Tourism rural development in the European context: Overview

G. Rajović & J. Bulatović

International Network Center for Fundamental and Applied Research, Russian Federation
College of Textile Design, Technology and Management, Belgrade, Serbia

Author for correspondence: dkgoran.rajovic@gmail.com

Abstract. The European territory is characterized by a strong presence of rural areas. Approximately 52% of the European territory is classified as predominantly rural. In this context, Rural Tourism is one of the key opportunities in terms of potential growth for rural areas, in the wider context of the Sustainable Management and Promotion of Territory activities (Fagioli et al., 2014). In the last two decades, in many European Union member countries, rural tourism is considered as a strategy for the future, which can contribute to economic and social development of local communities, of less favored regions alike, in order to create jobs and reduce migration. At the same time, rural tourism has the advantage that it acts for the purpose of opening new investment prospects. Thus, it must be regarded as an economic activity that contributes to regional development and, consequently, to the overall economic growth (Alina, 2015).

Keywords: Tourism, rural development, European context.

Introduction

The year 2011 marked 60 years since the first village family homestead for tourism appeared. Long ago in the year 1951, senator of a small archetypical French village Chandal a la Javie in Provence, Emile Aubert, started the idea of providing tourist services on a village homestead. The prime goal was preservation and development of rural environment, opening up new business perspectives by providing tourism services, new impulse to revivification of agriculture and based on that prevention of population migration out of the rural and into urban areas. An old long-abandoned traditionally built stable was transformed into a tourist object, i.e. village house for providing tourist services and it was named „cottage“ (fr. gites). It was then and there that the successful realization of this pilot project started the development of village tourism in the form that we know today (Đenadić et al., 2016).

According to Milenković and Utvić (2013), citing on research Hrabovski - Tomić (2008) and World Tourism Organization (2004) indicates that in many countries, EU Rural tourism from the 1970s is considered a strategy of development of regions and rural areas, which has a very good chance, and that helps in keeping the population in the area, creating new jobs, and ultimately contributes to the socio-economic remaining areas of progress”. Since that time, and until 1986, rural tourism has matured and became more complex category of interest to all levels of socio-economic development. Therefore, the following item was born which became a legislative initiative for tourism development in rural areas of Europe. However, this year is designed to give more political definition, as a result of the Council of Europe. Already in 1994.year authors have begun to observe the development of tourism in rural areas, as a new challenge to the successful shaping of economic physiognomy of this range and, thus, laid the theoretical foundations of transforming attitudes in practical realization of rural tourism. “Rural tourism is multi-activity, not just tourism on farms”.
Global economic restructuring has created a climate in which many local economies have to adjust, in order to maintain or enhance their socio-economic viability. As Butler et al (1998) according to Gopal et al (2008) citing on research Williams (1998) and Reid et al (2000) indicates that economic and social forces operating at the global level are determining both the nature and form of the rural landscape and how we value and use it. These changes, coupled with new ideas and approaches to leisure and recreation time are encouraging tourism development in rural areas at an ever increasing pace. Rural tourism development in areas not traditionally considered tourism destinations per se occurs incrementally; either as a result of entrepreneurs developing businesses that attract visitors or as a result of visitors discovering the area and thereby generating a demand for tourism related activities to which local entrepreneurs responds. The development of tourism in a rural area is not simply a matter of matching tourist demands with local product supply but a matter of evaluating local suitability and acceptability (Gopal et al, 2008).

Methods

The whole information volume in this article was obtained through specific methods for the selective research, respecting all its stages from the methodological point of view: identification of the researched issue, research framework delimitation, information collection, data processing, analysis and interpretation drawing up the conclusions. Research also played an important role in the article, which consisted, in the identification of other studies and articles on the same subject. Hence, the information sources used can be classified into national publications (research institutes, university...), and into non - governmental sources (independent publications). A special place in the study takes text from the international literature, based on similar studies. The research results are based on a series of mainly qualitative analyses, on the one hand, and on a series of logical rationales, on the other hand (Rajović and Bulatović, 2016).

Analysis results and their generalizations

There is a renewed degree of interest in rural development. Despite this interest, and some positive action at various levels, there is little by way of a successful blueprint for rural development. As one reviewer of research (in Europe) has stated “durable generalizations (about rural development) are scarce” (Whitby, 1986). This scarcity of results may be due to the relatively recent origin of the strategies adopted and to the fact that much of what is taking place is ad hoc, often co-existing alongside a more traditional institutional and policy framework and in all cases conditioned by the particular economic, institutional and socio - economic context of each rural area (Keane, 2000).

Balanced development of the countryside can be seen as a long-term improvement of living conditions of the country but according to the imperatives of economic, environmental, social and cultural self - respect due to population. Tourism development in rural areas aims to solve key business objective outside motivation and satisfaction of tourism and economic issues related to the depopulation of areas caused by migration of rural population to urban centers. By ensuring the practice of profitable in villages seeks to stop labor and return migration from urban to areas of origin, increasing the stability of the active population, improve living conditions, protect and conserve the environment as a factor of recreation and rehabilitation creative potential of the individual, creating conditions for carrying out other economic activities, industrial, commercial, rural areas (Drăgulănescu and Druţu, 2012).

The concept of sustainable tourism, where rural tourism is very well defined, such as preserving the natural environment, traditions, customs, culture, and the satisfaction or fulfillment for the tourist town full of sophisticated services and hotels (Drăgulănescu and Druţu, 2012). The contribution of tourism to rural development is important if local people participate in its development, it is also a means to protect the environment, economic and cultural-historical traditions, rural local. According to Wilson et al (2001) rural tourism also is less costly and easier to establish than other rural economic development strategies such as manufacturing. Rural tourism can be developed locally with participation from local government and small businesses, and its development is not necessarily dependent on outside firms or companies. Although tourism can be expensive to develop in certain cases (e.g., large resort areas) or can involve large firms and chains, rural tourism can be developed with relatively little investment credit, training, and capital. Hence, according to Wilson et al (2001) citing on research Shaw and Williams (1994) and Fesenmaier et al (1995) indicates that rural tourism can be less costly to develop as compared to other economic development strategies; additionally, rural tourism need not involve dependency on outside firms and their decisions on whether they want to be in an area. Rural tourism provides a base for these small businesses that might not otherwise be in rural communities because of their small populations.

Draws the conclusions that tourism particularly (see Wilson et al, 2001; Mjalager, 1996; Oppermann, 1996) helps two types of small businesses in rural areas - those directly involved in tourism (e.g., attractions and hotels/motels) and those indirectly involved in tourism (e.g., gas stations and grocery stores). Additionally, rural tourism works well
with existing rural enterprises such as farms (e.g., U - Pick farms) and can generate important secondary income for farm households. In this view, it is of paramount importance to recognize the diverse needs of locals and to provide the appropriate form of tourism or tourism development sustainable in the rural context (Hall et al, 2005).

Figure 1 presents one way of viewing the complex nature of rural regions and tourism’s role by mapping the links between elements and issues. The map serves its purpose in illustrating the relationship between tourism and rural regions. The community is central to this process, and in many ways cannot be separated from any of the elements on the map (Aref and Gill, 2009).

![Figure 1. Rural tourism (Source: Aref and Gill (2009) according to Beeton (2006).](image)

According to Fagioli et al (2014) citing on research European Commission (2013) and Eurostat (2013) & European Commission (2011) concludes that in 2010, the European Commission adopted a new method to classify its territory, thus highlighting how the European Territory is characterized by a strong presence of rural areas. Approximately 52 % of the European territory is classified as predominantly rural, 38 % intermediate and only 10% predominantly urban. In this context, Rural Tourism is one of the key opportunities in terms of potential growth for rural areas. In fact, the overall importance, in terms of standard output, of the agricultural holdings that undertake a Tourism services, in the EU - 28 Countries, amounts to 12.5 %, after contractual work (39.1 %) and after both the processing of farm’s products and the production of renewable energy which amount to 18.7 %. With nearly three quarters of the regions located in the rural areas, in the EU - 27, this sector already plays a major role in the rural economy and it plays a fundamental role in the wider context of the EU Rural Development Policy (RDP) 2014 - 2020, which aims at coping with the new challenges faced by rural areas, by improving the competitiveness of agriculture and forestry, the environment and the countryside and the quality of life in rural areas, and by fostering the diversification of economic activities.

Namely, according to Barbu (2013) implementation travel plans requires long - term efforts and sometimes consistent investments. Modalities of implementation are: approval policy and tourism plan, as an official document of the tourism development in the region and managing development for a longer period than five to ten years; planning development projects and necessary actions and efficient organization of public and private sector; adoption and implementation of relevant legislation and regulations for tourism development and measures such as environmental protection and development standards; efficient and systematic funding of individual tourism projects and public sector to develop attractions and infrastructure tourism; preparing and training staff in all tourism activities - human resource development in tourism and local community involvement in tourism development and tourism marketing and efficiency advertising of tourism across the region and private firms.

We'll take the example, breakdown by Member State of Community support for rural development from 2007 to 2013 (in current prices in EUR). Namely, according to European Commission Directorate - General for Agriculture and Rural Development (2012) on the highest level, the funding of rural development policy is based on the multiannual financial framework agreed between the European Parliament, Council and Commission in an inter-institutional agreement. The financial framework sets the maximum amount of the EU budget each year for broad policy areas (“headings”) and fixes an overall annual ceiling. The current financial framework covers the period 2007 - 2013. EAFRD has at its disposal EUR 96 billion 133 over the 2007 - 2013 period, including the amounts coming from the application of the modulation system. In Table 1 provides a breakdown of Community support for rural development from 2007 to 2013134 by Member State. The table contains the total Community support and the minimum reserved for regions under the convergence objective135. It should be kept in mind that not all public funds are covered in this overview,
Rajović & J. Bulatović. Tourism rural development in the European context: Overview

notably the support provided in the framework of State Aids. Procedures for the analysis of the potential of rural tourism according to Šimkova (2004) and Šimikova (2007) starting from (1) Evaluation of the place appropriateness for rural tourism: demographic, social and economic features, communit plans and stakeholder expectations; analysis of the area potential (natural resources, cultural resources, public resources and services, possible risky areas and environment conditions); analysis of the current state (attractiveness, size of non-urban areas, ecology-oriented responsibility of inhabitants, cultural wealth and experience, access to financial resources, availability of qualified workforce, eco - behaviour); evaluation of organisations and institutions which support tourism and current problems and obstacles to tourism; (2) Analysis of business and local specific risks in relation to rural tourism: existing risks must be perceived at two levels. At the first level, any business risk can also become a business opportunity, and any lost opportunity can be viewed as damage. At the second level, all risks represent some degree of business uncertainty. Risk analysis must therefore be performed with systematic approach. The CATWOE (see Checkland and Scholes, 1999) methodology can be useful, of course with respect to rural tourism requirements: Customer is the user of rural tourism. Actor is the provider of rural tourism service. Transformation describes the ways of how inputs change to outputs. Worldview - the kind of experience and pleasure rural tourism provides. Owner is the one who can decide on whether or not to continue in service providing. Environmental constraints – impacts of rural tourism on the environment stability, requirements on infrastructure; (3) Trend description: evaluation of sustainability indicators of the place (economic prosperity, health a life quality, wellness, environment conditions, ...); trends in rural tourism within the EU; (4) Attractiveness of the locality for rural tourism from the view of the investor as well as users; (5) Selection of the right place for rural tourism; (6) Infrastructure requirements for rural tourism (questionnaires); (7) Financial sources and ways of financing of rural tourism (EU funds availability); (8) Marketing strategy (potential target groups of customers, PR and different ways of presentation).

In order to promote rural tourism, in European Union countries and in others, there has been developed a number of programs, among which is worth mentioning the following: The program “EXPERT”, with the objective to encourage the development of rural tourism in participant regions and countries, is based on the principles of innovation, transferability, sustainable development and profitability. After the first year of operation the Rural Tourism Development Association (ATRAC) was created, with the purpose of encouraging cultural and rural tourism and continuing the projects of the program “EXPERT”. The project is aimed at harmonizing the information available with the services necessary for rural tourism, in order to facilitate contacts between the suppliers of services of rural tourism and agencies. The program has been tested in the regions of Friuli-Venezia-Giulia and it was offered to other regions by the Italian Ministry of Tourism. The program “EUROPEAN RURAL TOURISM NETWORK”, organized by EUROGÎTES in collaboration with 12 organizers of rural tourism in 9 European countries and EUROTER (Alina, 2015).

Table 1. Breakdown by Member State of Community support for rural development from 2007 to 2013 (in current prices in EUR)

<table>
<thead>
<tr>
<th>Member State</th>
<th>Total 2007-2013</th>
<th>of which minimum for regions under the convergence objective - Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>457 454 305</td>
<td>40 744 223</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>2 842 234 568</td>
<td>602 102 763</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>2 857 596 354</td>
<td>1 855 417 862</td>
</tr>
<tr>
<td>Denmark</td>
<td>577 816 769</td>
<td>0</td>
</tr>
<tr>
<td>Germany</td>
<td>9 079 605 065</td>
<td>3 174 937 771</td>
</tr>
<tr>
<td>Estonia</td>
<td>7 233 736 856</td>
<td>387 222 854</td>
</tr>
<tr>
<td>Ireland</td>
<td>2 464 640 500</td>
<td>0</td>
</tr>
<tr>
<td>Greece</td>
<td>3 906 226 424</td>
<td>1 905 951 127</td>
</tr>
<tr>
<td>Spain</td>
<td>8 063 077 799</td>
<td>3 179 137 204</td>
</tr>
<tr>
<td>France</td>
<td>7 964 497 097</td>
<td>389 253 861</td>
</tr>
<tr>
<td>Italy</td>
<td>8 865 781 883</td>
<td>3 941 081 872</td>
</tr>
<tr>
<td>Cyprus</td>
<td>164 563 574</td>
<td>0</td>
</tr>
<tr>
<td>Latvia</td>
<td>1 054 373 654</td>
<td>337 062 815</td>
</tr>
<tr>
<td>Lithuania</td>
<td>1 768 794 093</td>
<td>879 195 162</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>84 887 825</td>
<td>0</td>
</tr>
<tr>
<td>Hungary</td>
<td>3 800 031 302</td>
<td>2 404 004 583</td>
</tr>
<tr>
<td>Malta</td>
<td>77 653 359</td>
<td>18 077 067</td>
</tr>
<tr>
<td>the Netherlands</td>
<td>593 187 167</td>
<td>0</td>
</tr>
<tr>
<td>Austria</td>
<td>4 029 576 802</td>
<td>31 909 190</td>
</tr>
<tr>
<td>Poland</td>
<td>13 586 928 156</td>
<td>6 997 970 121</td>
</tr>
<tr>
<td>Portugal</td>
<td>4 059 033 039</td>
<td>2 183 738 857</td>
</tr>
<tr>
<td>Romania</td>
<td>8 124 198 745</td>
<td>1 999 019 720</td>
</tr>
<tr>
<td>Slovenia</td>
<td>915 993 729</td>
<td>237 815 758</td>
</tr>
<tr>
<td>Slovakia</td>
<td>1 999 080 078</td>
<td>1 109 011 562</td>
</tr>
<tr>
<td>Finland</td>
<td>2 155 016 007</td>
<td>0</td>
</tr>
<tr>
<td>Sweden</td>
<td>1 063 081 654</td>
<td>0</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>4 012 120 429</td>
<td>168 337 316</td>
</tr>
<tr>
<td>TOTAL</td>
<td>96 244 174 887</td>
<td>31 232 644 963</td>
</tr>
</tbody>
</table>

This project involves three elements: technical assistance for the development of a chain of tourist lodgings in Germany, Spain, Portugal, Hungary, Czech Republic and Romanian. In addition, it assures knowledge of the European rural tourism market and assists in the creation of a program for information and promotion of accommodation in each country. This project contributes to maintaining rural life in Europe and also assists countries in Eastern Europe and Central Europe in their rural development efforts. The program for integrated development of rural tourism is the third phase of the EU strategy for sustainable development of rural tourism, based on actions at local level, which benefits from the strategy LEADER and from structural funds. This program aims at diversifying the economies of certain countries by developing tourist activity throughout the year and thus, creating new jobs in periods of low season and promoting a rural tourism product (Alina, 2015).

According to OECD methodology, Montenegro's entire territory can be considered as being rural. However, given the significant differences between territorial units on a local level (municipalities) and taking into account other specific characteristics of Montenegro, the following approach has been proposed to define rural areas: if a municipality has a population of more than 10,000 living in urban centers, i.e. in settlements classified by MONSTAT as urban settlements which belong administratively to those urban centers, such settlements are not classified as being rural; remaining territory in the same municipality is, however, classified as rural. On the other hand, the municipalities that had less than 10,000 inhabitants living in urban settlements in the 2011 Census are classified as being entirely rural areas. This proposed division best reflects the current situation in Montenegro (Ministry of Agriculture and Rural Development, 2015).

Table 2. The Number of Urban and Rural Populations, by Region

<table>
<thead>
<tr>
<th>Region</th>
<th>No of Inhabitants</th>
<th>Urban Population</th>
<th>Rural Population</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No</td>
<td>%</td>
<td>No</td>
</tr>
<tr>
<td>Coastal</td>
<td>148,863</td>
<td>89,707</td>
<td>58.4</td>
</tr>
<tr>
<td>Central</td>
<td>293,509</td>
<td>233,640</td>
<td>79.6</td>
</tr>
<tr>
<td>Northern</td>
<td>117,857</td>
<td>71,679</td>
<td>60.8</td>
</tr>
<tr>
<td>Montenegro Total</td>
<td>620,209</td>
<td>393,020</td>
<td>63.2</td>
</tr>
</tbody>
</table>

Source: MONSTAT, Census 2011.

In the sense of the role and potentials of rural tourism, the future of rural areas in Montenegro and their development will be determined by three main factors: First - the support of government and other international and/or national bodies/organizations, whose main aim is to keep and attract people, especially young and educated people in rural areas by ensuring adequate living conditions (e.g. infrastructure development, social services development, protection and preservation of cultural and natural heritage…). Second - development of new and diversification of present tourism offers in rural areas, based on market research and needs and wishes of modern tourists, and their better connection with other sectors of tourism industry in the country. Third - improvement of government policy in the sector of entrepreneurship and starting-up of new (tourist) businesses in rural areas (Morić, 2013).

Concluding remarks

According to Cawley and Gillmor (2008) relying the on studies (see Pearce, 1994; Stonich,
Table 3 gives an overview of relevant levels of analysis in rural development research. It indicates the critical importance of the farm household and the particular significance of the regional level. The interrelationship between levels must also be considered. Although rural development often starts in the farm or farm household, it must also be defined at the level of the region or the countryside that is in relation to rural life in the broadest sense, and to the other (economic) actors operating in the countryside (Knickel and Renting, 2000).

<table>
<thead>
<tr>
<th>Level</th>
<th>Key aspects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farm</td>
<td>Most case studies start at farm level. Key aspects are: the interrelationships between different farming activities; the reorganization of existing agricultural practices in order to accommodate new activities; the mechanisms through which new revenues and/or new forms of cost reduction are realized; the development of the multifunctional or multi-product farms (economies of scope versus economies of scale).</td>
</tr>
<tr>
<td>Farm household</td>
<td>Strategies, patterns of resource use, interrelations and networks can only be adequately dealt with at farm household level. A key question is the reorganization of the way farming is combined with other (economic) activities at household level. The farm household level is most important in understanding pluriactivity.</td>
</tr>
<tr>
<td>Region</td>
<td>The region is the predominant level of aggregation for structural changes and impacts. Key aspects are: the contribution of individual activities to the regional economy and to regional employment; indirect multiplier effects, substitution or replacement effects; job creation in rural areas; stabilization of farming activity in the region through pluriactivity; interrelations between farms and other rural enterprises; markets; networks; landscape; multi - farm cooperation at local and/or regional level.</td>
</tr>
<tr>
<td>Global</td>
<td>Interrelations between agriculture and society as a whole; new needs and expectations that are articulated towards the rural areas, for example, for recreative opportunities, high nature values or environmental services; town-countryside relations; the influence of state interventions and, more generally, of institutional set-up and context (for example, state-financed programmes for nature conservation and landscape management).</td>
</tr>
</tbody>
</table>

Source: Knickel and Renting (2000).

The processes of broadening, deepening and regrinding, which together compose the main axis of rural development, are omnipresent in the European countryside. The actual impact however, is highly different between countries or even regions within a country. This differential impact in terms of extra net value added regarding deepening and broadening activities (y-axis) and extra family farm income regarding regrounding activities (x-axis) is synthesized in Figure 3. This figure is based on extended data matrices built in a large, detailed, systematic, and comparative inquiry carried out in seven countries. These countries initially included Germany, Ireland, Italy, the Netherlands, Spain, and the United Kingdom with France added later. This inquiry was part of a three - year EU funded research programmed called “The Socio-Economic Impact of Rural Development Policies” or IMPACT, for short (Van der Ploeg and Roep, 2003).

Rural tourism also according Wilson et al (2001) is less costly and easier to establish than other rural economic development strategies such as manufacturing. Rural tourism can be developed locally with participation from local government and small businesses, and its development is not necessarily dependent on outside firms or companies. Referring to the research Mjaler (1996) and Oppermann (1996) concludes Wilson et al (2001) that tourism particularly helps two types of small businesses in rural areas - those directly involved in tourism (e.g., attractions and hotels/motels) and those indirectly involved in tourism (e.g., gas stations and grocery stores). Additionally, rural tourism works well with existing rural enterprises such as farms (e.g., U-Pick farms) and can generate important secondary income for farm households.
Wilson et al (2001) according interesting study Gunn (1998) and highlights yes rural tourism requires several components to be successful (see Briedenhann and Wickens, 2004; Hegarty and Przezborska, 2005; Garrod et al, 2006). Tourism development involves (1) attractions: the natural and manmade features both within and adjacent to a community; (2) promotion: the marketing of a community and its tourism attractions to potential tourists; (3) tourism infrastructure: access facilities (roads, airports, trains, and buses), water and power services, parking, signs, and recreation facilities; (4) services: lodging, restaurants, and the various retail businesses needed to take care of tourists’ needs; and (5) hospitality: how tourists are treated by both community residents and employees in tourism businesses and attractions.

4. Milenković, S., Utvić, S., (2013), The challenges of rural areas in Serbia promising tourist activities, Economics of Agriculture, 60 (1), 65 - 76.
5. Hrabovski Tomić, E., (2008), Selective forms of tourism, Faculty of Business Assistance, Sremska Kamenica.

References
47. Knickel, K., Renting, H., (2000). Methodological and conceptual issues in the study of...


