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

Spa Tourism in Serbia and Experiences of Other Countries



**THEMATIC
PROCEEDINGS**

II



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



ENFORCEMENT OF EU REGULATIONS AS BASIS OF EFFICIENT MANAGEMENT OF HOSPITALITY COMPANIES

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Abstract

The tourism in the European Union represents the most suitable homogeneous factor in achieving economic and social development goals of the EU. The European Union in recent decades dedicates a great attention to the development of instruments and measures in tourism development and the harmonization and continuous operation of hotel and tourism companies. In this regard, EU suggests guidelines, to the governments of member and candidate states, in order to make the laws and regulations, which will provide better and efficient managing of the hotel and tourism companies. The aim of this paper is the analysis of harmonization with European regulations, which should not mean only the adoption of numerous laws and regulations, but also the successful implementation of the same in business. The adoption of these regulations contributes to increasing service quality, guest satisfaction competitiveness and profitability. In analyzing these regulations, the authors will pay special attention to the work of the European Commission in this area.

Keywords: *European regulations, European Union, European Commission, management, hotel and tourism companies.*

Introduction

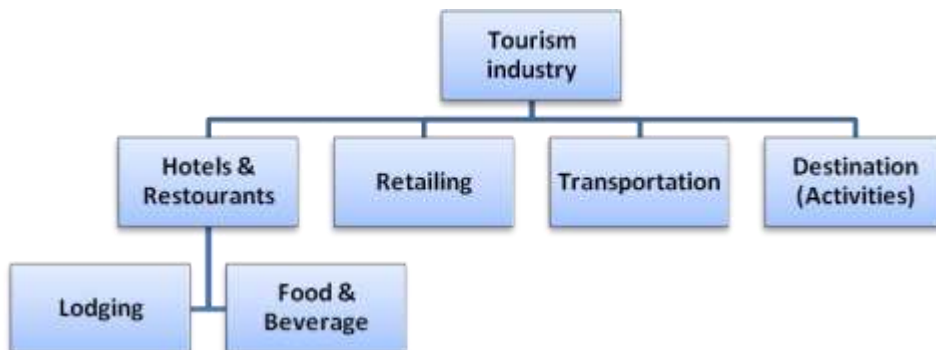
The tourism industry includes all types of business entities that provide services to travelers and tourists. Within the tourism industry are four segments: hospitality, which includes hotels and restaurants, retailing,

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companies that provide transportation services and companies engaged in various activities in the tourist destination.

Figure 1: *Segments of the tourism industry*



Source: Hayes, D., Ninemeier, J. (2006). *Hotel Operations Management*. Prentice Hall, New Jersey.

Hotel and restaurant activity includes accommodation, food and beverages. Retailing (retail sales) is carried out in many stores, souvenir shops, shopping centers and similar establishments who sell their goods to the local population as well as those who have arrived here. Transport services are carried out by plane, rent-a-car, trains, ships and other means of transport, which allow people to get from their homes to the desired destination. Destinations (activity sites) include sports, entertainment, folklore, cultural and other events (Hayes, Ninemeier, 2006).

Table 1: *The number of enterprises, employment and total income in the tourism and hospitality industry*

2011	No. of companies	Share %	No. of Employee	Share %	Total revenue (mil. din)	Share %
Economy	83.787	100,00	1.746.000	100,00	6.303.515	100,00
Hotels and restaurants	2.259	2,70	20.467	1,17	38.041	0,60
Travel agencies	818	0,98	2.993	0,17	8.357	0,13
Total	3.077	3,67	23.460	1,34	46.398	0,74

Source: Sekulić, Maksimović, 2012

According to the data of the Statistical Office in 2011, total number of employees in Serbia amounted to 1.746 million, of this number in hotels and restaurants worked 20.467 workers, and business travel agencies

employed 2.993 workers. The share of workers in the tourism and hospitality industry in the total number of employees is 1.34%. The total number of enterprises in this branch is 3.077, out of 2.259 hotels and restaurants and 818 travel agencies. Taking into account that Serbia has 83.787 active companies, the share of tourism and hospitality industry in the total number of the company is 3.67%. These companies are participating in GDP with only 3%. (Sekulić, Maksimović, 2012).

Touristic product of the Republic of Serbia is consisted of a large number of resources, whether natural or anthropogenic nature, but also a variety of structures holders of tourism offers (hoteliers, travel agencies, transport companies, tourist organizations, etc.). Though Serbia has a wide range of resources, conditions and destinations for the tourism development, the quality of tourism offer is not on the enviable level. Non-compliance of tourism offer with the requirements of tourists, insufficient monitoring of trends in the international tourism market, as well as an inadequate ratio of prices and values of services are the main reasons for this situation. (Podovac et. al 2013).

According to the data of the Statistical Office of the Republic of Serbia in 2015. the total number of tourist arrivals in the Republic of Serbia amounted to 2,437,165 (an increase of 11.2% compared to 2014), of which the domestic consisted 1,304,944 (an increase of 12,2%), and accounted for 53,5% of total arrivals. Number of foreign tourists was 1,132,221 (an increase of 10,1% compared to 2014), which represents a share of 46,5% of total tourist arrivals.

Table 2: *Arrivals of tourists in Serbia*

Year	Arrivals			% of total number of arrivals	
	Total	Domestic	Foreign	Domestic	Foreign
2010.	2.000.597	1.317.916	682.681	65,90%	34,10%
2011.	2.068.610	1.304.443	764.167	63,10%	36,90%
2012.	2.079.643	1.269.676	809.967	61,10%	38,90%
2013.	2.192.435	1.270.667	921.768	58,00%	42,00%
2014.	2.192.268	1.163.536	1.028.732	53,10%	46,90%
2015.	2.437.165	1.304.944	1.132.221	53,50%	46,50%

Source: *The Ministry of Trade, Tourism and Telecommunications of the Republic of Serbia, Department of Tourism, Information on tourist traffic for the period January-December 2015*

Looking at the data in Table 2, we can see that in 2015 recorded 6,651,852 overnight stays (an increase of 9,3% compared to 2014), of which domestic tourists accounted for 4,242,172 nights (an increase of 8,1% compared to 2014), and accounted for 63,8% of the total number of overnight stays, while foreign tourists accounted for 11,5% of overnight stays (2,409,680) compared to 2014, ie. accounted for 36,2% of the total number of overnight stays.

Table 3: *Nights of tourists in Serbia*

Year	Nights			% of total number of nights	
	Total	Domestic	Foreign	Domestic	Foreign
2010.	6.413.515	4.961.359	1.452.156	77,30%	22,70%
2011.	6.644.738	5.001.684	1.643.054	77,40%	22,60%
2012.	6.484.702	4.688.485	1.796.217	75,30%	24,70%
2013.	6.567.460	4.579.067	1.988.393	69,70%	30,30%
2014.	6.086.275	3.925.221	2.161.054	64,50%	35,50%
2015.	6.651.852	4.242.172	2.409.680	63,80%	36,20%

Source: *The Ministry of Trade, Tourism and Telecommunications of the Republic of Serbia, Department of Tourism, Information on tourist traffic for the period January-December 2015*

The average length of stay of tourists in Serbia in 2015 was 2,73 days, with the continued stay of 3,25 and 2,13 Foreign days.

Table 4: *Tourist arrivals by type of tourist destinations*

2015.	Arrivals		
	Total	Domestic	Foreign
Republic of Serbia	2.437.165	1.304.944	1.132.221
Belgrade	775.521	142.944	632.577
Novi Sad	139.651	53.320	86.331
Spas	427.456	348.539	78.917
Mountains	446.189	366.829	79.360
Other	546.377	333.782	212.595

Source: *The Ministry of Trade, Tourism and Telecommunications of the Republic of Serbia, Department of Tourism, Information on tourist traffic for the period January-December 2015*

The most visited destinations in the Republic of Serbia, Belgrade, Novi Sad, spas and mountain resorts. The largest number of visits recorded as Belgrade (775 521) and Novi Sad (139.651). In the mountain region has

recorded a total of 446,189 arrivals, an increase of 19,7% compared to 2014. In the spas there was a rise in the total number of tourist arrivals (427,456) of 10,6%, of which foreign tourists (78,917) recorded an increase of 25,8%, while the number of domestic tourist arrivals (348,539) recorded an increase of 7,7%.

Terms of the number of overnight stays in 2015 had the biggest turnover spas (1854582 night). In Belgrade was an increase of the total number of overnight stays of 12,9% compared to 2014, with domestic tourists (262,175) recorded an increase of 13,4%, and foreign (1,247,029) of 12,7%. According to the registered number of nights, domestic tourists are after spa centers, the most visited places in the mountain. Foreign guests, who in 2015 recorded 2,409,680 overnight stays in the Republic of Serbia, the most visited Belgrade (1,247,029). The largest increase in the color of foreign tourists was recorded in spas (14,7%).

Table 5: *Tourist nights by type of tourist destinations*

2015.	Nights		
	Total	Domestic	Foreign
Republic of Serbia	6.651.852	4.242.172	2.409.680
Belgrade	1.509.204	262.175	1.247.029
Novi Sad	274.380	96.555	177.825
Spas	1.854.582	1.623.761	230.821
Mountains	1.661.487	1.419.156	242.331
Other	1.130.209	701.221	428.988

Source: *The Ministry of Trade, Tourism and Telecommunications of the Republic of Serbia, Department of Tourism, Information on tourist traffic for the period January-December 2015*

Following the tourist traffic leads Vrnjačka Banja in number of tourist arrivals accounted for 41,0% of the total number of tourist arrivals in spas, or by the number of overnight stays accounted for 30,3% of the total number of overnight stays in spas Serbia. Planinsa the most visited cities in Serbia are Zlatibor (446,189 arrivals, 556,751 overnight) and Kopaonik (102,198 arrivals, 427,383 overnight).

The largest number of foreign tourists in Serbia in 2015. came from Bosnia and Herzegovina (87,397), Bulgaria (70,891), Montenegro (70,861), Croatian (65,886) and Slovenia (65,754). With the exception of the former Republic of Yugoslavia, the largest number of foreign tourists came from Turkey, Germany, Italy, Romania, Greece and Russia.

Legal regulation of tourism

Tourism is an activity that is essential for the life of the nation, because of its direct effects to the social, cultural, educational and cultural sector of each country and society (Manila Declaration of World Tourism, 1980). Travel economic activity is part of the complex social relationships that represents the appropriate legal regulation. Despite the complexity and breadth of scope of tourist activities in the sector still lacks a source of law in an appropriate range. Legislation at the national level, even with the large tourist force is often characterized as unilateral, free, unmodified tourism legislation. (Vukićević, 1976)

Tourism legislation relates primarily to:

- Companies engaged in providing accommodation services, restaurants, complementary and intermediary services;
- Management;
- Consumers of tourist services. (Slavković, 2015)

Tourism due to its specific nature is subject to not only specific travel regulations, but also rules that primarily related to environmental protection, consumer, cultural and historical heritage, consequently, it is not enough just to know the tourist regulations, but also other general legislative measures. Tourism cannot be imagined without transport services, accommodation, food production, sales, and the sale of goods, insurance, postal services. In addition, legislation in the following areas, affecting the tourism sector (Slavković, 2015):

- Spatial Planning;
- Health protection;
- Work protection;
- Environment protection, etc.

The international character of tourism causes objectification and standardization of legal regulations, governing the provision of tourism services. Normative activities at the international level are a difficult, because of situation in the national legislation of individual countries. Legal regulation of tourist business at the international level is above the national regulations. (Vukićević, 1976) According to the Hague Declaration on Tourism on tourism, the security, the protection of tourists and respect for their dignity is a necessary condition for the development of tourism. It is recommended to pay particular attention to the

preservation of health, the environment and the protection of tourists against crime. Security and protection of tourists particular country or a particular tourist region are associated with a number of rules that must comply with both Tourism Administration, as well as parts of the administration in whose jurisdiction comes the maintenance of public order, the financial industry, health care, environmental protection, employment policy but primarily the private sector. (Slavković, 2015)

EU regulations in the field of tourism

Tourism is complex activities, which affect many other areas of European law, the rights of consumers, employment, competition, and taxation, environmental protection through research, regional development and education. There are a very large number of directives and regulations with direct and indirect impact on tourism.

In addition to the founding treaties, in the structure of EU regulations stand out secondary sources, which are covered by regulations made by the authorities of the EU. According to the provisions of Article 288 of the Treaty on the Functioning of the EU, the EU institutions in the implementation of its jurisdiction bringing regulations, directives, decisions, recommendations and opinions, with the first three binding in different ways. (Treaty on the Functioning of the European Union) Failure to comply with the law, as well as their fragmentary character, create serious problems for whose solution required an energetic approach to security in the tourism industry on a global and systematic plan by all those who deal with this issue. The most interesting of the European directive relating to Tourism exercise greater influence on legislation in the field of tourism industry in different countries of the European Union. (Slavković, 2015)

EU directives and regulations related to tourism:

1. Regulation (EU) No. 692/2011 of the European Parliament and of the Council of 06 July 2011. On European statistics on tourism and on the repeal of Council Directive 95/57 / EC
2. Regulation (EC) No. 261/2004 of the European Parliament and of the Council of 11 February 2004 laying down general rules in compensation and assistance to passengers in the event of denied boarding and of cancellation or long delay of flights departed and repealing Regulation (EEC) No. 295/91

3. Regulation on the protection of consumers in respect of certain aspects of contract law in the time-limited use of the property, the long-term holiday product, resale and exchange
4. Regulation (EC) No. 852/2004 of the European Parliament and of the Council of 29 April 2004. Food hygiene
5. Directive 2004/35 / CE of the European Parliament and of the Council of 21 April, 2004. on environmental liability with regard to the prevention and repair of environmental damage.

According to the Lisbon Treaty (Article 195), tourism has become a specific competence of the EU. This treaty enabled later supporting and supplementing action by the Member States of the EU, thus promoting the creation of an atmosphere conducive to enterprise development in the field of tourism and cooperation between Member States, while which excludes any kind of harmonization of legal and regulatory provisions of the Member States. According to the European Parliament resolution of 27 September 2011., for Europe, the world's No. 1 tourist destination, was established a new political framework for tourism in Europe (INI / 2010/10/2206). Tourism has a horizontal cross-sectoral nature, and must be in cooperation with other related sectors and policies in order to achieve a system, which genuinely promotes tourism.(Lisbon Treaty, 2009)

The new Directive aims, with regard to the development of this market, to adapt to the protection, improve transparency and increase legal certainty for travelers and traders. It changes the functioning of the sale of tourist services and customer relationships. The new Directive represents official entry for tourism in the digital age, by including online sales channels and non-traditional packages that clients share their own choosing elements of his journey. Previous Directive 90/314 established a set of consumer rights in relation to the travel packages. However, since its adoption has significantly changed the market of travel services. Internet, in addition to traditional distribution chains, has become an increasingly important channel through which the travel services offered and sold. Travel services not only to combine the traditional form of predefined packages, but are often combined to adapt to the customer, and many of these combinations are in the "gray zone" or not clearly covered by the old directives.

The new Directive published on 11.12.2015 in the Official Journal of the EU and EU, Member States are obliged to harmonize national legislation

with the provisions of the Directive to 1.01.2018. Its application starts from 1.07. 2018. The umbrella-organizations of professional travel agencies in the EU, ECTAA (the European Travel Agents 'and Tour Operators' Associations) supported the revision of Directive 90/314 on package travel, and called for a level playing field between all market participants, both online, and offline.

HOTREC (the umbrella association of national trade associations representing the hotels, restaurants, cafés and similar establishments in Europe) is actively promoting the EU institutions flexible solutions of the new Directive, to catering and hotel business in Europe fit without load in the digital age.

EU instruments for developing tourism

The European Commission, in cooperation with the Member States and associations representing the tourism sector, has invested considerable effort over a number of years in implementing a series of actions intended to strengthen European tourism and the realization of its greater competitiveness. (Communication on the renewed EU Tourism Policy Framework) The Commission has set up a highly developed system to protect passengers and consumers, including those with disabilities or reduced mobility for all means of transport. Over the years, the European Union has been able to lay the foundations for a European tourism policy, stressing those factors, which determine the competitiveness of tourism, and always taking into account the need for sustainable development. (Gasmi Ilić, 2010).

The European Union pays great attention to the development of instruments and for the continuous development of tourism. On the background of economic, social, political and other implications of the development of tourism has on this area in the first place, the guidelines suggest the governments of individual countries in order to clearly determine their roles and functions in the field of support to the development of tourism. It's about following guidelines: (Bakić, 2005)

- the government's decision regarding the length of the working week, the duration of paid annual leave, foreign exchange, customs regulations, etc;
- the special role of the Government in the field of market research tool, which should be the basis for making rational strategic decisions and in the private and in the public sector of tourism;

- general tourist propaganda and promotional campaigns of national importance);
- permanent indication of the responsibility for the construction and maintenance of "public goods" as a significant component of tourism development (traffic infrastructure, utilities), with a specific role and lower levels (regional or local government);
- special area of activity is that related to various incentives to stimulate tourism trends (simplified customs control of foreign and domestic tourists, a unique passport for all residents of EU Member States, and other benefits), as well as the effort to make a variety of seasonal adjustment measures demand;

Separate the significant financial resources to support the program "Philoxenia", which for different areas in the stimulation of tourism development. During the harmonization envisaged intensive construction of buildings that are in the function of tourist traffic, as well as facilities that primarily serve other industries, or affected to a larger tourist trade. Construction of tourist and other facilities that accompany them is provided in the context of existing institutions through the following financial instruments:

a) Designated financial assistance

Four funds, which funds directed to the faster development of less developed regions (regions), namely: the Cohesion Fund (for the development of the underdeveloped countries of the EU); Regional Fund (for the development of certain regions EU); Social Fund (various social programs related to tourism); Agricultural Fund (Development of rural tourism, particularly in mountainous areas and the EU). From these funds, funds obtained in the form of non-repayable loans, and to selectively and based on established criteria.

b) Special purpose loans

The funds for these loans provide the following institutions:

- European Investment Bank and
- European Coal and Steel Community
- Assistance to countries in the tourism sector
- New forms of intervention

The policy of joint financing strongly respects the principle of balanced regional development of tourism. Regional tourism development runs,

too, and in the context of other measures and activities. Traffic has been so integrally related to tourism it cannot expect progress in tourism if at the same time improving the traffic. Therefore, the EU transport policy is seen as a fundamental infrastructure in which to develop tourism. The importance of traffic impact is to provide a comprehensive change that will just contribute to faster development of tourist traffic. (Gasmi Ilić 2010).

The European Commission has adopted and published the report "The main directions of the sustainability of European tourism" - a document that is the basis for policy-making in the context of the development of tourism in the European Union. (Action for More Sustainable European Tourism, Report of the Tourism Sustainability Group) The European Commission called for action throughout the European Union in order to promote economic, social and environmental sustainability of European tourism. This report emphasizes the need for ensuring the consistency of various policies within the Community and measures affecting the sustainability of tourism and the competitiveness of the industry. They also call for a proactive cooperation among tourism enterprises, tourist destinations and national, regional and local authorities to deal with challenges such as increased demand and changing preferences and an increase in revenue. (Gasmi Ilić, 2010)

The intention of the European Union is to affect the sustainability of tourism refers to the policy of economic support to developing countries. It also seeks to strengthen cooperation in the field of sustainability of tourism with United Nations bodies and other international organizations. The overarching challenge for the tourism sector in the European Union is to remain competitive, but in the long term, competitiveness depends on sustainability.

There should be an emphasis on retaining and increasing revenue from tourism, but at a lower cost to the environment and specific cultural values. Tourists should also more actively encourage sustainability. This is partly about accepting responsibilities. Sustainability should be equated with quality-tourists should be aware that those places that care for the environment, their employees and local communities, the greater the chances are to get better care and the tourists guest.(Overview of EU Tourism Policy)

Tourism in legal framework of the Republic of Serbia - Harmonization with EU law

The concept of harmonization means the process of adjustment of national legislation decision with the regulations of the Member States of the Community Law. The goal of harmonization of national regulations Member States to the extent necessary to achieve the objectives of the communitarian. (Nikolic, 2003) Harmonization is an instrument that allows the objectives, tasks and policies eu rights through law. The aim of harmonization is not to create unique solutions in all Member States (unification), but only an approximation (harmonization) or approach (approximation) solutions in national laws while maintaining certain differences. Every country if it wants to become an EU member forced to adapt to more integrated EU. (Nikolic, 2003)

When it comes to the Republic of Serbia, the harmonization of national legislation with the *acquis communautaire* is implemented on the basis of Article 107 of the Constitution, Article 72 of the Agreement on the two-Stabilization and Association Agreement and Chapter III of the Interim Agreement. In this way, our country has made a commitment in the future to achieve balance between current and future laws with EU legislation, to ensure proper in-menu legislation. The Republic of Serbia conducted intensive adaptation to European integration, and it is manifested as a strong growth in competitive capacity of institutions, companies and individuals.

The Republic of Serbia is on the way of defining development goals and economic sectors with the prospects for success, where they will independently and with the support of the international community will have to as soon as possible to build and implement competitive growth strategy. Tourism in this context is imposed as an unavoidable complex with increasing potential untapped. Serbian tourism potentials have not yet been sufficiently valued, because tourism has never been a serious issue of the development policy of the Republic of Serbia. (Tourism Development Strategy of Serbia, 2006)

Tourist policy must initially provide a clear picture of where he was going one destination, especially in the longer term. In parallel, it must provide a climate and conditions for cooperation of stakeholders. This mission tourism policy boils down to the following key features: (Tourism Development Strategy of Serbia, 2006)

Defining the conditions of the operators in the tourism sector must fulfill (laws and regulations);
Organization of control of acceptable behavior in the implementation of activities (inspection);
Adoption of common directives and / or instructions (regulations, standards, etc.) For all or most of the stakeholders in the tourism industry;
Management processes to establish consensus in special visions, strategies and objectives of development for individual clusters / destinations / products;
Definition of a framework for public / private debate about the role of tourism in the national economy and society;
Creation of conditions for effective interdependence with all other sectors of the economy and society;
The realization of day-to-day impact on the national marketing activities,
The organization of major events, attractions and key management programs.

Renews in the Act of tourism in Republic Serbia

The Law on Amendments to the Act on Tourism was created as a result of analysis of the situation in the Serbian tourist market. Its observed problems, for actors of the tourism industry, and other entities that perform economic activity directly related to tourism. These amendments to the Act came into force on 14.10.2015. This Act introduces novelties in the business tourism market. The tourism organization for the promotion of tourism was obliged to harmonize their operations in the part relating to the conditions to be met by directors until 01.01.2017. Tour operators were required to harmonize their actions with the provisions of the Act within 30 days of its adoption. Travel guide and travel companion are no longer required to reside in the territory of the Republic of Serbia, instead of proficiency required by active knowledge of the same. The novelty is that a tour guide and travel companion and is considered a national of a Member State of the European Union and the European Economic Area who meet the conditions for tourist guide or tourist escort laid down in the Law on Tourism (Off. Gazette of RS, No. 36/2009, 88/2010, 99/2011 - dr. law, 93/2012 and 84/2015), due to the obligation of compatibility with the services Directive 2006/123 / EC / her there was a transposition into the legal system of the Republic of Serbia. Prescribes that the travel guide and travel companion in the provision of services must have with you the

proper and valid identification card and carry it in a proper way, which the Act has not been provided for those, but only for a local tour guide who had to bring your ID card and label.

The Law sets forth the changes in terms of tourist tax and penalties with regard to the use of the priority tourist destinations. Stipulates that the assets from the charged residential tax, in addition to the prescribed purpose, can be used for financing the activities of tourist organizations of local governments. With regard to penalties for the use of the priority tourist destinations provides that the determination of spatial entities and prescribing the conditions that certain establishments for accommodation should fulfill, as well as the possibility of charging penalties, entrusted to the local authority to act closer to its offices.

Local government declared a tourist destination and the second category can be its act to determine:

- The tourist zone,
- Tourist destinations and Tourist places.

In these geographical areas, catering facility for accommodation type hotel and motel must meet the standards for classification in a particular category, in conformity with the charter of local self-government.

Act local governments in particular contain:

- Description of spatial entities with defined borders,
- Method of conformity assessment,
- Harmonization of deadlines and other requirements to catering facility type hotel and motel should fulfill,
- The height of a penalty,
- Way of collecting penalties,
- Subject to payment and others.

It also contains the prescribed requirements for establishments that were first categorized the type of hotel and motel. If the payer established government unit does not act within the prescribed period, the competent authority of a local government shall issue a decision for that person establishes the obligation to pay a penalty on an annual basis in the prescribed amount.

Obligations established government unit does not refer to objects for which proceedings have been initiated privatization until the end of this procedure. It stipulates that the funds collected from penalties budget revenue local governments on whose territory the facility is located, and that the funds collected from penalties are used to finance the same activities as well as the funds collected from the tax. So far, the penalties were budget of the Republic of Serbia, but never charged, or the budget of the Republic of Serbia has not realized income on this basis, and in the period of validity of this provision was not established any payer.

In addition to the register of tourism travel agencies - tour registered and:
- travel agencies - brokers, as well as, among other I - Controls tourist area - destination management organizations - destination management company I - a professional congress organizer. The final solution adopted by bodies under the authority of this Act shall be registered or recorded in the Register of tourism in the manner prescribed by this Law and other regulations issued under this Act. Prescribed data should be entered in the Register of tourism. This applies to all records prescribed by the Law. These changes made it legal, technical revision of the text, as well as harmonization resulting changes to the existing law. All parties have obligations to collect, hold, process and use personal data or information of public importance, to perform in accordance with this Law and laws governing the protection of personal data and the free access to information of public importance. Due to the need to reduce the gray economy in tourism, there was a redistribution of rights, duties and powers of the inspection services. (Mrvić–Petrović, 2015)

To ensure effective implementation and payment of prescribed penalties, this Act determines new powers of inspectors introduced the possibility of issuing a misdemeanor warrant - fines fixed amount for all operators. This institute is, in many cases, contributed to violators assume the obligation to pay the fine, how are faster and more economically achieved the purpose of punishment, positive effect on the budget and relieve the misdemeanor authorities. In determining the sentence, especially for legal entities, account was taken of the amount which offenders are willing to pay immediately. Very high amounts when the misdemeanor warrant does not lead to the desired effect, especially as this order included "minor" offenses.

Conclusions

The Republic of Serbia has a comparative advantage in tourism, because it has a diverse structure of the tourist offer, is close to traditional and new tourism markets, has a long history and a general recognition, preserved natural resources, commensurate with good communication and has a huge human potential. The process of transformation of comparative into competitive advantage in tourism of the Republic of Serbia is part of the overall reform process towards EU accession. (Stanković, 2002) Due to the closed market delayed the process of restructuring and privatization, there has been significant investment from home and abroad, so there has been no development of new forms of tourism. Due to the high centralization of lost investments in infrastructure, maintenance inherited tourist destination because local communities are not financially able to meet the requirements of their particular maintenance and new development. The value chain in tourism of the Republic of Serbia, unless somewhat in Belgrade, was not built. This raises the question of standards, quality of service and loyalty to the Republic of Serbia as a tourist destination.

In the WB region, there are a number of institutional barriers, which make it impossible to take advantage of the most important resources in the function of tourism development. The absence of legislation regulating relations in the context of a resource, which has a strategic importance for the development of tourism, prevents and slows the feasibility studies for the development and activation of resources in the tourist commercial purposes. It takes initiative to change the legal framework that would allow that if a resource is important for tourism development of the region in order to fast-track approaches feasibility study. Regulation should define standards that allow you to do a feasibility study on an accelerated basis and to remove all barriers that slow down the process of developing the first phase of the investment in the second phase. The norm should regulate the following activities: (Guide to EU programs 2014- 2020)

- Development of planning documents in zones that have historically cultural importance; or under the law on the protection of the environment;
- Obtaining the necessary permits;
- Coordination with the various institutions that have jurisdiction over resources;
- Distinction between the responsibilities of different institutions;

- Definition of deadlines for the implementation of the required activities;
- Coordination and monitoring of the work;
- Monitoring of investment projects.

It is necessary to establish a legal framework that allows the tourist attractions betting adequately the function of tourism development may be noted that at least legally establishes a regulatory framework, which provides for sanctions in case of violation of legal norms, is one of the prerequisites for achieving sustainable development. Because of the great importance of tourism, the international community through more legal enactments set of legal standards in this area that our country has to implement in their national legislation. (Radojković, et al, 2013)

Serbia's membership in the EU certainly contributes to improving the image of the country, which will increase tourist visits and revenues from tourism. It includes new investments, investments in municipal infrastructure, which to some extent contributes to the attractiveness of the country for tourist visits, and on the other hand, due to the improvement of the image, transport links and utility infrastructure, membership in the EU reinforces the interest of private capital for investment in the tourist industry. Accession to the EU entails certain costs associated with the adoption of the EU acquis, they refer to the rise in the cost of tourism for downloading significantly stricter and stricter measures of safety at work, consumer protection and environmental.

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