

RURAL TOURISM: EXPERIENCES OF CROATIA

Abstract

Rural tourism is an important factor in the activation and sustainable development of rural areas. Its importance is primarily reflected in the very important interaction between agricultural production, production of traditional products, conservation of cultivated landscape, presentation of traditions and cultural specificities, traditional gastronomy and tourist services, and the use of existing resources. It helps to preserve the local identity, tradition and customs, protecting thus the environment, strengthening the indigenous, traditional and organic production, and supporting the development of rural areas based on sustainable development. Rural space in Croatia occupies 91,6% of its surface and is characterized by a large geographical and social diversity, which is a huge potential for rural tourism. Rural tourism in Croatia, as a special form of tourism in rural areas, which with their natural and cultural resources are base for the development of quality tourism offer, began to develop in recent times and it has less importance than the maritime tourism. This paper provides an overview of the current state of rural tourism in Croatia: distinguishes and analyzes prerequisites for its development, presents and comments state, facilities and capacities, and tourist traffic of rural tourism in Croatia, and proposes ways for its further development.

Keywords: Croatia, rural tourism, development, state, facilities, capacities, tourist traffic, prerequisites

Method and Methodology

Methods and methodology of the researched theme consisted of:

1. collection and analysis of existing relevant literature and documentation, and analysis of current circumstances relating to rural tourism in Croatia,
2. collecting and analyzing data, information and research of relevant institutions regarding rural tourism in Croatia (Ministry of Tourism of the Republic of Croatia, Ministry of Agriculture of the Republic of Croatia, Croatian Chamber of Economy, Croatian National Tourist Board), and
3. talks with government representatives at the regional and local level in Croatian counties in which rural tourism is sufficiently developed, and stakeholders involved in rural tourism.

1. Introduction

Rural tourism is a collective term for different activities and forms of tourism taking place outside cities and areas where mass tourism has developed. It is conditioned and characterized by tourist attractions being located in rural areas. The importance of rural tourism can be primarily seen in the very important interaction with agricultural production, the production of traditional products, presentation of heritage, traditional gastronomy and tourist services, i.e. in the utilisation of existing resources. In the Republic of Croatia, rural space takes up 91,6% of the total area, which makes an enormous potential for the development of rural tourism.

Apart from tourism on farm holidays (*turističko seljačko obiteljsko gospodarstvo – TSOG*), numerous special forms of tourism can be found in rural areas. Rural tourism in rural areas equally encompasses activities of tourists (visitors who stay for several days) and day trippers (visitors who stay but for one day). Farm holidays are mostly considered as the model of rural tourism. However, farm holidays and other accommodation units in rural areas will not suffice for the development of rural tourism. The rest of catering infrastructure is required: restaurants, wine cellars, developed tourist attractions (real, available attractions), designed wine roads, bicycle tracks, pilgrim paths, receptive tourist agencies, i.e. what is required are designed and organised tourist destinations.

Rural area in Croatia is determined by the territorial division according to which small administrative units, municipalities, are considered as rural areas, and cities as the urban ones.

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Based on such administrative criteria, from 4.437.460 inhabitants in Croatia, 44,4% (1.971.005) is considered a rural population and 55,6% (2.466.455) urban [Rural Development Strategy of the Republic of Croatia for the period 2008-2013, p. 7].

By applying the OECD criteria, according to which areas are classified as rural or urban based on the threshold of 150 inhabitants per km², in the case of rural areas in Croatia, follows:

- 91,6% of the total area of the Republic of Croatia classified as rural, and 8,4% as urban,
- 88,7% of the settlements is located in rural areas and 11,3% in urban areas with 35% of the population in 14 cities with more than 30.000 inhabitants, and
- 47,6% of the total population lives in rural areas and 52,4% of them in urban areas [Rural Development Strategy of the Republic of Croatia for the period 2008-2013, p. 7].

According to the Strategy for development of Croatian tourism until the year 2010, it was recognized the need to revitalize the tourism potentials of the continental Croatia. Therefore, great attention has brought to the development of rural tourism. Considering the diversity of the natural resource base and characteristics of rural architecture and traditions in Croatia, it is possible to distinguish seven rural areas:

1. Slavonija, Baranja and Srijem,
2. Hrvatsko Zagorje, Prigorje, Međimurje and Podravina,
3. Posavina, Pokuplje, Moslavina,
4. Gorski Kotar and Žumberak,
5. Lika and Kordun,
6. Istria and Hrvatsko primorje, and
7. Dalmatia [Strategy for development of Croatian tourism until the year 2010, p. 13].

Pursuant to the Strategy for urban development of the Republic of Croatia, the overall area outside cities is considered as rural space, which is interesting from the sociological and economic viewpoints, and where small rural communities are found, and which is closely connected in terms of living and work with what is predominantly a natural environment [Strategy for urban development of the Republic of Croatia, 1997, pp. 21-23]. Developing rural tourism, Croatia, just like other traditional countries, has a number of inherited, historically conditioned issues. For example, quite small (2.8 ha in average) and fragmented (5 ha large plots in average) family agricultural estates, old homes with no entrepreneur experience, and poorly developed communal and social infrastructure.

In Croatian rural space, the basic activities in rural tourism can be discerned, as well as special forms and different forms of entrepreneur organization [Regulation on the provision of catering services in rural household, „Official Gazette” 5/08, and the Act on providing services in tourism, „Official Gazette” 68/07, Articles 49 through 53]. The basic economic activities in rural tourism are catering (preparation of food and providing services of nutrition, preparation and serving drinks and providing accommodation services, and preparing food for consumption elsewhere and supply of such food) and tourist activities (rendering tourist services). Special forms of rural tourism can be divided into the following: hunting tourism, fishing tourism, relaxation tourism, sport and recreation tourism, health tourism, cultural tourism, gastronomic tourism, eno-gastronomic tourism, eco-tourism, adventure tourism, religious tourism, natural preserve tourism, nostalgic tourism, and other forms of rural tourism.

Pursuant to existing Croatian regulations, there are several forms of entrepreneur organization in rural tourism: natural person, craftsman and trading company (public company, limited liability company, joint stock company, and economic interest association). Farm holidays are organized in the entrepreneur sense as natural persons and represent an

additional activity within the base agricultural activity. All other facilities providing catering services in the rural space must be registered either as crafts or as trading companies [Act on catering services, „Official Gazette“ 138/06].

2. Literature review

In this literature review will be presented and discussed in short only recent Croatian literature which is dealing with rural tourism.

Rural tourism in Croatian scientific literature was fully studied and elaborated in a recently published book “Rural tourism in Croatia with Croatian best practice examples and European experiences” [Demonja, Ružić, 2010]. This book deals with terms and definitions of the rural tourism and describes rural tourist destination, forms of rural tourism and marketing, conditions and guidelines for the development prospects of rural tourism in Croatia and, in the end, gives detailed descriptions of good practice examples in European countries and Croatia including more than thirty individual examples, categorized by types of facilities/objects and forms of rural tourism. Despite the focus on Croatia, the book provides an overview and analysis of rural tourism in Europe in the context of sustainable development, as well as the experience of using structural funds and programs of the European Union. This book represents a studious contribution to the scientific research of rural tourism in Croatia and can serve as an appropriate basis for all future research of this topic. Also it draws attention to the importance of rural tourism in Croatia and the need for more specific involvement of the central government in its further development in terms of elaborating a national program or strategy for the development of rural tourism as one of Croatia’s key components of sustainable development.

Besides this book as a quality base to research rural tourism could serve Proceedings from two held congresses on rural tourism in Croatia [Proceedings, 2010; Proceedings, 2010a].

“Proceedings of the 1st Croatian congress on rural tourism” offers 80 scientific and professional contributions covering various segments which encompass rural tourism [Proceedings, 2010]. The number and variety of treated topics reveals the complexity of rural tourism and authors approach how they understood problems, offering guidance, suggestions and solutions. This “Proceedings” is a useful contribution, not only scientific and professional, but also a basis that can be used for the study of rural tourism at different levels, and to those involved in making strategic decisions related to rural tourism.

“Proceedings of the 2nd Croatian congress on rural tourism” [Proceedings, 2010a] consists of scientific and professional articles, divided into two volumes, which were “covered” all four themes of the Congress: “Marketing and branding of rural tourism”, “Rural space as a rural tourist destination”, “Role of food in the development of rural tourism” and “Tourist multisectoral clusters in rural areas”. Those papers are handling a large number of different topics related to rural tourism and discussed on the Congress, they contain richness of numerical and graphical data, and worthy information. Some of the articles are showed examples of good practice, as well as those of international cooperation on the development of rural areas with emphasis on rural tourism. Numerousness, diversity, scientific and professional quality of articles included in this “Proceedings” is a valuable contribution to the study of rural tourism in Croatia and all of its segments. Also, they can serve as a basis for future studies of rural tourism, as well as to all engage or be engaged in rural tourism, and those that will, at all levels, consider and make decisions, plans, programs and strategies relating to rural tourism.

There are a certain number of scientific articles dealing solely with the rural tourism theme.

One of the most productive Croatian authors is E. Kušen. He wrote the first important article on rural tourism in Croatia [Kušen, 1992, pp. 365-382], as well as he dealt with specific problems and issues of rural tourism such as definition and terminology of rural tourism [Kušen, 2010, 2007], than he researched some forms of rural tourism as continental nautical tourism [Kušen, 1995], residential tourism [Kušen, 1995a] and tourism on rural economies [Kušen, 1995b].

The research interests of P. Ružić [Ružić, 2009, 2011] is rural tourism from the aspects of ethnology and tradition, rural forms of tourism and rural economy studied mostly in Istria County.

Finally, articles of R. Baćac dealt with some specific themes of rural tourism, and the important and actual one is the theme of agritourism. One of his article contains evaluation of existing state of agritourism in Croatia and propose further steps for authentic tourism offer in rural areas [Baćac, 2010a, pp. 29-32], in the previous one the author discusses suggestions of agritourism developing improvement in Croatia [Baćac, 2010, pp. 23-26], and in other examines and analyzes tradition in agritourism [Baćac, 2006, pp. 36-42].

3. Discussion

3.1. State, facilities and capacities, and tourist traffic of rural tourism in Croatia

3.1.1. State of rural tourism in Croatia

The development of rural tourism in Croatia started in the beginning of 1990s, when the Ministry of Tourism of the Republic of Croatia started the initiatives for its development, and the first activities included field surveys, gathering of information, training initiators and creating prerequisites for its development. The dynamics of stronger development of tourism in rural households and Croatian rural tourism in general started in 1998. During this year, 32 farm holidays were registered in the Republic of Croatia [Mišćin, Mađer, 2008]. Soon afterwards, the "Rural Tourism Council" was established, which later grew into the "Council for the Development of Small and Medium Entrepreneurship in Tourism" with an emphasis on rural tourism [Kušen, 1995b, pp. 127-133; Kušen, Štambuk, Žimbek, 1995; Kušen, 1997, pp. 48-51]. The Istria County, as a regional self-governing unit, first started getting involved in rural tourism and achieved significant results through its measures.

This was the time when the issue of developing overall rural tourism boiled down to developing farm holidays. The initiatives by Hrvatski farmer d.d., then Association of Peasants, Ministry of Tourism of the Republic of Croatia, Institute for Tourism in Zagreb and, later, of the Member Club "Village" and the Croatian Chamber of Economy, were focused at first on searching for suitable rural households and animating their owners for reconstruction, for the purposes of rendering tourist and catering services, and creating conditions for their development. Today, numerous prerequisites have been met, so individual rural tourist destinations are being formed.

Systematic development of rural tourism in the Republic of Croatia can be divided into two significant periods. The first period started in 1995 and lasted until the end of 1999, when the Croatian Government adopted the National Program for the Development of Small and Medium Entrepreneurship in Tourism, with an emphasis on sustainable development of tourism in rural areas [Cetinski, Katica, Nušinović, 1998]. Following this, several years of pausing activities ensued, during which period individual initiatives occurred while subsidies by the ministry in charge were lacking. The second period, which witnessed visible improvement in developing this kind of tourism, started by the end of 2003, i.e. at the start of 2004, and lasts until today, when the new Government of the Republic of Croatia, through its ministries of tourism and agriculture, started taking more significant care of rural areas and economic activities taking place in rural areas.

3.1.2. Facilities and capacities, and tourist traffic of rural tourism in Croatia

Accommodation facilities are basic and typical receptive factor of tourist destination, which means that from their size mostly depends the tourist traffic, and their types, forms and qualities directly affect the types and forms of tourism, and thus on it economic effects. In the function of rural tourist accommodation in Croatia are available farm holidays, hotels in mountains and other places in the Croatian inland, health-thermal resorts, campsites, and a large number of nutrition facilities.

According to the official statistical records, to rural tourists in Croatia are available accommodation capacities (rooms, apartments, campsites) in 12 predominantly rural Croatian counties (Primorje-Gorski Kotar and Lika-Senj are predominantly mountain counties and their accommodation capacities will not be taken into consideration): Krapina-Zagorje (966), Sisak-Moslavina (472), Karlovac (1890), Varaždin (1100), Koprivnica-Križevci (255), Bjelovar-Bilogora (380), Virovitica-Podravina (237), Požega-Slavonija (188), Slavonski Brod-Posavina (305), Osijek-Baranja (1141), Vukovar-Srijem (502) and Međimurje (534) in the total number of 7970 [Statistical Yearbook of the Republic of Croatia 2011, 2011, p. 427]. The largest number of accommodation capacities is in the Karlovac County (1890), and the lowest in Požega-Slavonia County (188).

Regarding tourist arrivals of domestic and foreign tourists in 12 predominantly rural counties in Croatia (as in the case of accommodation capacities, tourist arrivals of Primorje-Gorski Kotar County and Lika-Senj County, since they are mountain counties, will not be counted), last statistical data show that it has been achieved total of 494.464 tourist arrivals and a total of 1.069.766 overnight stays of domestic and foreign tourists [Statistical Yearbook of the Republic of Croatia 2011, 2011, p. 427]. The highest overall tourist arrivals of domestic and foreign tourists were recorded in Karlovac County (163.754), and lowest in Požega-Slavonija (9014). Most overnight stays of domestic and foreign tourists were again achieved in Karlovac County (282.083), and lowest in Požega-Slavonija County (18.786).

Table 1
Tourist arrivals and tourist nights in 12 predominantly rural Croatian counties, as of August 31, 2011

County of	Total of tourist arrivals	Total of tourist nights
Krapina-Zagorje	54.781	145.411
Sisak-Moslavina	26.991	87.385
Karlovac	163.754	282.083
Varaždin	38.518	116.601
Koprivnica-Križevci	12.093	20.075
Bjelovar-Bilogora	11.590	23.981
Primorje-Gorski Kotar*	2.151.118	10.938.291
Lika-Senj*	403.960	1.618.941
Virovitica-Podravina	12.991	34.323
Požega-Slavonija	9.014	18.786
Slavonski Brod-Posavina	18.099	31.951
Osijek-Baranja	71.749	159.261
Vukovar-Srijem	36.582	68.383
Međimurje	38.302	81.526

* mountain resorts

Source: Statistical Yearbook of the Republic of Croatia 2011, 2011, Zagreb: Croatian Bureau of Statistics, p. 427.

Regarding tourist arrivals and overnight stays by type of catering facilities in rural areas in Croatia, the problem is the simultaneous existence of the official classification facilities of rural households engaged in rural tourism in Croatia and the unofficial market typology of households in rural tourism, which provide catering services in rural areas (e.g. agritourism, farm holidays, rural house, rural family-run hotel, guest house, rooms and apartments of traditional and/or the new architecture, etc.). Considering that there are no

segmented data on tourist arrivals and overnight stays by type of catering facilities in rural areas in Croatia, the available data provide only overall picture. According to the official classification of types of catering facilities that is used in the annual statistical yearbooks, farm holidays were listed in the category of Private Accommodation Facilities, in the group of Households, which also includes Rooms, Apartments and Holiday Houses, so it is not possible to give an exact number of arrivals and overnight stays just for farm holidays. These data indicate the necessity of change and extend the types of catering facilities for which will be kept record of tourist traffic in order to obtain more precise picture of this segment of tourism research.

Since in Croatia does not keep the specific records of the tourist traffic for rural tourism, it was used the methodology according to which the number of actual tourist arrivals (visitors) and overnight stays in 12 Croatian rural counties added up to the number of realized arrivals and visitors of the mountain resorts. Thus, defined tourist traffic from the rural tourism in Croatia is shown in the Table no. 2.

Table 2
Number of tourist arrivals (visitors) and overnight stays on rural area in Croatia in 2010

Tourist traffic in Croatian areas/counties	Number of tourist arrivals (visitors)			Number of overnight stays		
	Domestic tourists	Foreign tourists	Total	Domestic tourists	Foreign tourists	Total
Tourist traffic in mountain area	38.000	237.000	275.000	82.000	348.000	430.000
Tourist traffic in rural counties	252.065	242.399	494.464	647.591	422.175	1.069.766
Total rural Croatia	290.065	479.399	769.464	729.591	770.175	1.499.766
Total Croatia	1.493.374	9.110.742	10.604.116	5.424.058	50.992.321	56.416.379
% share of rural Croatia in total tourist traffic	19,4	5,3	7,3	13,5	1,5	2,7

Source: Statistical Yearbook of the Republic of Croatia 2011, 2011, Zagreb: Croatian Bureau of Statistics, pp. 419, 427.

In Croatian rural tourism, in 2010, was achieved a total of 769.464 arrivals and 1.499.766 overnight stays of domestic and foreign tourists. Arrivals in rural Croatia participates with 7,3% of total arrivals in Croatia, and achieved overnight stays of rural Croatia accounted of only 2,7% of total of overnight stays in Croatia. That is low compared to the share of rural tourism overnight stays from 10% to 20% which is achieved in a European context.

3.2. Prerequisites for rural tourism development in Croatia

There are many prerequisites for the development of rural tourism in Croatia. In further text are more elaborated those that have greater importance for the development of rural tourism such as normative, organizational, educational, marketing and financial prerequisites, as well as attention was paid to some prerequisites for further development of Croatian rural tourism.

3.2.1. Normative prerequisites

The first regulations dealing with tourism on farm holidays, as a special type of rural tourism, were adopted as early as 1996, in the area of tourism: Act on catering services [Official Gazette 48/95], Act on tourist activity [Official Gazette 8/96, 19/96] and Regulation on provision of catering services in rural household [Official Gazette 22/96, 38/96, 47/97, 25/99, 29/00, 196/03, 42/04, 05/08, 46/08].

The Republic of Croatia, as a country which will become EU member state from July 1, 2013, adjusted its regulations, because it must adopt the entire *acquis communautaire* of EU prior to accession, and be capable of its effective implementation. Therefore, the Republic of Croatia adopted new regulations in the area of tourism, which are significant for the development of rural tourism as well.

The regulations referring to tourism subjects are as follows:

- regulations proscribing establishment and operation of legal entities: the Trading Company Act [Official Gazette 111/93, 34/99, 118/03, 146/08] and the Craft Act [Official Gazette 77/93, 42/95, 88/95, 24/96, 82/96, 90/96, 64/01, 71/01, 49/03, 68/07, 79/07],
- regulations proscribing conditions and manner of providing catering and tourist services and inspections: the Act on catering services [Official Gazette 16/90, 44/93, 48/95, 20/97, 46/97, 68/98, 45/99, 92/01, 117/01, 04/02, 49/03, 117/03, 138/06, 43/09], the Act on providing services in tourism [Official Gazette, 68/07], the Act on State Inspectorate [Official Gazette 76/99, 129/05, 116/08, 123/08], and implementation regulations: the Regulation on the provision of catering services in rural household [Official Gazette 22/96, 38/96, 47/97, 25/99, 28/00, 196/03, 42/04, 05/08, 46/08] and the Regulation on the form, contents and manner of keeping the guest book and the list of guests [Official Gazette 14/96, 05/08].

Apart from stated regulations, the legal norms regulating relations between tourism subjects pursuant to the Mandatory relations Act [Official Gazette 53/91, 73/91, 03/94, 07/96, 112/99, 35/05, 41/08] and the Special catering relations [Official Gazette 16/95] must be adhered to.

Also, there are regulations which create conditions for the development of destination tourism as follows: the Tourist Board and advancement of Croatian tourism Act [Official Gazette 27/91, 30/94, 152/08], the Sojourn fee Act [Official Gazette 27/91, 59/93, 73/93, 109/93, 30/94, 35/95, 42/95/, 52/95, 70/97, 44/98, 30/99, 64/00, 42/05, 68/07, 152/08, 59/09] and the Act on Tourist Board membership fees [Official Gazette 61/91, 73/91, 73/93, 109/93, 30/94, 35/94, 35/95, 52/95, 152/08].

Except for aforementioned legal regulations, there are also special legal sources for performing activities and rendering services in rural tourism, for example, the following:

- regulations proscribing agriculture, hunting, fishing, and their implementation regulations,
- regulations proscribing environment and nature protection, such as Environment protection Act [Official Gazette 82/94, 128/99, 110/07], Nature protection Act [Official Gazette 30/94, 72/94, 107/03, 162/03, 70/05, 139/08], Water Act [Official Gazette 10/90, 53/90, 9/91, 28/93, 43/93, 95/94, 107/95, 150/05], Forestry Act [Official Gazette 140/05, 82/06, 129/08], etc.,
- regulations proscribing performance of sports activities, and other regulations proscribing: agriculture, food, wine, fishing, spatial planning, taxation, pension insurance, statistics, etc., for example: the Food Act, with relevant corrections, amendments and decisions on changes [Official Gazette 117/03, 130/03, 48/04, 85/06, 46/07, 155/08]; the Regulation on registering with the Registry of rural household, with relevant instructions [Official Gazette 128/02, 14/05], and other acts and their implementation regulations.

The definition of the farm holidays (rural household) states this is a village estate or family agricultural estate registered with the Registry of rural household, i.e. Registry of forest owners, pursuant to regulations from the scope of authority of the ministry in charge of agricultural estates providing catering and/or tourist services pursuant to the Act on catering services and/or the Act on providing services in tourism. The farm holidays can develop the so-called agritourism, which is exclusively connected to the agricultural activity within the family household and the supply of products produced exclusively on such family household. Tourism, in this case, exclusively represents an additional activity [Baćac, 2006, p. 37].

Tourist services in rural tourism are regulated by the aforementioned Act on providing services in tourism, which, among other things, states:

- tourist services for the purpose of tourists' vacation and recreation can be provided on farm holidays,
- tourist services are agricultural, forest and similar activities connected to the farm holidays (collecting fruits and vegetables, harvesting, renting riding horses, etc.),
- tourist services can be simultaneously provided for 50 tourists maximum,
- when providing tourist services, a member of farm holidays can be assisted by members of his/her farm holidays [Act on providing services in tourism, Official Gazette 68/07, Article 49].

Catering services on farm holidays are as follows:

- preparation and provision of hot and cold meals and drinks, mostly from own production, simultaneously for 50 persons (day-trippers) maximum,
- serving (tasting) of must, wine, fruit wine, other wine or fruit wine products, strong liquor and home-made salami from own production in a designed part of housing or utility object, within an enclosed, covered or open space, simultaneously for 50 persons (day-trippers) maximum,
- accommodation services for guests who are provided with services of food and drinks (breakfast, half-board or full-board), mostly from own production, in the following: room and apartment up to 10 rooms maximum, i.e. simultaneously for 20 guests and/or in a camp with 10 accommodation units maximum, i.e. simultaneously for 30 guests maximum, pursuant to the Act on catering services, last of which was adopted on 20 Dec 2006 [Official Gazette 138/06, Articles 28 through 38, Article 38 in particular].

Pursuant to the Regulation on the provision of catering services in rural household, facilities on farm holidays are divided in the following manner:

- wine pouring/tasting facility: facility where guests are prepared and served wine and/or fruit wine and/or wine and/or fruit wine products and/or other liquor and/or salami (smoked and treated meat products, cheese etc.) which go together with these drinks and/or spreads, simultaneously for 50 guests maximum. The terms wine pouring and wine tasting facility can be independently used:
 - o wine pouring facility in case when wine and/or salami and/or spreads are predominantly served, or
 - o wine tasting facility when salami and/or drinks are predominantly served.
- excursion venue: facility where guests are prepared and served hot and cold meals and drinks, simultaneously for 50 guests maximum,
- room,
- apartment, and
- camp [Regulation on the provision of catering services in rural household, Official Gazette 5/08, Article 5].

Also, the legislature proscribed conditions for rendering catering services on farm holidays, which are as follows:

- general terms for types – definitions of types (wine pouring/tasting facility, excursion venue, room, apartment and camp),
- minimum conditions – general minimum conditions,
- minimum conditions for the types of Room, Apartment and Camp,
- minimum conditions for the types of Wine pouring/tasting facility and Excursion venue, and
- minimum conditions for the types of Room, Apartment and Camp [Regulation on the provision of catering services in rural household, Official Gazette 5/08, Articles 7 through 25].

The law also proscribes that there must be a visible sign near the facility or at the principal entrance, made out of natural material from the area where the facility is located (domestic natural material), saying „farm holidays“, stating the name of the household (not mandatory), proscribed name of the type determined, and the label of the category if the facility is categorized [Regulation on the provision of catering services in rural household, Official Gazette 5/08, Article 13].

Products that can be served on farm holidays are also clearly proscribed by law; these must predominantly be self-produced, which implies the following:

- agricultural products produced on farm holidays providing catering services (own production),
- agricultural products produced at other farm holidays entered in the Registry of rural household that the farm holidays providing catering services purchase,
- forest products, wild plants, mushrooms, snails, frogs and other water and sea organisms and game, which a farm holidays member hunts down, picks up or purchases, and which can be marketed by the farm holidays pursuant to special regulations. Predominantly own production produce must be produced, hunted, picked or purchased in the area where the farm holidays is located (domestic agricultural product),
- food and drink must be customary to the area where the farm holidays is located. This means that the farm holidays can serve everything that is prepared traditionally, predominantly from own production.
- products that need not be self-produced are the products that serve for the preparation of domestic meals and drinks, such as: flour, rice, margarine, butter, oil, salt, all spices, sugar, honey, mineral water, tea, coffee, etc. [Regulation on the provision of catering services in rural household, Official Gazette 5/08, Article 3].

According to the above, tourist activities in the Republic of Croatia are clearly proscribed and defined by a list of acts, regulations, implementation regulations, ordinances and special regulations, which encompass numerous ministries (tourism, trade, craft, catering, state inspection and numerous others). Some of these acts have been, on several occasions, added to, amended, corrected, i.e. new acts were adopted, which, among other things, adjusted them to the *acquis communautaire* of EU. However, despite this, there are still many issues relating to implementation acts, and inconsistency of regulations, because a large number of ministries are, directly or indirectly, in charge of rural tourism. Therefore, within the forthcoming period, efforts should definitely be directed at correcting recognized issues, while legislature within these segments should be sought to be improved. As much as possible, the legal provisions should be articulated so these become more functional, practical and easier to implement.

3.2.2. Organizational prerequisites

In the development of rural tourism in Croatia, a major role is played by different ministries, which are, above all, those of tourism and agriculture, but the ministries of culture and environment protection, construction and spatial planning, regional development, economy and finance are also important. Today, the most active factors in the development of Croatian rural tourism, and tourism on farm holidays are the following three institutions: Hrvatski farmer d.d., Ruralis – a consortium for the development of agritourism and rural tourism of Istria and the professional association Member Club „Village”.

Hrvatski farmer d.d. is a joint stock company for rural development and marketing, which was established with the aim to affirm, in Croatian conditions and areas, the so-called farmer type of agricultural production and organization of family estates, nutritional crafts and services, already accepted throughout the world. The core task of the company is sustainable development of rural areas in general, which includes specific projects in the field of

agriculture, and among other things, also rural tourism [<http://www.hrvatski-farmer.hr/CMS/0085/Default.aspx?EID=2192>].

Ruralis is a consortium of agritourism and rural tourism of Istria and represents a contractual interest-based association of Istrian agritourism and rural tourism stakeholders, through an autonomous and professional institution [<http://www.ruralis.hr/>].

Professional association of the Member Club „Village” deals with professional networking between members, actively participates in proposing legal and sub-legal professional regulations, cooperates with the ministries in charge, and deals with tourist activities.

All three institutions have the largest experience in the field of rural tourism in the Republic of Croatia, and bring numerous initiatives and developmental prerequisites to this special type of tourism.

Other institutions such as the Croatian Chamber of Economy (HGK) and its Tourism Department are haphazardly involved in Croatian rural tourism [<http://www.hgk.hr/category/sektor-centar/sektor-turizam/>], as well as individual county chambers, individual counties, towns and municipalities, regional developmental agencies within counties, and certain county tourist boards and associations and cooperatives.

Upon the initiative by the Ministry of Tourism of the Republic of Croatia and Hrvatski farmer d.d., as early as 1995, the Association of farm holidays was established within the Croatian Chamber of Economy, with the goal of planning, supporting and coordinating the development of farm holidays in the Republic of Croatia. The Association renewed its activities in 2008, thereby continuing its activities as the Association of rural tourism, which evolved out of former association members registering for agricultural-catering-tourist activities they perform in rural areas of the Republic of Croatia. All Association members associate voluntarily, exclusively because of economic interest and its quality solutions and representation through the operation of the Association and its entities.

Above mentioned institutions and organizations perform joint activities relating to the development of rural tourism, i.e. farm holidays, such as:

- institutionalization of the development of rural tourism in rural areas of the Republic of Croatia,
- more active and organized approach in the continuous process of developing tourist services in rural areas,
- stronger engagement for the purposes of the Republic of Croatia being recognized as a rural tourism destination, and
- creating and facilitating the prerequisites for the development of rural tourism and farm holidays.

Those activities and goals are realizing through organizing joint professional entities, reaching joint documents, organizing and implementing activities at the international, national and local levels, as well as through joint proposals to the Government of the Republic of Croatia, ministries in charge, regional and local self-governing, state, national and foreign scientific and professional institutions and associations.

3.2.3. Educational prerequisites

Continuous education is very important for rural tourism. This particularly refers to owners and members of farm holidays, but also to other entrepreneurs in rural tourism.

Starting from foreign experience according to which rural tourism education is mandatory in the duration of 70 to 120 hours, depending on the country, amendments and additions to the existing Regulation on the provision of catering services in rural household were adopted in 1999, which proscribed mandatory education of farm holidays members in the duration of 70 hours. The Regulation on the provision of catering services in rural

household was reached in 1996 [Official Gazette 22/96], while the amendments in question are in the Regulation on amendments and additions to the Regulation on the provision of catering services in rural household, which is, as stated, from 1999 [Official Gazette 25/99, Article 3B]. The same Regulation proscribed the plan and programme of the education and the testing programme, which consists of theory and practice.

Regulation amendments, in 2000, cancelled the mandatory education, which caused dissatisfaction and poorer levels of actual services. The Regulation on amendments to the Regulation on the provision of catering services in rural household [Official Gazette 29/00, Article 1] erases Article 3B of the Regulation on amendments and additions to the Regulation on the provision of catering services in rural household [Official Gazette 25/99], which proscribed mandatory taking of the exam for rendering catering services on farm holidays.

In order to mitigate the long-term consequences of non-conducting professional education, the Member Club „Village” and Hrvatski farmer d.d. started animating, and afterwards implementing education, as well at different levels, financially aided by the ministries in charge and some other institutions. During the past five years, three-day educations were thus implemented in ten Croatian counties, while different info seminars, lectures and professional trips were also conducted throughout Croatia. The Croatian Chamber of Economy, the Tourism Department, with the aim of improving operation efficiency, and based on the farm holidays members field experience, also conducted one-day seminars and lectures entitled „Who, how and why can engage in tourism on farm holidays”.

Recently, the need for different information and know-how from the area of rural tourism has grown, so lectures are frequently being organized by different associations, local tourist boards, county chambers of economy, regional developmental agencies and entrepreneurship centres or counselling services, mostly within local events (manifestations). Apart from general seminars, specialist ones are taking place as well, relating to, for example, food hygiene, good hygienic practice, tax and pension regulations, marketing, branding, investments, traditional construction, ethnology, etc.

3.2.4. Marketing prerequisites

In the Republic of Croatia there is no systematic promotion of marketing prerequisites in rural tourism besides a few local and/or institutional initiatives. As an umbrella organization, a national institution responsible for promotion of Croatian tourism at home and abroad, the Croatian National Tourist Board (HTZ) does not sufficiently promote rural tourism. It has published several brochures, and organizes „Volim Hrvatsku” (I Love Croatia) project [http://croatia.travel/brosure/Knjizica_Volim_Hrvatsku_2012.pdf]. That project forms part of permanent activities of the Head Office of HTZ and encompasses all subjects belonging to the system of preservation and development of tourist areas, and environmental protection. It also includes various actions like „Plavi cvijet” (The Blue Flower) and „Zeleni cvijet” (The Green Flower). Since 2007, HTZ has taken part in project called EDEN, European Destinations of Excellence, run by the European Commission, Enterprise and Industry, Tourism Unit [http://croatia.travel/brosure/Knjizica_Volim_Hrvatsku_2012.pdf]. So far, Croatian participants who have been awarded by the EDEN project are:

1. Municipality of Sveti Martin na Muri, Međimurje County, as The Best Rural Destination in Development, 2006-2007 [http://ec.europa.eu/enterprise/sectors/tourism/eden/themes-destinations/countries/croatia/sveti-martin-na-muri/index_en.htm],
2. Đurđevac, The Rooster Town, in category of Rural Tourism and Local Intangible Cultural Heritage, 2007-2008 [http://ec.europa.eu/enterprise/sectors/tourism/eden/themes-destinations/countries/croatia/durdevac/index_en.htm],

3. The Northern Velebit National Park, in *Tourism and Protected Areas, 2008-2009* [http://ec.europa.eu/enterprise/sectors/tourism/eden/themes-destinations/countries/croatia/northern-velebit/index_en.htm],
4. Nin [http://ec.europa.eu/enterprise/sectors/tourism/eden/themes-destinations/countries/croatia/the-town-of-nin/index_en.htm], and
5. Pustara Višnjica [http://ec.europa.eu/enterprise/sectors/tourism/eden/themes-destinations/countries/croatia/pustara-visnjica/index_en.htm].

According to their respective prospects, Hrvatski farmer d.d., the professional association Member Club „Village”, and Ruralis – a consortium for the development of agritourism and rural tourism of Istria, support the promotion of rural tourism. Among other things, in association with the Ministry of Agriculture, Fisheries and Rural Development of the Republic of Croatia, they have started the pilot-project of web pages called „Eko etno” (Eco Ethno) [<http://www.ekoetno.hr/>]. The project called „Proizvodi i usluge hrvatskog sela” (Products and Services of Croatian Villages) encompasses unique web pages containing registered farm holidays and other subjects that are in production and services (subjects who are registered as ecological producers, farm holidays, producers of autochthonous and traditional edibles and other consumables, and others). For the time being, the web pages include 50 farm holidays and other subjects producing autochthonous, traditional, local, specific and ecological products and offering services at their households (sales of self-produced products, catering and tourism) from three counties (Karlovac, Koprivnica-Križevci and Osijek-Baranja). Moreover, for the nine year in a row, starting from 2003, they are organizing „Eko-etno Hrvatska” (Eco-ethno Croatia), the fair exhibiting products and services from rural areas, followed by numerous shows and workshops related to rural tourism, and expert assemblies (round table discussions, conferences, and other) on rural tourism [<http://www.hrvatski-farmer.hr/CMS/0085/Content.aspx?EID=2231>]. This is the biggest exhibition of the type in this part of Europe, which gained its international status in 2008. Apart from this fair, there are many other fairs and local events in Croatia, Eko-Etno Gacka (Eco-ethno Gacka) taking place in Otočac, Agritourism Fair in Skradin, „Dani sunca” (Days of sunshine) – the fair of healthy food and traditional products in Zadar, „Kaj su jeli naši stari” (What our ancestor ate) – the exhibition of traditional food in Vrbovec, to name a few.

As far as branding is concerned, it has initiated in several Croatian counties and cities, but for the time being, products and services are branded only sporadically, which is a changing trend, though. Nowadays, it is very important to brand rural tourist destinations because successful branding brings larger number of visitors to a destination, higher demand for products and services, rise in real estate prices, larger figures in tourist results, all to the satisfaction of local population.

3.2.5. *Financial prerequisites*

Development of rural tourism and entrepreneurship in rural tourism and rural areas in Croatia is financed by subsidies issued on a national level mainly by the Ministry of Tourism and in a smaller scale by the Ministry of Agriculture, and locally by the county and self-governing units, or by periodical international subsidies intended for rural tourism and grant projects.

Since 2005, the Ministry of Tourism of the Republic of Croatia for the development of rural tourism destinations with the preservation of identity of Croatian rural areas, granted supports and subsidies through two programs: „De minimis aid grant programs without recurrence“ and „Credit programs with subsidized interest rates“.

„De minimis aid grant programs without recurrence“ are:

- Program for encouraging protection, reconstruction and inclusion of cultural and natural heritage into tourist offer in touristically underdeveloped areas, „Heritage in Tourism“,

- Program for encouraging development of theme tourist routes, “Theme Routes”, and
- Program for encouraging and improving production and sales of souvenirs, “Original Souvenir”.

„Credit programs with subsidized interest rates“ are:

- Programs “Support for Success” and “Under the Ancient Roofs”, and
- Program for crediting rural tourism “Development of Rural Tourism”.

“De minimis aid grant programs without recurrence” have been subsidized from 2005, i.e. 2007. Program for encouraging protection, reconstruction and inclusion of cultural and natural heritage into tourist offer in touristically underdeveloped areas, „Heritage in Tourism“, have been subsidized since 2005, while the other two programs: the Program for encouraging development of theme tourist routes in Croatia, „Theme Routes”, and the Program for encouraging and improving production and sales of souvenirs, „Original Souvenir“, have been subsidized since 2007.

The last available official data for the “De minimis aid grant programs without recurrence” are from the year 2009. After that year, no any data are available, and they cannot be obtained for publication and commenting even through the official channels. After the year 2009, all these programs are still active, and state funds are allocated for them through public tenders and are issued once a year on the web pages of the Ministry of Tourism of the Republic of Croatia.

„Heritage in Tourism“ is a program that gave extraordinary results particularly in development of continental tourism, and from 2005 to 2009 co-financed 595 projects with the amount of 27.061.593,00 HRK/3.579.575,79 Euro. 92% of the projects were realized in the continental and coastal hinterland. With the implementation of these projects has been revived economic activity such as the increased number of tourist services providers in underdeveloped tourist areas, reconstruction of traditional facilities made possible the revival of ancient arts and crafts, and open new sales channels of domestic products and services. Heritage preservation encourages sustainable development, as many buildings of architectural heritage (folk architecture, mills, smitheries, and others) have been saved from further deterioration through new tourism purposes. Better protection of natural heritage was realized by co-financing the educational trails, viewpoints and observation points in protected areas/regions.

The program “Theme Routes” that was initiated in 2007 aimed at better recognisability of Croatia in whole as a diversified tourist country, raised interest and decision in travellers/day trippers to take a short break, circular trip, short holiday or combined holiday/summer holiday by visiting continental and Adriatic hinterland destinations, encouraged foreign tourists/travellers already staying at a famous tourist destination or on circular trip to explore theme routes and less familiar tourist destinations in order to enlarge consumption and create thematically integrated and organized tourist attractions throughout the year by connecting natural, cultural and historical heritage of Croatia. From 2007 to 2009, there were 182 projects within the Program, which spent 10.435.000,00 HRK/1.380.291,00 Euro.

The same year saw the beginning of the program „Original Souvenir“ aiming at reliving the production of traditional and artistic crafts, encouraging additional activities (the production of homemade product – souvenir), confirming values of unique handmade production, encouraging the creation of reproductions, redesigns and new designs of products, protection and preservation of heritage in utilizing traditional techniques and materials. From 2007 to 2009, there were 278 projects in total amounting to 5.365.000,00 HRK/709.656,08 Euro.

Despite the large number of executed programs and the overall amount of financial support within all of the three aforementioned programs, the public is still not appropriate

informed on their ultimate positive effects. That is, it is not well known which projects are involved, or how they fit in the existing tourist offer, which positive outcomes they cause in development of the place, local area or county, or how they affect the economy. Therefore, after years of systematic financing by the three programs, a thorough analysis should ensue that would include the outcomes and realized examples, and later could serve, among others, to define precisely criteria of future subsidies, and set standards in the realization of future projects. Moreover, following the experience, it is necessary for ministries in charge to coordinate better the programs of grants and subsidies in rural tourism, analyze the subsidies and programs granted so far, and create qualitative criteria for future subsidies.

The ministries of Tourism and Agriculture issue credit programs in cooperation with the Croatian Bank for Reconstruction and Development (HBOR), Croatian Agency for Small Entrepreneurship (HAMAG) and business banks. Two of the most successful programs with support by the Ministry of Tourism of the Republic of Croatia and the Croatian Bank for Reconstruction and Development (HBOR) are "Support for Success and "Under the Ancient Roofs".

In the program "Support for Success", the Ministry of Tourism subsidizes interest rate of 1% to 4%, with a long repayment period up to 20 years and with a grace period up to 2 years. Maximum capacity of the facilities/objects that are financed must be 10 to 40 rooms and 7 to 20 apartments and each facility/object must meet the minimum categorization requirements of three stars. From 2002, the beginning of this program, until 2009 were realized 474 credits in the amount of 1.930.727.877,17 HRK/255.387.285,33 Euro. On the continent, 145 credits have been realized, in the coastal region 245, and on the islands 84. The largest number of credits was used for construction and renovation of accommodation facilities, 207, mostly financed are the hotels/guest houses/apart hotels, 357, and minimum campsites, only 6. In the program "Under the Ancient Roofs", which main goal is the preservation of traditional architecture, from 2002 to 2009 were restored 107 buildings of cultural heritage, and 17 of them in continental counties.

Program for crediting rural tourism "Development of Rural Tourism" is designed for individuals and corporate persons who are registered in the Register of Agricultural Farms and which are registered for the catering and tourism activities. In the implementation of this credit are involved the Ministry of Tourism of the Republic of Croatia, which subsidizes interest rate, Croatian Bank for Reconstruction and Development (HBOR) and the Croatian Agency for Small Entrepreneurship (HAMAG). Purpose of the credit is the creation of accommodation and catering facilities (renewal of traditional residential and economic buildings, the construction of new ones, upgrading and renovation of existing facilities, purchase of existing real estates) and creating conditions for additional facilities and attractions (construction, reconstruction and renovation of sports-recreational and economic facilities, renovation, construction and furnishing facilities and workshops of traditional crafts, landscaping). The goals of this program are development of tourism as a complementary activity on rural farms, increasing the quality of life in rural areas, preserving the identity of rural areas (architecture, traditions, traditional crafts) and creation the destinations of rural and eco-tourism. The "Development of Rural Tourism" has started to realize since 2009, and there are no available official data on the results of its implementation.

Although both latter credit programs are particularly clearly aimed at the final goal of a stronger economic development in rural areas in Croatia, both should be more transparent to the public because in that way their concrete final effects will become visible.

3.2.6. Further development prerequisites

Prerequisites of further development of rural tourism in Croatia are similar to the ones deriving from other activities. It is necessary to further develop all prerequisites of

development of rural tourism as mentioned above: development, norms, education, organization, marketing, finances, etc. In order for rural tourism to get its due attention, it is necessary to establish, as soon as possible, a multidisciplinary Committee for Rural Tourism within the Government of the Republic of Croatia, which requires coordinated, mutual, systematic initiatives and activities of all organized and individual participants in rural development of Croatia. It is also very important to recognize aims, priorities and measures in the future strategy for rural tourism, as well as the main factors of development and promotion.

All interested parties/stakeholders on all levels should continue to work together on a national level in developing rural tourism in Croatia, to increase the level of cooperation with relevant ministries of agriculture, fisheries, and rural development, regional development, forestry and water management in order to further improve and develop active holidays at farm holidays, and other estates in rural space, develop indigenous visual identity of Croatian rural space, and promote cooperation with various resources, domestic and foreign institutions, associations and individual entrepreneurs. It is necessary to encourage continuous international cooperation through different projects of cross-border and border cooperation.

3.2.7. Declaration on Rural Tourism

Considering the fact that rural tourism is a resource not utilized in Croatia, and for the need of creating prerequisites for the development of rural tourism and farm holidays, many Croatian counties, cities, municipalities and institutions signed the Declaration on Rural Tourism on April 9, 2008 in Benkovac [<http://www.hrvatski-farmer.hr/CMS/0085/Rep/DEKLARACIJA.pdf>].

The basic aim of the Declaration on Rural Tourism, initiated by Hrvatski farmer d.d., Ruralis – a consortium for agritourism and rural tourism of Istria, and Member Club „Village”, is to confirm the assumption that continuous mutual work in development of rural areas can raise this form of tourism to the level of an equal and quality tourist product in the Republic of Croatia. It can be realized via cooperation with relevant institutions, state administration, regional and local self-governments, system of tourist boards, developmental agencies, and various professional associations. Moreover, the Declaration on Rural Tourism is a result of the awareness of developmental needs of the Republic of Croatia and its meeting the standards of the developed world. The intention of the Declaration expresses real efforts of its signatories to focus further development of rural areas in order to shape and define recognizable rural tourist destinations, products and events. The signatories have accepted the document, and left it open to be signed by others interested in development of rural tourism, i.e. farm holidays in the Republic of Croatia. Rural tourism is one of the key features in the project of revitalizing Croatian villages. Therefore, after signing the Declaration, the intention is to create the Strategy for development of rural tourism in order to give this tourist form a fair and square representation in international promotion of Croatia as tourist destination. Unfortunately, it was still not happened, even from the signing of the Declaration passed four years.

The Declaration signatories continued or started cooperation in development and promotion of rural tourism, its specific forms, tourism on farm holidays in particular. As such, they are the strongest Croatian body to coordinate the cooperation with national administration, local self-governments, commercial and craft chambers, numerous associations, farm holidays, entrepreneurs in rural tourism and rural development in general. The cooperation is related to all prerequisites of rural tourism development (terminology, development, education, promotion, organization, finances, etc.).

4. Conclusions:

Rural tourism in Croatia is an important factor in the activation and sustainable development of rural areas that helps to preserve the local identity, tradition and customs, protecting thus the environment, strengthening the indigenous, traditional and organic production, and supporting the development of rural areas based on sustainable development. In Croatia, rural tourism is in its initial phase and presents a great potential which has not been given enough attention so far.

The importance of rural tourism is primarily reflected in the very important interaction between agricultural production, production of traditional products, presentation of traditions, traditional gastronomy and tourist services, or the use of existing resources. Rural tourism development is based on sustainable development. It is visible in the revitalization of the existing traditional construction and heritage, which are being given a new purpose – a tourism one. Rural tourism, in a completely different way, tries to unite, restore and organize the territory. There is no need to build new capacity, but, rather, rural tourism development is faced with the challenge as to how to use the existing structures in the best and most effective way.

A complete reconstruction, evaluation and protection of tourism resources, as well as the creation of an integrated tourism product are associated with the program of revitalization of rural areas through the development and branding of rural tourism destinations and rural tourism. Particularly tourism in the framework of farm holidays must be viewed as an essential component of the overall sustainable development.

Although rural tourism in Croatia is not given the necessary importance, due to the meaning it has in the creation of new values in rural areas, recently we are witnessing an increase in the interest of public administration, local governments, institutions and individual entrepreneurs in rural areas for the development and promotion of that activity. However, further development, education, financing, promotion and cooperation are needed on different levels.

It is therefore necessary to encourage stronger collaboration of all relevant institutions (state administration, regional and local governments, tourist boards' system, regional development agencies, scientific and professional institutions, trade associations) with the purpose of initiating joint activities to develop rural tourism and elaborate a national program (strategy) for the development of rural areas and Croatian tourism, as well as to encourage cooperation of farm holidays and other rural entrepreneurs in rural tourism, by way of strengthening the existing and establishing new associations and cooperatives.

In Croatia's rural areas, the relationship between nature and the rural population is to a great extent preserved, which, mostly independently, develop a sense of tourism with their own enthusiasm and basically modest tourist knowledge. Due to that, in the development of tourism in the rural areas in Croatia, residents of particular regions cooperate with and consult tourism and local political structures. Together, with their initiatives and self-organization, they form a vision of tourism according to which they activate their own economic potential. Tourism development of rural areas requires the coexistence with traditional culture with optimal utilization of tourism diversity.

In Croatia, it is increasingly understood that sustainable development of rural areas is the optimal development solution. Croatian rural areas can be developed only by way of sustainable development. In this sense, the role of the central government is essential, primarily by investing the capital investments in infrastructure, with appropriate legislative enactments. Also, the NGOs should have an important role in promoting the idea of sustainable development through monitoring and constructive guidance.

During the revitalization of rural areas it is necessary to increase the population, especially the return of those who have migrated to the cities and abroad. Other settlers should

not numerically exceed the critical level of relations to the detriment of the local population, nor the number of positions in local government and the economy. It is due to the fact that local people are the ones who give the uniqueness and particularity of tradition and lifestyle, while all others must acclimatize emotionally with rural areas.

Sustainable development of Croatian rural areas should follow the traditional way of life in them. We should not witness the situation when the culture of farmers is being presented to the tourists, while they actually do not exist. It should, therefore, continue the tradition and further enrich it. Offer should be organized in rural areas in small or larger settlements with amenities such as hunting, fishing, biking, hiking, mountaineering, field cultivating, harvesting, and the like. Therefore, through sustainable rural development more problems should be determined and questions answered, such as: how to protect the so far preserved area, what are the benefits of development of specific regions, which are the limits of development of specific regions, which role in the development does the state administration and local government have, should the development be initiated on the cultural, historical and economic recognition or is there a need to create some new assumptions, how to create a development that itself will not lead to collapse, and other.

A reasonable strategy for rural development in Croatia should avoid the destiny of the Mediterranean developed countries, whose original environment is so destroyed that they became undesirable for local inhabitants and tourists. Sustainable development of Croatian rural areas must be dealt with far-reaching strategy assessment, which will prevent its negative impacts.

Tourist destinations must retain authenticity, remain faithful to its cultural traditions and on these grounds draw strength for development. Promotion of sustainable cultural development is a condition of keeping the local cultural particularities. Tourism stakeholders must identify and promote their local cultural values, and changes should not take place at the expense of inherited values.

The main objective of tourism in rural areas in Croatia must be to improve the quality of life and prevent depopulation, preferably by policy of small steps, starting from demand requirements. Excessive investments in tourism, except in infrastructure, have devastating effect on the area and population. Future development policy for each area must be unique and avoid general ways of overall development of Croatian rural areas. Common to this approach is that population realizes the state of social and economic security as well as equal status in regard to urban residents. For every rural region in Croatia the concept of development with the requirement of preserving its original features, nature and cultural heritage should be determined. Sustainable tourism, therefore, should be a part of the economy in rural areas that runs all other economic activities. Tourism which is not sustainable will devastate nature and the result will be a loss of tourists' interest in such destinations. In contrast, in a favorable ecological environment tourists will feel comfortable and together with local residents will actively participate in the development of tourism culture and protection from environmental devastation.

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