relevant federal ministry while the cantonal ministries are often barrier for cooperation with other institutions.

Q18: Do you think that the legislation regulating this industry is sufficiently adapted and developed to be able to ensure further development of destination and sustainable tourism development in the same?

A18: I believe that the legislation is fine, however there is a problem with an autocratic investment decision-making and in the insufficient investment in tourism.

Q19: Would you like to add anything that you’d find relevant for this master's thesis, and that is not included in the above questions?

A19: You should have information how much revenue TA HNC has made in the last three years and how much funds have been invested based on a Governmental decision for the environmental protection.

INTERVIEW 3:

Examinee 3: Tourism department of the City of Mostar - Department for Economy, Communal and Inspection Affairs

Q1: In your opinion what are the most important objectives of sustainable tourism you would like to achieve in the City of Mostar? Why?

Objectives for sustainable tourism development: (1) economic viability, (2) local prosperity, (3) employment quality, (4) social equity, (5) visitor fulfillment, (6) local control, (7) community well-being, (8) cultural richness, (9) physical integrity, (10) biological diversity, (11) resource efficiency and (12) environmental purity.
A1: It is difficult to say which of these upper mentioned is the most important because the sustainable tourism development is the combination of all mentioned and none is more important than others. Only a combination of all objectives will create the desired result.

Q2: Which aspect of sustainable tourism development (socio-cultural, economic, environmental aspect) you would consider mostly developed and mostly underdeveloped in the City of Mostar? Which one would you highlight as most important?

A2: Again it cannot be said which one is the most important. It can be said that the overall objective is the economical prosperity, however that can be achieved only if the other two aspects are developed.

Q3: How would you define the term “sustainability”?

A3: Through tourism we would like to increase the quality of living and the level of well-being, provide new job opportunities, create higher incomes and better educational system, with additional increase in mutual respect. Influence is being made on social community, environment and self-awareness.

Q4: For you, what is the understanding and the definition of the term “sustainable tourism development”?

A4: There is a number of definitions of sustainable tourism development, but i believe that you have already found them in relevant literature. In short, sustainability is “usage of tourism resources but in a way that they are not ruined but instead are cleverly used and protected, and in that way the new value is added for future generations.

Q5: In your opinion, what would you highlight as the perfect example of the sustainable tourism development in Mostar?

A5: Here we can talk about restoration of both tangible and intangible cultural heritage. So if we talk about this first then certainly in the first place is the construction and reconstruction of the Old city core with the Old Bridge as a central figure. Additionally, restoration museums and other cultural institutions in the city is also worth of mentioning. From intangible projects we can mention projects in the field of ecotourism, environmental awareness increase and similar.

Q6: Have you personally been directly involved in the process of sustainable tourism development in the last five years?

A6: Yes.
Q7: Which exact processes and practices have you implemented in the process of sustainable tourism development?

A7: We worked mainly on organizing a series of workshops with groups from all segments that are in any way associated or may influence the development of tourism. If we would mention hoteliers, we have organized for them seminars on introduction of HACCP and with owners of accommodation facilities and caterers receipt trainings for guests-tourists. Additionally, mainly with younger population we have organized workshops on the subject of raising environmental awareness.

Q8: What would encourage and motivate you to perform additional practices towards sustainable tourism development?

A8: Lack of financial support is the main reason why we do not have more projects in the area of sustainable tourism development.

Q9: Do you think that the general understanding of the theory of sustainable tourism development is homogeneous between all shareholders, ie. between the public and private sector?

A9: Still a major obstacle is the lack of understanding of importance about joint work between the public and private sectors. However the general opinion is that the public sector is the only one who should regulate this area which is unprecedented in the EU practices.

Q10: What factors would you indicate as the most important in the process of planning and development of tourism product in City of Mostar?

A10: First and foremost, political consensus on what kind of city we would like to have is needed. After that we need to adopt the Strategy for Development of the City of Mostar with tourism as a separate industry, due to its geographical and culturo-historical resources that we possess.

Q11: By your opinion, who should take the initiative for the development of sustainable tourism in the City of Mostar? Which shareholders should be involved and why?

A11: The City of Mostar jointly with the tourism association of HNC. Additionally, there should be also included all other relevant institutions responsible for the protection of cultural and historical heritage. NGOs, all tourist workers as the tour operators, hoteliers, owners of accommodation facilities, souvenir shops, tourist guides, carriers, etc. should also be involved as well as tourists themselves because their opinion is the most relevant. We need to include all shareholders because
only together in synergy we can accomplish the desired results. No link in the chain should be left out.

**Q12: By your opinion, how should the responsible authorities for development approach to the development of sustainable tourism in City of Mostar?**

**A12:** Lack of financial resources for the promotion and development limits the development itself. We, in cooperation with the private sector, organize specific events but these activities are simply not enough for such big city. Also, in cooperation with international organizations, we are representing City of Mostar on different tourism fairs, and in sole and with our own capabilities we do participate in local fairs where we individually finance the promotional material.

**Q13: Which barriers would you identify as the most important for planning and implementation of sustainable tourism development in City of Mostar?**

**A13:** Money, money, and money once again.

**Q14: What are the advantages and benefits you see of sustainable tourism development?**

**A14:** The benefits of sustainable tourism development are multiple, but economic benefit could be pointed out as the most important because the greater number of tourists and higher occupancy level of accommodation facilities higher income is generated. It is well known that sustainable tourism is a blend of heritage and tourism activities in a way that everyone benefits.

**Q15: How do you find that development of sustainable tourism affects three aspects that constitute sustainable tourism development?**

**A15:** Socio-cultural aspect refers to the reduction in social differences between people as well as on development of society in a cultural plan both for tourists and local population. Economic aspect affects in a way that it increases number of job opportunities in a tourism industry, revenue turnover increases as well which in long run creates economic development of the society as whole. For the environmental aspect it is necessary to satisfy the principle of preserving the environment meaning that economic growth is based on a sustainable use of natural and culturo-historical resources but with their conservation and development and in that way to create touristic environment that is attractive to investors and tourists.

**Q16: How would you define the current situation in tourism industry in the City of Mostar? Would you do anything differently?**
A16: As long as we speak about promotion and development of tourism in the City of Mostar, it is important to mention that according to the Federal Ministry of Environment and Tourism, that area is under the jurisdiction of the tourist associations in the cantons. Consequently, when it comes to the City of Mostar, then this question is the responsibility of the Tourist association of the HNC. There is no doubt that Mostar deserves much more attention in this context, however, we are faced with continuous lack of funding for these activities as well. What we are doing is a cooperation with foreign organizations such as Oxfam - Italy, AECID - Spain, JICA - Japan. The new Law on Tourism Associations is in a procedure, according to whom TA should be the management at the level of cities, municipalities regarding the activities as well as a control of the original income (tourist tax and membership fees). This should encourage the tourism development in accordance to the needs of the local community.

Q17: How closely do you cooperate with other relevant governmental institutions on different authority levels?

A17: With the national institutions we have a cooperation in a way that they close international contracts with international organizations on basis of whom many different projects are implemented in the field of tourism.

Q18: Do you think that the legislation regulating this industry is sufficiently adapted and developed to be able to ensure further development of destination and sustainable tourism development in the same?

A18: This question has been previously answered in question 16.

Q19: Would you like to add anything that you’d find relevant for this master's thesis, and that is not included in the above questions?

A19: I have nothing more to add, the questionnaire is comprehensive.

INTERVIEW 4:

Examinee 4: International airport Mostar.

Q1: In your opinion what are the most important objectives of sustainable tourism you would like to achieve in the City of Mostar? Why?

Objectives for sustainable tourism development: (1) economic viability, (2) local prosperity, (3) employment quality, (4) social equity, (5) visitor fulfillment, (6) local control, (7) community well-
being, (8) cultural richness, (9) physical integrity, (10) biological diversity, (11) resource efficiency and (12) environmental purity.

A1: (2) local prosperity; (5) visitor’s fulfillment; (8) cultural richness

Q2: Which aspect of sustainable tourism development (socio-cultural, economic, environmental aspect) you would consider mostly developed and mostly underdeveloped in the City of Mostar? Which one would you highlight as most important?

A2: I’d say that none of the aspects is the mostly developed. The most undeveloped is the awareness about resources and opportunities that we have here in Mostar and Herzegovina. People’s awareness in this sector is not at a satisfactory level and thus and therefore we cannot move forward.

Q3: How would you define the term “sustainability”?

A3: I’d define sustainability on an example of business operations which would represent work from year to year with a minimum of 10% increase in operations.

Q4: For you, what is the understanding and the definition of the term “sustainable tourism development”?

A4: Continuous investment and development of the tourism sector, the introduction of new opportunities and increase in investment. Of course the investment is conditioned by the resources available for the investment and the opportunities as well.

Q5: In your opinion, what would you highlight as the perfect example of the sustainable tourism development in Mostar?

A5: Unfortunately there are few or almost no positive examples of sustainable tourism development. Sustainable tourism development would in my opinion be an association of professionals and organizations working in the tourism sector and through that unified action to carry out operations control and to additionally strive towards better and more prosperous tourism development of Mostar and Herzegovina.

Q6: Have you personally been directly involved in the process of sustainable tourism development in the last five years?

A6: No, I have not recognized the right people that would be competent for such work.
Q7: Which exact processes and practices have you implemented in the process of sustainable tourism development?

A7: We have conducted many action in terms of promotion of tourism and historical beauties of Mostar and Herzegovina.

Q8: What would encourage and motivate you to perform additional practices towards sustainable tourism development?

A8: The undeniable fact is that most of the citizens of Mostar and whole BiH have not visited most of the parts of their own country and are not aware of it’s beauties. Therefore they are not competent for this type of promotion or work related to the tourism industry.

Q9: Do you think that the general understanding of the theory of sustainable tourism development is homogeneous between all shareholders, ie. between the public and private sector?

A9: I think there is no understanding of those from responsible from public. They do not create environment nor for normal activity so nor in additional support and help.

Q10: What factors would you indicate as the most important in the process of planning and development of tourism product in City of Mostar?

A10: The history of the city itself is more than enough.

Q11: By your opinion, who should take the initiative for the development of sustainable tourism in the City of Mostar? Which shareholders should be involved and why?

A11: First of all the City authorities together with tourism associations and ministries for tourism and the environment that have common goals and operations.

Q12: By your opinion, how should the responsible authorities for development approach to the development of sustainable tourism in City of Mostar?

A12: Conscientiously and responsibly.

Q13: Which barriers would you identify as the most important for planning and implementation of sustainable tourism development in City of Mostar?

A13: Inter-religious, and inter-entity barriers.
Q14: What are the advantages and benefits you see of sustainable tourism development?

A14: I see the benefit in the terms of earnings and income.

Q15: How do you find that development of sustainable tourism affects three aspects that constitute sustainable tourism development?

A15: I believe that sustainable tourism development has a great impact and on all three aspects because the aspects are interconnected among themselves.

Q16: How would you define the current situation in tourism industry in the City of Mostar? Would you do anything differently?

A16: I’d do many things differently, anarchy is present in every aspect.

Q17: How closely do you cooperate with other relevant governmental institutions on different authority levels?

A17: We cooperate as much as we have space and opportunity, support exists, but it is insufficient for a greater step forward and an significant progress.

Q18: Do you think that the legislation regulating this industry is sufficiently adapted and developed to be able to ensure further development of destination and sustainable tourism development in the same?

A18: Frankly I’m not very familiar with the legislation but the actions of the responsible shareholders are not as I believe they should be. What I want to say is that every action is done spontaneously without public knowledge and promotion to the extent that it does not “wake up” the sleepers and uninterested.

Q19: Would you like to add anything that you’d find relevant for this master's thesis, and that is not included in the above questions?

A19: Maybe there is a space for research how some foreign organizations operate which are willing to invest their money in the promotion of the tourism in the City of Mostar. Perhaps to investigate and present what are their requirements and what should be accomplished, in which way and in which time-frame.
I find Tourism cluster of Herzegovina a very good story, the association of all important shareholders from tourism industry. They have a plan for the development and clear guidelines for
action, however the only question is the financial situation, how long will they be financed from the supporters from Japanese investors. I think that after these current investors withdraw, there will be no support from the government and ministries. I hope I'm wrong, but in general it is a very good story that I like in Mostar.

INTERVIEW 5:

Examinee 5: Regional development agency for Herzegovina - REDAH

Q1: In your opinion what are the most important objectives of sustainable tourism you would like to achieve in the City of Mostar? Why?

Objectives for sustainable tourism development: (1) economic viability, (2) local prosperity, (3) employment quality, (4) social equity, (5) visitor fulfillment, (6) local control, (7) community well-being, (8) cultural richness, (9) physical integrity, (10) biological diversity, (11) resource efficiency and (12) environmental purity.

A1: For sustainable tourism development I believe that it is important to try to achieve following goals: (1) economic viability through the reduction of seasonal tourism and encouraging the creation of tourist offer throughout the whole year in order to increase revenues from tourism; (2) local prosperity should maximize the contribution of tourism to the economic prosperity of the host destination, including the proportion of visitor spending that is retained locally; (3) quality employment would be achieved in a way so that the existing businesses would be strengthened with additional better working conditions, wages and non-discrimination. This would give the opportunity to the unemployed to find jobs, and the grey employment market would be minimized; (4) with the development of tourism industry, the entire community could be given a chance for balanced distribution of economic and social benefits that come from this sector in a way that greater employment opportunities and better service for all social classes would be provided; (5) visitor fulfillment would generate itself in the satisfaction of tourists - satisfaction that is very important as they simply must receive an unique experience equally available to all without discrimination; (6) local control would present itself in a way so that local community would be a decision maker and the local community would take the responsibility for the development of the City of Mostar; (7) community well-being would indicate the aim to maintain and enhance the quality of living in the local community of the City of Mostar, while giving the possibility of involving everyone, without discrimination; (11) it is crucial that resources are used deliberately and carefully, in order to ensure their sustainability for the future generations; (12) first of all local authorities need to make City of Mostar much cleaner city and then to maintain that cleanliness so that the impacts of a great number of tourist visiting would be minimized. Further need is to develop methods for additional lower environmental pollution in the City.
Q2: Which aspect of sustainable tourism development (socio-cultural, economic, environmental aspect) you would consider mostly developed and mostly underdeveloped in the City of Mostar? Which one would you highlight as most important?

A2: Economic aspect of the sustainable tourism development in City of Mostar is in my opinion is the most developed while the ecological aspect is most underdeveloped. All three are equally important and for the sustainable tourism development the synergy is crucial.

Q3: How would you define the term “sustainability”?

A3: Ability to maintain balance of a processes or condition in a certain environment.

Q4: For you, what is the understanding and the definition of the term “sustainable tourism development”?

A4: Sustainable tourism development includes the positive economic, socio-cultural and environmental aspects through planning and implementation. If all aspects are involved in the long run, sustainability will potentially be insured. For the development of sustainable tourism involvement state authorities at all levels should definitely be involved with additional support of private sector and civil society. As an example I’d like to point. Northern Australia who has created a strategic plan for sustainable tourism development for the next five years for that part of Australia offering them tools and educational information the specific topics and helps them in realization of the strategic plan.

Q5: In your opinion, what would you highlight as the perfect example of the sustainable tourism development in Mostar?

A5: This question has been previously explained, however in this specific case the City of Mostar would be implementing the strategic plan, and would act as a coordinator between private sector, public sector and civil society, as well as it would additionally act as an informer about development achievements.

Q6: Have you personally been directly involved in the process of sustainable tourism development in the last five years?

A6: Through the process of involving and gatherings the private sector in tourism and tourist associations I took part in certain steps towards sustainable tourism development in Herzegovina and of course the city of Mostar. I have been part of the team who has established the association called Tourism Cluster Herzegovina.
Q7: Which exact processes and practices have you implemented in the process of sustainable tourism development?

A7: Through the activities of REDAH we supported coordination and operation of Tourism Cluster Herzegovina. Members of the Tourism Cluster Herzegovina are respectable business entities in the tourism sector, who are examples of fair businesses who are ensuring quality conditions of employment, non-discriminatory and openness working environment without discrimination. They are welcoming guests without discrimination and contributing to the initial steps for sustainable tourism development in the City of Mostar and Herzegovina.

Q8: What would encourage and motivate you to perform additional practices towards sustainable tourism development?

A8: The availability of resources for the implementation of projects and practices for sustainable tourism and even greater interest of the local community into this topic would definitely motivate myself.

Q9: Do you think that the general understanding of the theory of sustainable tourism development is homogeneous between all shareholders, ie. between the public and private sector?

A9: This term is unfamiliar to our society, and various sectors interpret it differently.

Q10: What factors would you indicate as the most important in the process of planning and development of tourism product in City of Mostar?

A10: A crucial factor always is the demand of the market. However it is necessary to influence on a decrease of seasonal tourism and encourage creation of the tourist offer throughout the whole year in order to increase revenues received from tourism. There is a continuous need to work on building capacities in the sector of tourism and on the promotion of Hercegovina (City of Mostar) as a tourist destination.

Q11: By your opinion, who should take the initiative for the development of sustainable tourism in the City of Mostar? Which shareholders should be involved and why?

A11: Higher levels of power at the state and entity level should take the initiative, and then later the local as well. It is necessary to include all governmental levels, civil society and the private sector in tourism as that this would be integrated development and so that all would contribute and affect the development that would be tailor-made to our community.
Q12: By your opinion, how should the responsible authorities for development approach to the development of sustainable tourism in City of Mostar?

A12: In general it is necessary to have a strategy for sustainable tourism development at the national or entity level and then the action plan which accompanies this strategy and has a place in the budget of a relevant institution for the implementation of planned activities, which are then brought down the hierarchy to the local level. A local community is involved both in development of the Strategy and in implementation.

Q13: Which barriers would you identify as the most important for planning and implementation of sustainable tourism development in City of Mostar?

A13: The lack of interest for the development of the Sustainable Tourism Development Strategy and the coherence and cooperation between different levels of government.

Q14: What are the advantages and benefits you see of sustainable tourism development?

A14: All objectives presented in question 1 would in this case be closer to the achievement.

Q15: How do you find that development of sustainable tourism affects three aspects that constitute sustainable tourism development?

A15: I believe that sustainable tourism development affects positively on all three aspects of the sustainable tourism development.

Q16: How would you define the current situation in tourism industry in the City of Mostar? Would you do anything differently?

A16: The idea what the City of Mostar could do is create a small sustainable tourism development strategy on the city level and propose it to higher institutional levels with an additional start with action plan and its implementation at the local level involving the local community in the development and implementation activities.

Q17: How closely do you cooperate with other relevant governmental institutions on different authority levels?

A17: Cooperation with the relevant state institutions exist and we believe it is relatively successful, but there is always a room for improvement.
Q18: Do you think that the legislation regulating this industry is sufficiently adapted and developed to be able to ensure further development of destination and sustainable tourism development in the same?

A18: Tourism as an industry is very rapidly changing by itself, and that change and development should be followed by the changes in the legislation. Change of legal regulations even in the more developed countries is significantly more lethargic than the change of the industry. Therefore, it is necessary to continuously work on adapting legislation to continuously ease the developmental role and sustainable tourism development in this case.

Q19: Would you like to add anything that you’d find relevant for this master's thesis, and that is not included in the above questions?

A19: Good luck!

INTERVIEW 6:

Examinee 6: Commission to preserve national monuments in BiH

Q1: In your opinion what are the most important objectives of sustainable tourism you would like to achieve in the City of Mostar? Why?

Objectives for sustainable tourism development: (1) economic viability, (2) local prosperity, (3) employment quality, (4) social equity, (5) visitor fulfillment, (6) local control, (7) community well-being, (8) cultural richness, (9) physical integrity, (10) biological diversity, (11) resource efficiency and (12) environmental purity.

A1: (1) economic viability; (2) local prosperity; (8) cultural richness; (9) physical integrity

Q2: Which aspect of sustainable tourism development (socio-cultural, economic, environmental aspect) you would consider mostly developed and mostly underdeveloped in the City of Mostar? Which one would you highlight as most important?

A2: All aspects are very low in development and mostly the actions are carried out spontaneously.

Q3: How would you define the term “sustainability”?

A3: The capability of some good or area to be self-financing.
Q4: For you, what is the understanding and the definition of the term “sustainable tourism development”?

A4: "Tourism, which contributes to the development of the community (foreign examples - York, Ravenna, Ferrara, etc.)

Q5: In your opinion, what would you highlight as the perfect example of the sustainable tourism development in Mostar?

A5: Development of a strategy for development; a multidisciplinary study with a full respect of the Management Plan adopted by the UNESCO.

Q6: Have you personally been directly involved in the process of sustainable tourism development in the last five years?

A6: No.

Q7: Which exact processes and practices have you implemented in the process of sustainable tourism development?

A7: We have conducted few strategic planning and developments, feasibility studies and business plans on historical heritage of BiH

Q8: What would encourage and motivate you to perform additional practices towards sustainable tourism development?

A8: No answer.

Q9: Do you think that the general understanding of the theory of sustainable tourism development is homogeneous between all shareholders, ie. between the public and private sector?

A9: Yes.

Q10: What factors would you indicate as the most important in the process of planning and development of tourism product in City of Mostar?

A10: It is very important not to allow the private sectors and hoteliers to construct accommodation facilities that directly threaten the historical heritage of the city, and to stop the commercialization of all possible activities.
Q11: By your opinion, who should take the initiative for the development of sustainable tourism in the City of Mostar? Which shareholders should be involved and why?

A11: Government of FBiH, Government of the HNC, City of Mostar.

Q12: By your opinion, how should the responsible authorities for development approach to the development of sustainable tourism in City of Mostar?

A12: More respect should be given to different experts with different background knowledge. Additionally, we need to stop politicize every single issue that occurs.

Q13: Which barriers would you identify as the most important for planning and implementation of sustainable tourism development in City of Mostar?

A13: Political situation.

Q14: What are the advantages and benefits you see of sustainable tourism development?

A14: Potential development of the society.

Q15: How do you find that development of sustainable tourism affects three aspects that constitute sustainable tourism development?

A15: No answer.

Q16: How would you define the current situation in tourism industry in the City of Mostar? Would you do anything differently?

A16: I’d define it as spontaneous, there is an urgent need for better planning and policy of retaining the guests for longer time period.

Q17: How closely do you cooperate with other relevant governmental institutions on different authority levels?

A17: We have a fair cooperation.

Q18: Do you think that the legislation regulating this industry is sufficiently adapted and developed to be able to ensure further development of destination and sustainable tourism development in the same?
A18: No.

Q19: Would you like to add anything that you’d find relevant for this master's thesis, and that is not included in the above questions?

A19: Best of luck.