

Profile of sustainability in some Mediterranean tourism destinations



Case study of Rovinj (Istria) in Croatia

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Final version

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I. Description of the destination and the national and local contexts

1. Geographical position and boundaries

Rovinj is a town in the west of Croatia, on the northern Adriatic coast in the County of Istria¹. It is located on the western part of Istria peninsula, just across to the mouth of the river Po in Italy, about 90 kilometers far away on the other side of the Adriatic Sea. The area of the town comprises 78 square kilometers with 14.234 inhabitants according to the census of 2001. It consists of two settlements - Rovinj with 13.467 inhabitants and Rovinjsko Selo (Rovinj village) with 767 inhabitants. As a settlement Rovinj is after Pula the second largest in the county of Istria, larger than the county seat Pazin in the interior of Istria.

The area of the town of Rovinj has a triangular shape with two sides surrounded by the sea and one to the mainland. The sea is laid to the north in Lim channel with the municipalities Vrsar and Sveti Lovreč across the channel and to the west on the open Adriatic Sea. On the remaining south-eastern side the town of Rovinj has a border with the municipalities of Kanfanar and Bale.

As a town Rovinj serves as central settlement for the neighbouring municipalities of Kanfanar and Bale as well as for the municipality of Žminj far more to the east to the centre of Istria. The municipalities Bale, Kanfanar and Žminj and the town of Rovinj form the micro region called Rovinjština (Rovinj country) with 291 square kilometers and 14.234 inhabitants in 58 settlements according to the census of 2001.

Although there are no data about the actual number of the population, it can be estimated that the existing trends will continue; only it is expectable that in the municipality of Kanfanar the negative demographic trends will be stopped due to the position near main Istrian traffic junction and new tobacco factory. It is also likely that in the municipality of Bale the growth of the population will be larger due to very high per capita income and tourism development.

Before 1992 Rovinj was one of the seven old “large” municipalities or districts in Istria, covering the whole Rovinjština area. The rest of Istria was similarly divided into districts named to the most important towns Buje, Buzet, Poreč, Pazin, Pula and Labin and covering traditional micro regions of Bujština, Bužeština, Poreština, Pazinština, Puljština and Labinština.

As a tourism destination Rovinj is very clearly separated from the destination Poreč to the north and Pula to the south. To the north and the municipality Vrsar in Poreč micro region there is Lim channel as natural border and to the south and the municipality of Bale belonging to Rovinj micro region and town of Vodnjan in Pula micro region there is a long and sparsely inhabited coast almost without accommodation capacities². In the continental part there are no such clear borders between Rovinj area and the rest of Istria, but there are also not many tourist capacities.

¹ In Croatian language it is “Istarska županija”, because the name of the county is pronounced in adjective form. The term ISTRIA (in Croatian language “Istra”) concern the whole peninsula or historic region, which includes also Opatija and its environs in the county of Primorje-Gorski kotar and sometimes also Slovenian riviera in Slovenia (the coastal strip from Croatian to Italian border) and tiny part of Italy (the area around the town Muggia southern from Trieste). In common language in Croatia it is usual to use a term Istria (“Istra”) for the county although it does not include additional areas, because those areas are relatively small and basic characteristics are the same as the average of the County of Istria. Therefore the term Istria will be used when it is applicable to the whole territory of the peninsula and the term the County of Istria when it is concerning only the County territory.

² The western Istrian coast between Rovinj and village Peroj in the area belonging to the town of Vodnjan is practically uninhabited and without tourism development in the past due to protection status and lack of coastal roads. Additional reasons were also security matters considering the vicinity of Brijuni National Park as the residence of Yugoslav President Tito and numerous military facilities in Pula. Nowadays this area became very attractive for the new tourist development as the largest coastal zone in Istria suitable for building due to plain relief and good infrastructure.

Figure 1 - The position of Rovinj and Istria in the administrative framework of Croatia



After Croatia became an independent country in 1991 the administrative system in Croatia is changed, so instead of total 102 districts³ equivalent to NUTS 4, on the 12 December 1992 the country was divided into 70 towns and 419 municipalities equivalent to NUTS 5. Also, instead of ten relatively weak so-called “unions of municipalities” Croatia was in 1992 divided into 20 counties (županija) and the city of Zagreb with county status, or total 21 administrative units equivalent to nuts 3. The number of counties did not change after 1992, but the number of towns increased to 127 and municipalities to 429 in 2009. In that sense the area covering the town of Rovinj can be considered as equivalent to NUTS 5, the former “large” municipality of Rovinj or Rovinjština area to NUTS 4 and the county of Istria to NUTS 3.

³ In Croatian language the term “općina”, which is translated into municipality, is used both for the existing 419 municipalities and for former 102 administrative units of NUTS 4 or district size. Therefore in common language those old 102 units are usually called “large” municipalities and new sometimes also “small” municipalities.

Table 1 - Basic indicators about Rovinj, former Rovinj district and Istria

administrative unit	area in sq km	number of settlements	inhabitants		change 91 - 01 % *)	per sq km in 2001
			1991	2001		
Rovinj town	77,8	2	13.559	14.234	5,0 (8,3)	183,0
Bale municipality	82,4	3	1.064	1.047	-1,6 (0,7)	12,7
Kanfanar municipality	59,7	20	1.574	1.457	-7,4 (-6,2)	24,4
Žminj municipality	71,5	33	3.530	3.447	-2,4 (-0,7)	48,2
Old municipality (district) of Rovinj	291,3	58	19.727	20.185	2,3 (5,3)	69,3
The county of Istria	2.813	655	204.346	206.344	1,0 (3,2)	73,4
CROATIA	56.994	6.752	4.784.265	4.437.460	-7,2 (-1,4)	77,9

*) due to the change of the methodology of the Croatian Census between the years 1991 and 2001 (after 2001 census Croatian citizens living abroad for more than six months per year are not counted any more) the real growth is larger than the one shown by numbers. With the same methodology in 1991 as in 2001 the real growth would be about 8,3% for the town of Rovinj, 5,3 for the district, 3,2 for the county of Istria and -1,4 for the whole of Croatia. The values in brackets show more realistic although not completely accurate change of population between the two censuses

Source: Republic of Croatia – Central Bureau of Statistics Website

2. Population

The county of Istria is by its size and population very close to the average of Croatia and is currently divided into 10 towns and 31 municipalities. There are total 655 settlements in Istria in comparison with 6.752 in the whole Croatia, meaning that the settlements in Istria are in average very small – 315 inhabitants in comparison with 657 for the whole of Croatia. The county is organized as polycentric – the biggest town and main economic and cultural centre is Pula with 58.594 inhabitants, located at the southern end of the county, but the capital is relatively small town Pazin located in the geographical centre of Istria with 4.986 inhabitants (9.227 with surrounding areas).

Other larger towns in Istria are Rovinj with 13.267 inhabitants (14.234 with surrounding areas) and Episcopal centre Poreč with 10.448 inhabitants (17.460 with surrounding areas). In Poreč, located on the central part of the western Istrian coast as the main tourist area of the whole Croatia there is also a seat of the Istrian Tourism organization.

In comparison with the rest of Croatia, both Istria and Rovinj belong to more developed parts of the country attractive for immigration, what is visible through the real 8,3% growth rate in the period between 1991 and 2001 for Rovinj and 3,2% for Istria in comparison with 1,4% decrease in the whole Croatia. The population of Rovinj is also better educated with 15% population older than 15 years with college level or more (Croatia 12 and Istria 13%) and about 10% with unfinished primary school or less (Croatia 19 and Istria 14%). The age structure of Rovinj is relatively unfavourable with only 22% of the population under 20 years (Croatia 24 and Istria 22%) and 20% of the population older than 60 years (both Croatia and Istria 22%). The data for the district (“Rovinjština”) are generally close to the average of Istria as a whole.

In Croatia Istria is known as multiethnic area with the highest share of non Croat population of all counties - total 28,1% in comparison with 10,4% in the whole of Croatia. Rovinj is even more multiethnic with 34,1% non Croat population. The most important national minority in Istria and Rovinj are Italians, representing 6,9% of total population in Istria and 11,4% in the town of Rovinj. Other minorities include Serbs (3,2% in Istria and 3,5% in Rovinj), Albanians (1,0% in Istria and 2,4% in Rovinj), Bosniaks (1,5% in Istria and 1,8% in Rovinj), Slovenians (1,0% in Istria and 0,6% in Rovinj) and Hungarians (0,3% in Istria and 0,7% in Rovinj).

Figure 2 – The position of the town and district of Rovinj in Istria

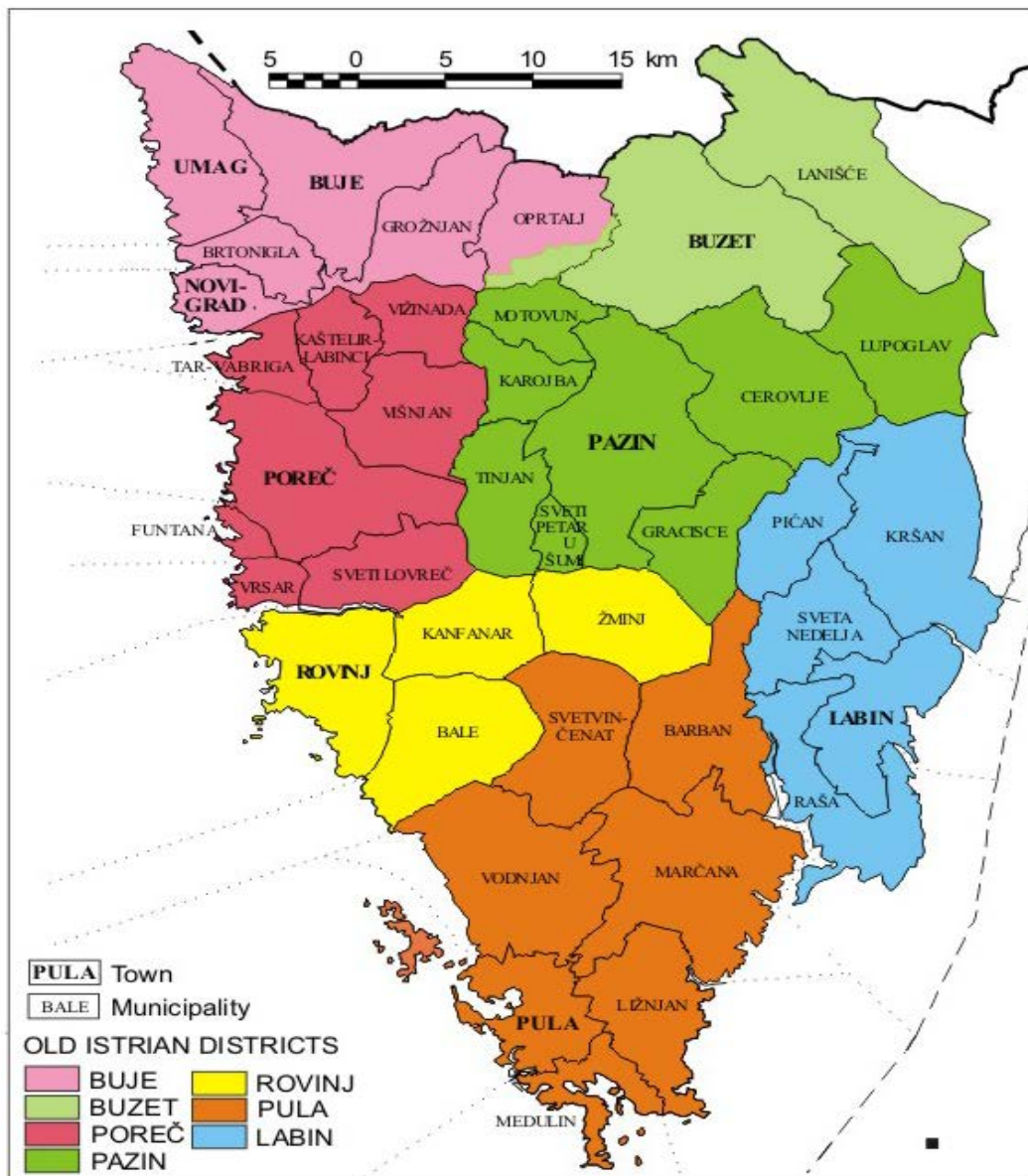


Table 2 - population of Rovinj and Istria according to age group

age group	Rovinj town	Old municipality (district) of Rovinj	The county of Istria	CROATIA
total population	14.234	20.185	206.344	4.437.460
0-19 years	3.098	4.441	44.971	1.053.240
20-59 years	8.288	11.389	115.810	2.409.359
60 years or more	2.848	4.355	45.563	974.861
0-19 years %	21,8	22,0	21,8	23,7
20-59 years %	58,2	56,4	56,1	54,3
60 years or more %	20,0	21,6	22,1	22,0

Source: Republic of Croatia – Central Bureau of Statistics Website

Figure 3 – Administrative division of Istria county



Istria has also the highest share of people declining to determine their nationality in the whole Croatia - 11,1% in Istria and 11,7% in Rovinj (in Croatia only 2,4%). From those 4,3% in Istria and 5,0% in Rovinj declared themselves as “Istrians”. The majority of nationally undetermined people speak Croatian as mother tongue – 87,2% in Istria and 81,9% in Rovinj (Croatia 96,1%). Italian is spoken by almost all inhabitants of Rovinj regardless of nationality and by very large share of people in the rest of Istria. Therefore in spite of small share of Italian minority, Rovinj and the most of Istria are bilingual and almost everywhere the signs and inscriptions are written both in Croatian and Italian. Many people are also fluent in English and German.

Table 3 - Population of Rovinj and Istria according to education

administrative unit	Rovinj town	Old municipality (district) of Rovinj	The county of Istria	CROATIA
population older than 15 years	12.099	17.104	175.167	3.682.826
unfinished primary school	1.243	2.387	25.328	710.426
8 years primary school	2.743	4.159	39.855	801.168
secondary school up to 3 years	3.452	4.932	53.083	1.003.052
4 years secondary school	2.887	3.537	34.930	730.146
college education or more	1.774	2.089	21.971	438.034
unfinished primary school %	10,3	14,0	14,5	19,3
8 years primary school %	22,7	24,3	22,8	21,8
secondary school up to 3 years %	28,5	28,8	30,3	27,2
4 years secondary school %	23,9	20,7	19,9	19,8
college education or more %	14,7	12,2	12,5	11,9

Source: Republic of Croatia – Central Bureau of Statistics Website

3. History

The general atmosphere of tolerance is famous for Istria as well as for Rovinj as its part and it is caused by turbulent history of this area on the crossroads of main European natural and cultural regions, known for very frequent changes of rulers. From the natural point of view Istria is on the crossroads of the Mediterranean basin, Alps and Dinaric Mountains as well as between areas of Mediterranean and continental climate and biosphere. From the cultural point of view Istria is important as the crossroads of the three main European groups of nations (Slavic, Romanic and Germanic) and near to the border between western and eastern Christianity. Therefore historical monuments from all important historic periods and styles in Europe can be found here.

There are remnants of people living in Istria from very old periods, but its oldest known inhabitants were Illyrian tribe Histri, which gave the name to the peninsula. The area was conquered by Romans gradually after the second century B.C. and remains part of the Roman Empire until 5th century and its successor Byzantium Empire until 8th century. In the second part of Byzantine rule Istria was settled by Croatian Slavic tribes who became majority by the end of 11th century, especially in the interior of the peninsula. In spite of the fact that they were not part of medieval Croatian state, Croats in Istria have preserved their national identity, especially visible through the unique Croatian Glagolitic script. This script was introduced in the 9th century and was especially long used in Istria - in some areas until 19th century.

The most of the middle ages Istria was a battlefield between Romanic rulers of Aquileia and later Venetian republic in the coastal part and Frankish and later Habsburg rulers in the interior of Istria and on the

eastern coast. Therefore the western coastal area including Rovinj is multinational with strong Italian influence and the interior is almost purely Croatian, but culturally also under German influence. Later middle age was characterized with numerous Turkish invasions, plagues and occasional loss of population, later resettled mainly from the areas under Turkish rule on Balkan Peninsula.

After the fall of Venetian Republic and short Napoleon rule at the beginning of 19th century, the whole Istria became a part of Habsburg and later Austro-Hungarian Empire. The most of the time it was the part of the province called Austrian Littoral with the centre in Trieste, as the main imperial port and one of the most important towns on the Mediterranean in 19th century. After the breakup of the Austro-Hungarian empire and short period under Italian rule from 1918 to 1945 Istria became part of Croatia, firstly as one of the republic in Socialist Yugoslavia and after 1991 of the independent Croatia.

During the War for independence between 1991 and 1995 Istria was practically untouched and became a refuge for a lot of people from other parts of Croatia regardless of nationality. Therefore the tourist activities in Istria and especially in Rovinj did not stop as in many other parts of Croatia, and Istria was also the first to start with the new development. The distance from the war areas has enabled stable development and partial detachment from the development patterns in the rest of Croatia. Therefore Istria is today the most development part of Croatia (together with the capital Zagreb), but also the area with very strong regional identity. That is especially visible with a fact that this is the only county in Croatia ruled by the regional political party (Istrian Democratic Assembly – IDS).

4. Main geographical features

Rovinj is well known as one of the most attractive tourist resorts of Croatia and according to the newest data it is the biggest Croatian tourist resort with 2.602.580 tourist overnights in 2009, more than Poreč known as Croatia's biggest tourist destination⁴. If functional surrounding area is taken into account stronger tourist destination than Rovinj is also Pula with the adjacent municipalities Medulin, Ližnjan, Fažana and the town of Vodnjan, having more than four million overnights. On the other hand, the Croatian fourth largest and the most well known tourist destination Dubrovnik in Southern Dalmatia is slightly smaller than Rovinj regarding the number of overnights even if the functional neighbourhood is included.

The popularity of Rovinj is based on the attractiveness of the area and on the excellent traffic position on the Istrian peninsula, located in the northernmost and central part of the Mediterranean Sea. The town of Rovinj is very picturesque with well preserved old part on the small hilly peninsula and houses very close to the sea. The surrounding area is abundant with nice villages and countryside and many parts of the coastline are in natural condition, including the most of beaches. It is also important that the area is percept as very green due to many parks in the town area and close to the beaches.

The climate of Rovinj is Mediterranean modified with some continental elements due to its position at the northern part of the Adriatic Sea. This part of the Adriatic, known also as the Bay of Venice is relatively shallow and deeply indented into the central part of European continent. The summer in Rovinj is therefore usually warm and dry and winter is fresh and humid. The average year temperature is about 16° C, the temperature in January 5° C and in July 22° C.

The precipitation during the year is 940 mm with the maximum in November and December and minimum in July and August. Average year humidity is about 72% and yearly insolation 2.400 hours, with average more than 10 hours of sunny days from May to September. This is completely different from the continental parts of Croatia which are more often covered with clouds in the winter period. On the other

⁴ From the beginning of modern tourism development in Croatia 50 years ago until 2009 Poreč was all the time the biggest tourist resort of Croatia with nearly three million overnights in some years if we take into account the actual area belonging to the town of Poreč. However, it has to be mentioned that the area of the town of Poreč was significantly reduced in the year 2006 with the establishment of new municipalities of Tar-Vabriga and Funtana. Considering a fact that municipality of Tar-Vabriga and partly the municipality of Funtana are functionally a part of Poreč as a destination, Poreč is still overwhelmingly strongest Croatian tourism resort with more than five million overnights per year.

hand, the climate in Rovinj and Istria as a whole is not purely Mediterranean like on the southern coast of Croatia, but with some elements of continental climate visible in higher humidity and cooler winters.

The area belonging to the town of Rovinj is softly hilly with the highest peak Kičer 208 meters above the sea level, located in the northeast part of the town area above Lim channel. The coastline belonging to the town is about 48 kilometers long, from which about 10 kilometers refers to 22 uninhabited small islets, all together having an area less than 100 hectares. The largest are Crveni otok (“Red” island) with 23 hectares and Sveta Katarina (Saint Catherine) with 13 hectares, each having one hotel. The remaining island with some buildings is small islet Sveti Ivan na pučini (“Saint John on the open sea”) with large lighthouse, now used as a location for “Robinson” tourism⁵. The countryside of the area belonging to the town is generally a combination of Mediterranean forest and agriculture areas, belonging to so called “red Istria”⁶.

The area of the town has very high ambient value with seven protected areas with the state status, what is the highest number in the whole Istria. Therefore The Public Institution for the Nature Protection of the whole county of Istria (Javna Ustanova za upravljanje zasticenim dijelovima prirode na podrucju županije Istarske) "Natura Histrica" is located in Rovinj. Lim channel is protected both as important landscape and marine reservation, the coastline south from the town and all the small islets also as important landscape, Palud swamp and nearby Sestrice islands at the southernmost part of the town area as ornithological reservation, abandoned quarry Fantazija as geological monument, Zlatni rt (Golden cape) and Škaraba near the town centre as park forests and cypress alley on the town cemetery as protected group of trees.

Figure 4 - Panorama of Rovinj with St. Katarina Island and marina



Source: www.tzg.rovinj.com

⁵ The majority of the numerous lighthouses on the isolated islands of the Croatian Adriatic are nowadays used as tourism accommodation capacities for the people searching isolation during the summer holiday.

⁶ Popular division of Istria peninsula by nature is into red, grey and white Istria. Western and southern coastal areas with the neighboring interior are known as red Istria due to the red color of the soil «terra rossa», hilly interior with small hilltop towns as grey Istria due to the grey color of flych soil and high mountain areas on the northeast white Istria due to white color of barren limestone rocks.

In the adjacent municipalities of the Rovinj district there is only one separate protected area Datule-Barbariga paleontological reservation (422 hectares) in the coastal part of Bale municipality. The remaining three protected areas are only parts of the protected areas belonging to the town of Rovinj: Rovinj coast in Bale municipality and Lim channel (land and sea part) in Kanfanar municipality.

The cultural heritage is also very rich, the most important being picturesque old town Rovinj on the small hilly peninsula. It is protected as historical urban complex with many other protected monuments - the most important being church of Saint Euphemia on the top of the town.

5. Transport connections

For the geographical position it is important that Rovinj is very close to the main tourist markets in northern Italy, Austria, Slovenia and southern Germany. From the town of Rovinj there are 16 kilometers to Kanfanar junction on the fast road “Istrian Y”,⁷ and from there it is very easy to reach Slovenia, Italy, Austria and the rest of Western and Central Europe. From the main Istrian road junction in Kanfanar near Rovinj the northern arm of the road goes to Slovenia, Italy and Western Europe, the eastern arm to Rijeka, the rest of Croatia and Central and Eastern Europe and the southern arm to the biggest Istrian town Pula. At the moment the southern arm is finished as full four lane motorway, the northern arm is under construction, so that full motorway profile on this section will be finished by the end of year 2012 and the remaining eastern arm is mostly built as a single carriage motorway.

Figure 5 - Lim channel important landscape and marine reservation



Source: www.bikeadventure.ch

⁷ The network of high speed roads in Istria is popularly called «Istrian Y» due to its shape adapted to triangular shape of the peninsula.

There is a plan to build the eastern arm few years later, but it is possible that those plans will be postponed due to economic crisis. The main problem is a passage through Slovenia, where there are 15 kilometers standard road and according to the road building priorities of Slovenia is not likely that it will be converted to motorway very soon. Rovinj is on an approximate six hours drive distance to cities such as Milano, Munich, Vienna, Bratislava, Budapest, Belgrade and less than for hours drive to Venice in Italy or Graz in Austria. Bus connections are good with many direct buses to Pula, Trieste, and Zagreb and daily also to Padua in Italy or Belgrade in Serbia.

Rovinj has relatively good connections with air traffic too. Pula airport is 45 kilometers away from Rovinj and Trieste Ronchi airport about 150 kilometers. Pula airport and especially Trieste airport have good connections with budget airlines, including Ryan air. There is small sport airport in Vrsar across Lim channel, but it is not used for commercial air traffic. Rovinj has also sea connections with high speed boats to Venice, which is about 100 kilometers far away or three hours sailing.

Table 4 - The distance from Rovinj to main cities in surrounding areas

Destination	Country	Distance in km	Approximate travel time in hours
Trieste	Italy	100	1h 40
Venice	Italy	270	3h 50
Milano	Italy	520	5h 40
Firenze	Italy	520	5h 40
Graz	Austria	390	4h 20
Vienna	Austria	570	6h 00
Munich	Germany	590	6h 10
Zurich	Switzerland	790	8h 20
Ljubljana	Slovenia	190	2h 20
Prague	Czech Republic	900	9h 20
Bratislava	Slovakia	620	6h 30
Budapest	Hungary	590	6h 10
Belgrade	Serbia	640	6h 30
Zagreb	Croatia	250	3h 20

Source: www.viamichelin.com

There is a railway connection via rail station in Kanfanar 18 kilometers away from Rovinj on the railroad Pula - Divača – Ljubljana, linking Istria peninsula to Slovenia. Since the travel speed is slow and there are very few trains per day the railroad is not considered as important for Rovinj, although there is a plan to re-establish rail connection from Rovinj to Kanfanar, which existed until the year 1966.

The public transport connections are relatively good, considering the position of Rovinj slightly away from main road network. There are regular direct bus connections approximately every hour to Pula as main town centre in Istria, Rijeka and Croatia's capital Zagreb. They are also regular daily lines to Trieste, Venice and Padua in Italy, to Belgrade and Kikinda in Serbia. Local buses connect city centre with tourist resorts Monsena to the North and Polari to the south, and there is also official taxi service. Biking is popular and there many cycling paths in the area, as well as in the whole Istria.

6. Summary of the general data about the destination

Rovinj is a town on the northern Adriatic coast in the west of Croatia. It is located on the western part of Istria peninsula and belongs to the County of Istria. The area of the town comprises 78 square kilometers with 14.234 inhabitants according to the census of 2001. Rovinj is after Pula the second largest in the county of Istria. The area of the town of Rovinj is surrounded by the sea to the north and and to the west and to the south-eastern side is connected with mainland.

Rovinj serves as central settlement for the neighbouring municipalities of Kanfanar, Bale and Žminj forming the micro region called Rovinjština (Rovinj country) with 291 square kilometers and 14.234 inhabitants according to the census of 2001. The whole county of Istria has an area of 2.813 square kilometers and 206.344 inhabitants according to the census of 2001.

As a tourism destination Rovinj is very clearly separated from the destination Poreč to the north and Pula to the south. To the north there is Lim channel as natural border and to the south there is a long and sparsely inhabited coast. The area covering the town of Rovinj can be considered as equivalent to NUTS 5, the micro region Rovinjština area to NUTS 4 and the county of Istria to NUTS 3.

The county of Istria is by its size and population very close to the average of Croatia and is currently divided into ten towns and 31 municipalities. The biggest town and main economic and cultural centre is Pula with 58.594 inhabitants, located at the southern end of the county and the capital is Pazin located in the geographical centre of Istria with only 4.986 inhabitants. The fourth most important town in Istria is Poreč with 10.448 inhabitants as the main tourist area of the whole Croatia.

Istria and Rovinj belong to more developed parts of Croatia attractive for immigration. Therefore the population of Rovinj is better educated with 15% population older than 15 years with college level or more (Croatia 12 and Istria 13%). The age structure of Rovinj is relatively unfavourable with only 22% of the population under 20 years (Croatia 24 and Istria 22%).

Istria and Rovinj are known as multiethnic areas with the highest share of non Croat population. Rovinj has 34,1% non Croat population. The most important national minority are Italians, representing and 11,4% of total population in Rovinj. Other minorities include Serbs (3,5%), Albanians (2,4%), Bosniaks (1,8%) and 11,7% of nationally undetermined people. The majority (81,9%) speak Croatian as mother tongue, but Italian is spoken by almost all inhabitants of Rovinj regardless of nationality and almost everywhere the signs and inscriptions are written both in Croatian and Italian.

The history of the area was very turbulent due to the position on the crossroads of main European natural and cultural regions. From the natural point of view Istria is on the crossroads of Mediterranean and continental climate and biosphere and from the cultural point of view on the crossroads of the three main European groups of nations - Slavic, Romanic and Germanic. Therefore historical monuments from all important historic periods and styles in Europe can be found here.

The oldest known inhabitants of Rovinj and Istria were Illyrian tribe Histri, which gave the name to the peninsula. The area was conquered by Romans after the second century B.C. and remains part of the Roman Empire and its successor Byzantium Empire until 8th century. In the 7th century Istria was settled by Croatian Slavic tribes, but during the most of the middle ages was a battlefield between Romanic rulers of Aquileia and later Venetian republic in the coastal part and Frankish and later Habsburg rulers in the interior of Istria and on the eastern coast. Therefore the western coastal area including Rovinj is multinational with strong Italian influence and the interior is almost purely Croatian.

After short Napoleon rule at the beginning of 19th century, the whole Istria became a part of Habsburg and later Austro-Hungarian Empire. After the breakup of the Austro-Hungarian empire and short period under Italian rule from 1918 to 1945 Istria became part of Croatia, firstly as one of the republic in Socialist Yugoslavia and after 1991 of the independent Croatia. During the War for independence between 1991 and 1995 Istria was practically untouched. Therefore the tourist activities in Istria and especially in Rovinj did not stop as in many other parts of Croatia. That was also the reason why Istria and the capital Zagreb are today the most developed parts of Croatia.

According to the newest data Rovinj is the biggest Croatian tourist resort with 2.602.580 tourist overnights in 2009. The popularity of Rovinj is based on the attractiveness of the area and on the excellent traffic position in the northernmost and central part of the Mediterranean Sea. The town of Rovinj is very picturesque with well preserved old part and surrounding areas are abundant with nice countryside and many parts of the coastline are in natural condition.

The climate of Rovinj is Mediterranean modified with some continental elements. The summer is warm and dry and winter is fresh and humid. The average temperature in January is 5° C, in July 22° C, and the precipitation during the year is 940 mm. The area belonging to the town of Rovinj is softly hilly with the highest peak Kičer 208 meters above the sea level. The coastline belonging to the town is about 48 kilometers long, from which about 10 kilometers refers to 22 small islets.

There are seven protected areas in the town of Rovinj, the most important being Lim channel and the coastline south from the town as important landscapes. The cultural heritage is also very rich, the most important being picturesque old town Rovinj on the small hilly peninsula protected as historical urban complex.

Rovinj is very close to main tourist markets, connected through Kanfanar road junction 16 kilometers from the town. From there the main connection, partly built as motorway, goes towards north to Slovenia, Italy and Western Europe, towards northeast to Croatia's capital Zagreb and Central and Eastern Europe and towards south to the most important Istrian town Pula. There is approximate six hours drive distance to cities such as Milano, Munich, Vienna, Budapest and less than for hours drive to Venice or Graz. Pula airport is 45 kilometers away from Rovinj and Trieste Ronchi airport about 150 kilometers. There are also sea connections with high speed boats to Venice 100 kilometers far away.

The public transport connections are relatively good, with regular direct bus connections every hour to Pula, Rijeka and Croatia's capital Zagreb. They are also regular daily lines to Italy and Serbia. Local buses connect town centre with tourist resorts Monsena to the North and Polari to the south. Biking is popular and there many cycling paths in the area, as well as in the whole Istria.

II. TOURISM AS A DRIVING FORCE IN DESTINATION

1. The role of tourism in local economy

Istria is together with the city of Zagreb the most developed part of Croatia and Rovinj is regarding economy one of the most developed towns both in Istria and the whole Croatia. Besides highly developed tourism Rovinj is very important industrial centre. Rovinj has one of the strongest Croatian food processing industries dealing with seafood, but the most important industry is tobacco factory TDR (“Tvornica duhana Rovinj”).

TDR is the main cigarette producer in the whole region of southeast Europe and one of the most successful industries in Croatia. The production of tobacco was in 2006 replaced from the factories in the town of Rovinj and another in the Croatian capital Zagreb into very modern new complex in Kanfanar about 15 kilometers from Rovinj, just near to the main traffic junction in Istria. With the approximate investment of more than 130 million Euros this is the biggest single industrial investment in Croatia after its independence.

Figure 6 - Rovinj tobacco factory (tdr) – new factory in Kanfanar



Source: www.nacional.hr

The tourism development in Rovinj is also connected with the TDR, because due to the antismoking campaign TDR has redirected its main activity into tourism. Therefore from 2003 a new big consortium Adris group is formed, with two main components – tobacco industry TDR with branches in countries of former Yugoslavia, Bulgaria and Germany and Maistra Inc. as today the leading hotel company in Croatia. The majority of hotels and other tourist accommodation capacities of Maistra are located in Rovinj and nearby Vrsar on the other side of Lim channel.

The concept of tourism development in Rovinj is relatively unique in Croatia, because the main driving force of development is locally based, but not as the continuation of the previous management and organization in socialist period. It is also an example of privatization process driven by domestic investment,

so the control of the development remains locally based. In the other parts of Croatia domestic owned hotel companies are generally not so successful and foreign owned companies are often not perceived as the part of the local community.

Having in mind that Adris group is managing both the majority of tourism and industrial sector in Rovinj area, it can be considered as the most important stake holder in Rovinj and its surroundings. It is also one of the most successful companies in Istria and in whole Croatia outside the capital Zagreb. Therefore the development of tourism was also successful, what can be illustrated through the analysis of data about tourism for Rovinj and its comparison to Istria and the rest of Croatia, what will be elaborated in following chapters.

2. Accommodation capacities

The structure of accommodation capacities in Rovinj can be considered as typical for the whole Croatia and therefore different from many other Mediterranean countries due to much higher share of additional and seasonal accommodation capacities. On the other hand, there are some elements of the structure of accommodation capacities in Rovinj and the whole Istria that are different from the Croatia's average, what is caused by the unique development pattern of tourism in Istria and Rovinj as it representative.

The specific element for Croatia as a whole is very small share of hotels and similar capacities in comparison with almost all destinations in Europe - about 26% for the whole Croatia, 33% for Istria and 30% for Rovinj, as seen in Table 6. At the same time Croatia has relatively large share of B&B accommodation, what is mainly caused by long tradition from previous socialist period.

In that period it was relatively easy for local population to start business with renting rooms on small scale, but it was complicated to start hotel business due to laws not allowing private ownership of hotels and larger accommodation capacities in general. Therefore practically all hotels and camp sites in socialist Yugoslavia were owned by state or so-called "social" companies.⁸

Since due to the war in 1991 the tourism in Croatia is even today under the numbers in late eighties, there was generally no need to built new accommodation capacities and the former structure is therefore still present. The only important change is disappearance of union and children's rest houses that existed in socialist period and today are mostly abandoned.

Very important accommodation capacities were in camp sites, which were often formed in order to reserve tourist usage of coastal areas and to protect the nature. Also, former Yugoslavia and especially Istria were well known as areas welcoming naturists, so one of the most well known naturists beaches and resorts in the Mediterranean are based in Istria, including Rovinj.

This phenomenon was caused by weaker influence of religious organizations in former socialist Yugoslavia, as opposed to Italy or Greece which were less tolerant to naturists in the period of the seventies of the 20th century. The actual decrease in number of places in camp sites was mainly caused by absence of its usage caused by overall decrease of this type of tourism, but the land dedicated to camp sites in mainly still having the same purpose like before the break-up of Yugoslavia.

For Rovinj and Istria in general it is obvious that the share of accommodation capacities in hotels and similar establishments is larger than in Croatia as a whole, and especially the share of capacities in camp sites - 43% for Rovinj and Istria and only 27% for Croatia as a whole. That is partly caused by tradition of camping in Istria from the seventies and very good conditions for its development – a lot of state owned unused flat land area in the coastal zone and excellent traffic position regarding main markets.

⁸ Yugoslavia's model of socialism was different from Soviet model by so-called "social" ownership of hotel companies, factories, agricultural complexes etc. Although the hotels were formally owned by its workers and local community and there was some interest in profit achievement, basically this system was not seriously different from state ownership in other former socialist countries.

Table 5 - Number of beds in Rovinj, Istria and Croatia from 1989 to 2009

		Year							
		1989	1992	1996	2000	2003	2006	2008	2009
Total beds	total	922.845	534.548	645.942	759.057	840.706	925.882	968.610	969.726
	hotels & similar	206.327	193.618	200.968	199.727	269.083	282.883	287.788	293.365
	camp sites	301.802	266.803	247.881	210.148	197.934	215.156	214.138	219.429
	other ¹⁾	414.716	74.127	197.093	349.182	373.689	427.843	466.684	456.932
Istria	total	275.661	215.328	215.249	228.034	238.550	261.680	263.272	268.490
	hotels & similar	65.717	67.952	72.816	75.667	88.285	89.633	86.681	89.549
	camp sites	130.876	126.250	117.365	106.394	109.599	114.077	113.838	115.851
	other ¹⁾	79.068	21.126	25.068	45.973	40.666	57.970	62.753	63.090
Rovinj district	total	38.289	30.017	33.049	34.400	35.130	40.015	38.820	41.257
	hotels & similar	10.643	10.703	11.376	11.244	11.234	9.834	8.793	10.437
	camp sites	15.800	15.800	17.080	15.747	17.619	17.999	17.553	18.253
	other ¹⁾	11.846	3.514	4.593	7.409	6.277	12.182	12.474	12.567
Rovinj town	total	38.247	29.942	30.469	33.422	33.962	37.983	36.857	39.167
	hotels & similar	10.643	10.703	11.376	11.244	11.234	9.834	8.760	10.404
	camp sites	15.800	15.800	14.680	14.949	16.701	16.403	16.353	17.053
	other ¹⁾	11.804	3.439	4.413	7.229	6.027	11.746	11.744	11.710

(*) other includes mainly bed & breakfast type of accommodation (previously called private accommodation) and some union rest houses (mostly before 1996)

Source: Business intelligence system for tourism Web Site, Institute for tourism Zagreb and Croatian Bureau of Statistics Web Site and special reports for Tourism 1989, 1992 and 1996

Table 6 - Number of beds in Rovinj by category in 2001 and 2009

type of accommodation	2001		2009	
	units	beds	units	beds
hotels ** & ***	6	3114	5	1.673
hotels **** & *****	1	733	3	1.735
apartments	0	0	6	1.453
hotel & tourist resorts	4	6.060	3	3.230
boarding houses & villas	5	187	6	169
nautical ports	1	1.520	2	2.144
camp sites	10	16.243	12	17.053
households	-	6.059	-	11.710
TOTAL	27	33.916	37	39.167

Source: Business intelligence system for tourism Web Site, Institute for tourism Zagreb

It is interesting that Rovinj area is one of the rare in the whole Croatia where the number of capacities in camp sites has not decreased - in a contrary, it has increased not only in comparison with pre war period, but also in recent years. This is caused partly by the very high attractiveness of beaches in Rovinj area, high quality of camp sites and the tendency of keeping the coastal zone in natural condition.

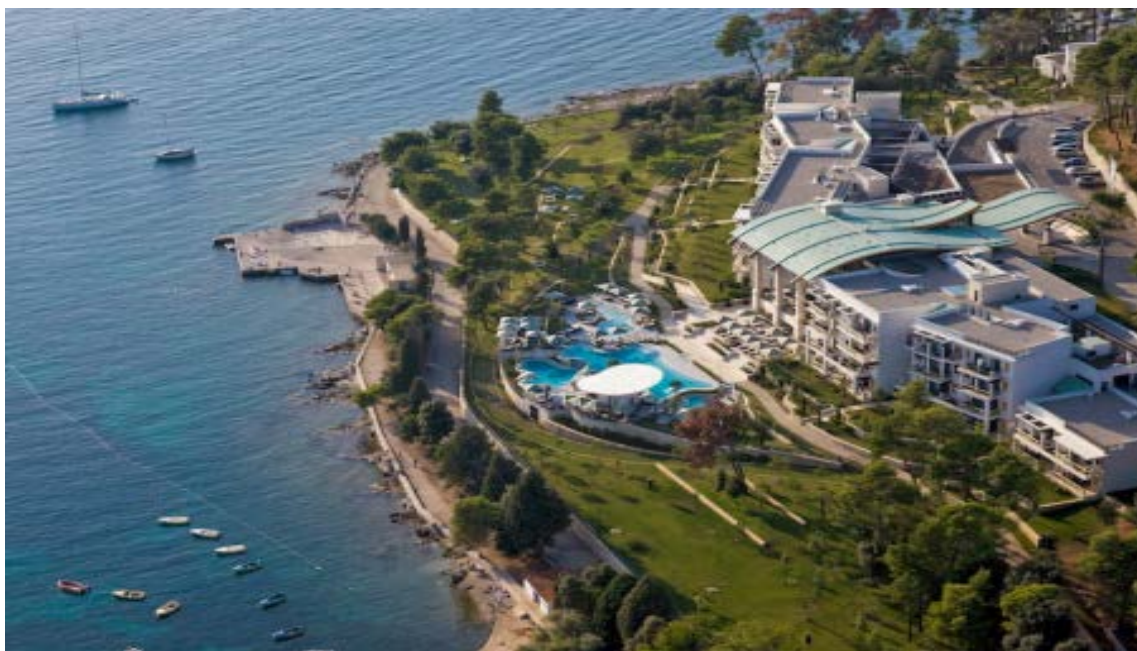
3. Tourism infrastructure

Tourism infrastructure is in Rovinj also on the relatively high level in comparison with the majority of Croatian summer destinations and the accommodation capacities are higher ranked than the average of Croatia and Istria. This is especially visible through the share of hotel beds with four or five stars, which is in Rovinj higher than 50% (1.735 of total 3.408 beds). Such share is in Croatia very rare, because Croatia in general is oriented mainly to three star hotels, with remark that the quality is relatively high and strictly obeyed.⁹ Therefore Rovinj is generally recognized as a quality destination in spite of high total number of visitors.

Another element helping Rovinj to attract more sophisticated visitors then the average of Croatia is its image of an artisan town and an area with attractive cultural life in comparison with many other Croatian destinations. That is clearly visible through the structure of tourists, with predominance of tourists coming from Western European countries, more capable to afford generally higher prices. Very helpful elements for the creation of such image are also very long tourism tradition from the 19th century and the strong urban identity of the town, which enables all year functioning of the many of restaurants, bars etc.

The tourism infrastructure of Rovinj is relatively good, enabling the town to attract various and demanding types of visitors. The spa centre in hotel “Istra” **** on the island St. Andrija is with 1.600 square meters the biggest in Istria and one of the best in Croatia. Very good and luxurious spa centers are located in another two luxurious hotels “Monte Mulin” ***** and “Eden” ****. In the area of Monte Mulin hotel there is a congress centre with maximum capacity of 2.000 persons, and biggest hall with the capacity of 650 persons. The congress centre will be enlarged with the new hotel “Lone” under construction, which will offer another 250 luxurious rooms and the new congress hall, one of the largest on the Croatian Adriatic.

Figure 7 - Monte Mulini Hotel in Rovinj



Source: www.maistra.hr

⁹ The overall condition of four star hotels in Croatia is better than in the neighboring Italy because it is very difficult to reach this status according to the existing legislation, what is causing general perception of Croatian hotels as good.

Rovinj is very popular nautical centre, having well equipped marina located near the town centre. It has 386 berths in the sea, 40 in dry docks, reception, restaurant, nautical shop and services including the shipyard crane of 10 ton load-bearing capacity. The marina is a part of ACI Company, which operates total 21 marinas in Croatia. It is possible to find safe berth also in the town port, but with limited capacity. The town has very strong tradition also as fishermen port, with the old boat “batana” protected as ethnographic heritage.

Sport facilities include numerous tennis courts near larger hotel complexes and camp sites. It is possible to play volleyball, basketball, as well as various water sports, including organization of regattas, paragliding, water ski etc. Very popular is free climbing, both on natural rocks like in Lim bay or on artificial climbing site in the town park.

The most popular type of recreation is still swimming, due to the very high quality of the beaches. It is proved by blue flag status of total five beaches in Rovinj – St. Andrija (on the small island near the town centre), beaches in tourist resorts Villas Rubin and Amarin and beaches belonging to the camp sites Polari and Veštar. Beside those five beaches, there are many beaches in natural conditions, especially in the southern part of the coastline and in nearby coastline in the municipality of Bale of probably higher quality of sea, but without all the facilities necessary to achieve the Blue flag status of the beach.

4. Tourism attractions

Rovinj and its surroundings are considered as one of the most attractive in Istria both from the natural and cultural point of view due to the combination of well preserved natural and cultural heritage. Rovinj is also located on the central point surrounded with the most important natural and cultural attractions of Istria, which are outside Rovinj area - National park Brijuni, Roman Amphitheatre in Pula and Euphrasian basilica in Poreč. National park Brijuni islands located southwards is one of the most popular natural attractions of Croatia famous for beautiful countryside with open air ZOO and villas used by high ranked politicians and celebrities. Amphitheatre in Pula also located southwards is one of the best preserved Roman amphitheatres at all and still in function as festival stage. Finally, Euphrasian basilica in Poreč located northwards from Rovinj is known as unique preserved Byzantine church from 6th century and as the only Istrian UNESCO World Heritage site. All three sites are located less than 40 kilometers distance from Rovinj, so it is located practically in the centre of the most attractive area in Istria.

Table 7 - Areas in the town of Rovinj under state protection

name of protected area	type of protection	Year of designation	area in hectares
Lim channel (land area)	protected landscape	1964	1.040 *)
Lim channel (marine area)	marine reservation	1980	600 *)
Rovinj coast and islands	protected landscape	1968	1.200 **)
Palud/Palu i Dvije Sestrice/ Palud swamp & Sestrice islands	ornithological reservation	2001	219
Fantazija / Cave di Monfiorenzo quarry	geological monument	1987	4
Zlatni rt / Punta Corrente (Golden cape)	park forest	1948	52
Škaraba	park forest	1995	15
Cypress alley on the cemetery	monument of park architecture - group of (115) protected trees	1969	-

Source: The Public Institution for the Nature Protection of the county of Istria "Natura Histrica"

*) includes parts in the municipalities of Vrsar, Sveti Lovreč and Kanfanar

**) includes part in the municipality of Bale

The natural attractiveness of Rovinj comes from the biggest concentration of protected areas in the whole Istria – total seven in the area belonging to the town of 29 in the whole Istria. The most important two are Lim channel and Rovinj coast and islands as large areas protecting unique and beautiful landscapes. For bird watchers there is important ornithological reservation Palud swamp & Sestrice islands and for geologists unique geological monument Fantazija / Cave di Monfiorenzo quarry. There also three protected park areas, one of them (Golden cape) being one of the most important and most beautiful on the whole Adriatic area.

The most well known natural attraction in the town of Rovinj is Lim channel important landscape and marine reservation. Lim channel is approximately 10 kilometers long, 600 m wide, 150 m high and 33 m deep submerged limestone canyon covered with diverse types of macchia. Sea area of Lim channel is rich with various sea fauna and the water is extremely clean due to strict restriction of navigation and building due to its usage for shellfish breeding. Due to its fiord shape it was sometimes wrongly called Lim fiord and used for filming of movies about Vikings. It is very important not only due to its ambient value, but also as a natural oasis in the centre of Istrian Riviera as the area of the biggest concentration of tourism in the whole Croatia. Part of the protected area is 150 m long Romuald cave, known as important paleontological site.

The second important natural attraction is well indented 48 kilometers long coastline belonging to the town of Rovinj with 22 small islets, protected as important landscape. Due to its status, the majority of the coastline is in natural condition with many preserved vegetation species such as Aleppo pine, cedar, cypress, Holm oak.

Very interesting natural attraction is ornithological reservation Palud / Palu swamp together with nearby Sestrice islands on the southern part of town area. There can be found total 218 species of birds, especially various kinds of wild ducks, grebes, coots, warblers and orioles, making this area attractive for bird watchers. Another natural attraction is abandoned quarry Fantazija / Cave di Monfiorenzo protected as geological monument due to a very clear view of limestone sedimentation and stone formation. Therefore it is known as probably the most interesting quarry in Croatia and one of the most interesting in the whole world regarding limestone phenomena.

The remaining natural attractions are park forests Zlatni rt / Punta Corrente (Golden cape) and Škaraba near the town centre and cypress alley on the town cemetery as protected group of trees. Zlatni rt is considered as one of the most beautiful parks on the Croatian Adriatic. It exists from mid 19th century and is known for Himalayan cedars, cypresses and pine trees and today also for organized free climbing and cycling.

Very close to Rovinj is Datule-Barbariga paleontological reservation in nearby coastal part of Bale municipality, well known for remnants of dinosaurs. As mentioned before, the famous Brijuni national park is very close to Rovinj on about 30 kilometers road distance and less than 20 kilometers by boat.

The most important cultural attraction is urban complex of old town of Rovinj on the small hilly peninsula, with completely preserved network of narrow steep streets from the middle ages. It possesses numerous preserved palaces, churches and houses, especially from 16th century. The monuments combine elements of romanesque, gothic, baroque and neoclassic architecture, with partly preserved fortifications on the southern edge. Considering its relatively large size and attractive position it is generally known as the most attractive urban complex in Istria and is therefore obligatory element of all Istrian image brochures. Almost all important protected monuments of the area belonging to the town of Rovinj including the museums are located in old town.

From the monuments in old town the most important is definitely impressive church of Saint Euphemia. This is the most important and the biggest church in town, its symbol and protector. It is located at the top of the old town and is therefore visible from long distance and built in baroque Venetian style. It is originally on that place from 10th century, but existing shape is from early 18th century. The church is 51 m long, 30 m wide and 18 m high. Named to early Christian great martyr Euphemia from 4th century, whose sarcophagus was delivered to Rovinj in the year 800. Its copper statue is located on the top of the church.

Figure 8 - Grisia street in Old Rovinj



Source: www.rovinj.hr

Other attractive monuments include town gates StBenedict's Gate, the Gate under the Wall, the Gate of St. Cross with the town crest and the most attractive former Old Fish Market Gate, presently the Balbi Arch. This arch is a sort of an entrance to the most popular street of the old town – Grisia, famous for the gathering of the artists. From tourist point of view attractive are also old Town clock from the mid-19th century, but originally built in the 12th century and Town Hall, formerly a Praetorian palace from 14th century.

Besides St. Euphemia the most attractive churches are Holy Trinity Church and Franciscan monastery with Church of Saint Francis Assisi. Holy Trinity Church from 13th century is known as the best preserved Romanesque church in Rovinj, used as gallery famous by transenna of Golgotha, and Franciscan monastery by exhibition of various old religious artefacts and very rich library with 12.000 books, some of them from 16 and 17th century.

Two most important museums are Native Museum of the Town of Rovinj and the House of Batana. The Native or Heritage Museum is situated in the baroque palace of the Califfi Counts from the 17th -18th centuries and it is at the same time a town gallery (both old and modern) and a permanent museum with mixed exhibition - archaeology, marine museum, ethnology and antifascist struggle. The most valuable are paintings of ships by Austrian German artist Alexander Kircher in separate room.

House of Batana is a modern multimedia museum with a layout dedicated to the fishermen's tradition of Rovinj and a small wooden boat with a flat surface – the Batana. Along with old fashion folk songs "Bitinada" the workmanship of "Batana" is protected as Croatian immaterial heritage and won first prize on the congress "The Heritage - Excellence Club" on Museum fair on EXPO in Cologne 2009.

There is also a private museum Trani, mini museum Hutterot dedicated to the Austrian entrepreneur Johann Georg Hutterot remembered as founder of Rovinj tourism, and outside the town centre open air museum Croatia in miniature. The cultural heritage is rich also in adjacent municipalities Bale, Kanfanar and Žminj - the most important are historical semi urban complexes of municipal centres Bale and Žminj and old ruin Dvigrad in Kanfanar municipality. Having in mind short distances it is easy to visit big cultural attractions in the rest of Istria, like Poreč with UNESCO World Heritage Site Euphrasian basilica, Roman amphitheatre in Pula, but also Venice, which is only 100 kilometers far away by boat.

5. Other tourism activities

Considering the big importance of cultural tourism and urban atmosphere, Rovinj has well developed additional tourism activities. According to the data from the local tourism organization, in Rovinj there are about 130 different types of establishments serving food, from which about 40 are classic restaurants, 30 taverns, 20 inns, and the rest serving specific type of food (pizzerias, bistros, rotisseries, fast food etc.). There are also about 120 cafes, bars and similar establishments, 35 travel & tourism agencies and 6 car rentals.

There is also large number of units organizing different sport activities, but since they are mostly located in hotels, tourist resorts and camp sites, their exact number is difficult to assess. Therefore it is important to mention that five biggest and most luxurious hotel complexes, two biggest tourist resorts and four biggest camp sites are those offering such activities:

- hotels “Eden”/”Monte Mulin” and “Park” near town centre, “Valdaliso” in resort area north from town centre and “Istra” and “Katarina” (on the islands St. Andrija and Katarina);
- resort “Amarin” north from town centre and resort “Villas Rubin” south from town centre;
- camp sites “Valalta” (for naturists only) and “Amarin” on the northern coast, and “Polari” and “Veštar” on the southern coast.

The most popular sport and recreational activities are tennis, table tennis and bike rental, which can be obtained in almost all hotels and resorts. In the majority of hotels and resorts there are fitness areas, beach volley facilities, boccie, small sided football, handball, basketball, and volleyball fields. It is also possible to rent boats, pedal boats, kayaks and Nordic walking poles. On three locations there are mini golf and speedminton fields, bowling, areas and centers for diving, surfing and sailing. On one to two locations in Rovinj during summer season it is possible to rent banana, parachute and rubber ring rides, water scooters, to practice free climbing on artificial rock and play paintball.

The main problem regarding organization of tourism activities is seasonality. Therefore during five months from the beginning of November to the end of March almost all sport facilities and the majority of restaurants and café bars (practically all outside town area) are closed. The activities, especially those on open air, are seriously reduced also during April and October and many are open only during the peak season in July and August. But this is problem of Croatia’s tourism in general and in the majority of other parts of Croatia’s Adriatic the situation is even worse and the majority of tourism facilities are opened only two to three months, especially outside urbanized areas.

6. Tourism installations’ land coverage

Rovinj as a part of western Istria coast is good example of urban planning from the period of sixties of the previous century, when intensive tourism development has started in former Yugoslavia. This development was subject to relatively strict planning procedures enabling sustainable development of tourism before the term sustainable was in use. The plans from that period are even nowadays used as example of good planning procedures helping Croatia to avoid problems present in many other Mediterranean countries exposed to spontaneous development in the previous century.

The most important elements of this planning were avoiding of building infrastructure near the coastline, especially roads, and formation of relatively large and autonomous tourism resorts outside town areas. This was done in order to avoid frequent commuting between tourist resorts and towns causing traffic congestion and unnecessary transportation. A part of the concept was also reservation of certain areas for future tourism use through designation of such areas for camp sites in order to keep the coastal zone in natural condition. State ownership of land was a useful tool for such planning and that was the reason why Croatia avoided high building concentrations that happened in many other European Mediterranean destinations.

As it is shown on Figure 9, there are four larger and three smaller zones of concentration of tourism facilities in the area belonging to the town of Rovinj, all functioning as separate entities. North from Rovinj there are two large tourist construction zones:

- Monsena closer to the town centre with large tourist resort and camp Amarin; and
- Valalta far to the north near Lim channel with the famous naturist camp, the biggest camp in Rovinj area.

South from Rovinj there is:

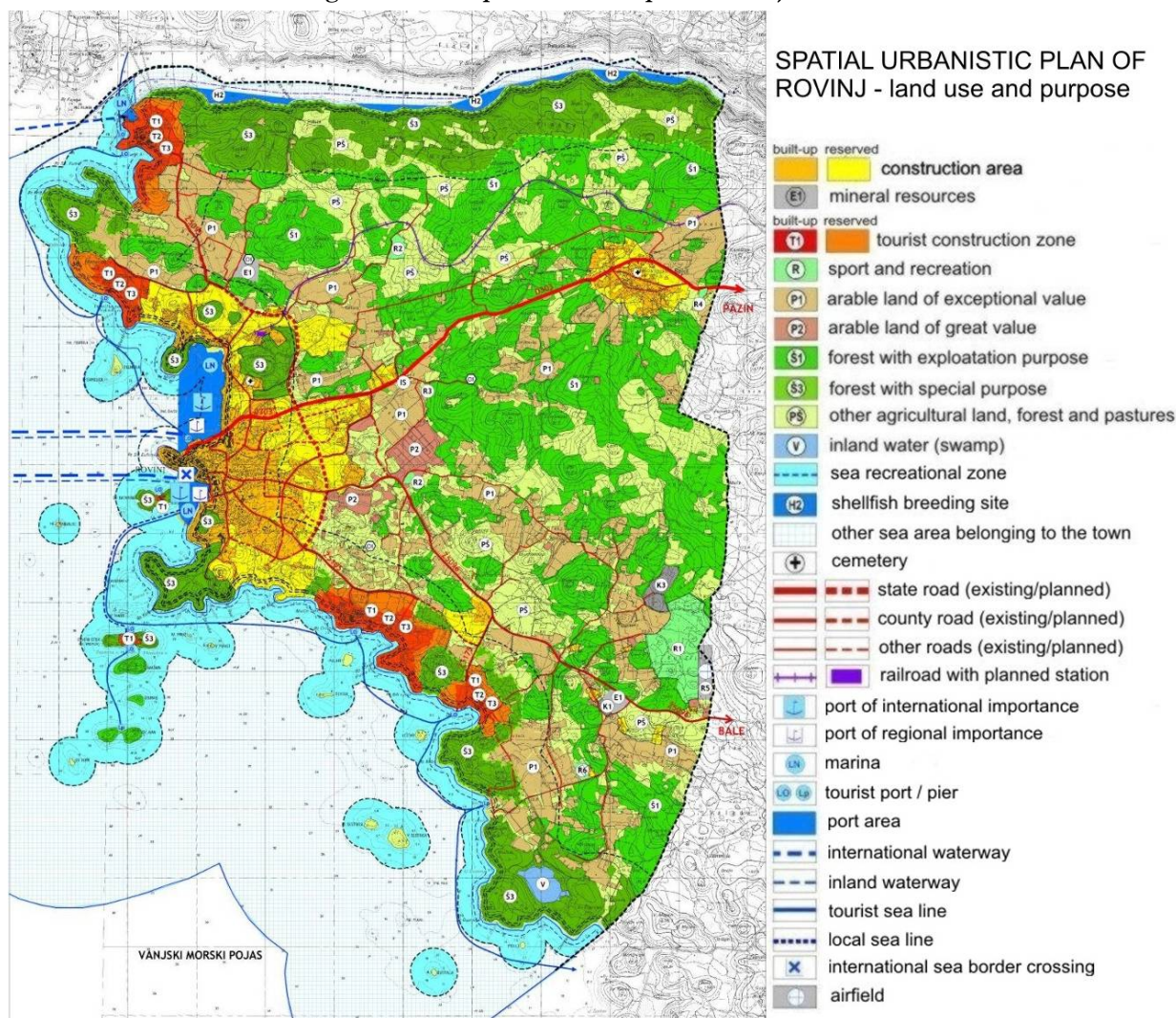
- Polari zone with Villas Rubin tourist resort and Polari camp site; and
- Veštar camp site far to the south.

Three smaller zones are close to the town centre:

- the one includes luxurious hotels “Monte Mulin” and “Eden” and the newest hotel “Lone”, and
- the remaining two zones are two small islands with hotels “Istra” and “Katarina”.

There are also many bed & breakfast accommodation capacities scattered throughout the whole town mixes with regular housing, but they are more often closer to the coastal zone.

Figure 9 - Actual spatial urbanistic plan of Rovinj from 2003



Source: www.rovinj.hr

All four bigger tourism zones are connected with the town centre and state road network with additional roads, so there are no problems with the concentration of car traffic. The central zone of the town is free of car traffic because the whole old town is pedestrian zone, except for locals with special permission, with large parking areas on the northern and southern edge of old town. Therefore Rovinj is good example of tourist destination with high concentration of tourists, but without serious problems of car traffic, both traffic on the movement and traffic at the standstill.

The total area of tourism installations within residential areas relevant to the total area is about 19% (tourist areas to total built-up area). This area represents about 4% of the total area belonging to the town of Rovinj, or about 3,4 square kilometers. It has to be mentioned that areas dedicated for tourism which are still not built are also included, but there are not included some residential areas in the town also used for tourism.-mainly B&B accommodation in the town. If those areas are included the total area of tourism installations will definitely be over 5% of overall territory and if some sport facilities and parks and green areas used often by tourists are included even more.

From broader prospective almost the whole territory of the town of Rovinj is used by tourists because it is easily accessible and without restrictions. Therefore tourists can go practically everywhere, including to uninhabited islands also accessible by boat, and they do so by walking, cycling etc. In Croatia there is still in power a rule of free entrance to the coastline (it can be leased, but not sold to private persons), it is allowed to walk through the countryside even if it is on private land and there are walking paths all over the area. In that sense the only inaccessible areas are small areas around private houses and other built-up properties (which are mostly in the built-up areas), the fields with crops on it and areas which are inaccessible by foot due to steep terrain, dense bushes etc., but such areas are relatively small.

7. The number of night spent and tourism period duration

Before the analysis of tourism development in Rovinj it is necessary to have in mind the overall tourism development in Croatia, which was heavily affected by the war between 1991 and 1995. Therefore it is important to mention that analyses of tourism development in Croatia usually use the year 1989 as basic, because it is considered as the last year of tourism development before economical and political crisis in former Yugoslavia. This crisis followed later by war in 1991, break-up of Yugoslavia and creation of five new states - Croatia, Slovenia, Bosnia-Herzegovina, Macedonia and Serbia & Montenegro as the rest of Yugoslavia. In 2006 the state of Montenegro declared independence and in 2008 former autonomous province of Kosovo separated from Serbia and declared independence. So, there are now seven independent states on the territory of former Yugoslavia, with remark that Serbia has not accepted independent status of Kosovo, as well as many other countries in the World.

The decrease of Croatian tourism, which represented about two third of former Yugoslavia's international tourism, started after 1989 and was not recovered regarding the number of overnights until now. It is important to mention that although the main reason for such a strong decrease was the break-up of former socialist Yugoslavia followed by war, the growth of tourism was stopped before 1991 due to maturity of basically cheap and unsophisticated sun and sea tourism product. According to the continuous positive trends after year 2000 this number would probably be reached in the year 2009, but it was stopped by World crisis, although the consequences were not so drastic in Croatia as in many other countries in the World.

After the war started in 1991 the decrease was catastrophic - the number of total overnights in the whole Croatia dropped from 61,8 millions in 1989 to 10,7 millions in 1991, and the number of foreign overnights from 54,4 to only 7,6 millions, or more than seven times. The recovery started after the year 1996 and the end of the war in Croatia, but was interrupted in 1999 due to NATO bombing of Serbia. After the year 2000 and new elections in Croatia with first democratic change of the government, the growth was continuous until now. In the period between the years 2000 and 2008 Croatia had one of the fastest growth rates of tourism in Europe with more than 6% per year, but the number of overnights before the 1990 was still not achieved.

Table 8 - The number of overnights in Rovinj, Istria and Croatia from 1989 to 2009

		Year							
		1989.	1992.	1996.	2000.	2003.	2006.	2008.	2009.
Total overnights	total	61.848.887	10.724.549	21.455.422	39.182.854	46.635.139	53.006.946	57.103.494	56.299.647
Istria	total	19.743.443	6.197.533	9.509.821	14.439.800	16.213.896	16.968.695	17.965.984	18.130.006
	%	31,9	57,8	44,3	36,9	34,8	32,0	31,5	32,2
Rovinj	total	2.529.007	918.040	1.465.885	2.159.729	2.534.408	2.505.865	2.728.822	2.783.220
District	%	4,1	8,6	6,8	5,5	5,4	4,7	4,8	4,9
Rovinj	total	2.527.533	916.130	1.442.805	2.122.326	2.465.067	2.408.312	2.577.391	2.602.580
Town	%	4,1	8,5	6,7	5,4	5,3	4,5	4,5	4,6
Domestic	total	7.382.597	3.169.783	4.909.796	5.137.622	5.311.991	5.985.002	6.477.972	5.799.030
Overnights	%	11,9	29,6	22,9	13,1	11,4	11,3	11,3	10,3
ISTRIA	total	1.284.121	984.253	781.405	643.231	699.113	767.645	787.612	668.541
	%	17,4	31,1	15,9	12,5	13,2	12,8	12,2	11,5
ROVINJ	total	...	118.797	91.939	69.035	145.056	126.780	114.716	75.676
DISTRICT	%	...	3,7	1,9	1,3	2,7	2,1	1,8	1,3
ROVINJ	total	...	118.797	91.399	67.397	140.870	117.030	109.327	71.201
TOWN	%	...	3,7	1,9	1,3	2,7	2,0	1,7	1,2
FOREIGN	total	54.466.290	7.554.766	16.545.626	34.045.232	41.323.148	47.021.944	50.625.522	50.500.617
OVERNIGHTS	%	88,1	70,4	77,1	86,9	88,6	88,7	88,7	89,7
ISTRIA	total	18.459.322	5.213.280	8.728.416	13.796.569	15.514.783	16.201.050	17.178.372	17.461.465
	%	33,9	69,0	52,8	40,5	37,5	34,5	33,9	34,6
ROVINJ	total	...	799.243	1.373.946	2.090.694	2.389.352	2.379.085	2.614.106	2.707.544
DISTRICT	%	...	10,6	8,3	6,1	5,8	5,1	5,2	5,4
ROVINJ	total	...	797.333	1.351.406	2.054.929	2.324.197	2.291.282	2.468.064	2.531.379
TOWN	%	...	10,6	8,2	6,0	5,6	4,9	4,9	5,0

Source: Croatian Bureau of Statistics Web Site and special reports for Tourism 1989, 1992 and 1996

Istria as the region that was practically untouched by war suffered less damage in tourism than the rest of the Croatia and was therefore the first region that has recovered after the war. The decrease between 1989 and 1991 was almost two times smaller than in the rest of Croatia - from 19,7 million to 6,2 total overnights and from 18,5 to 5,2 millions foreign overnights.

The recovery was not as strong regarding the number of overnights as considering the quality of the accommodation. So, instead of 24% of beds in hotels and similar establishments in 1989 (65.717 of total 275.661) in Istria they represent in 2009 total 33% (89.549 of total 268.490). So, although the share of Istria in Croatian tourism is today almost the same as twenty years ago (about 32%), its financial effect is surely much better in comparison with the rest of Croatia.

Although Istria was among main four Croatian tourism regions (Istria, Kvarner, Dalmatia and Continental Croatia) the most successful regarding financial effects of tourism, the most successful regarding the number of overnights today in comparison with the situation before 1990 is Dalmatia. This Croatia's largest and southernmost coastal tourist region has already exceeded the numbers before the 1990, Istria is near those numbers, but Kvarner and especially Continental Croatia are below the pre war numbers.

Table 9 - The number of overnights in Croatia by nationality from 1989 to 2009

year	total	Croatia	Germany	Slovenia	Italy	Austria	Czech rep. (& Slovakia 89-92)	Netherlands	Slovakia (from 1996)	other countries
1989	61.848.887	7.383.000	15.177.355	6.171.000	5.175.296	3.932.346	1.893.043	2.779.599	-	19.337.248
%	100,0	11,9	24,5	10,0	8,4	6,4	3,1	4,5	0,0	31,3
1992	10.724.549	3.169.783	1.159.476	2.088.897	1.149.196	1.014.203	806.176	105.158	-	1.231.660
%	100,0	29,6	10,8	19,5	10,7	9,5	7,5	1,0	0,0	11,5
1996	21.455.422	4.909.796	3.744.180	2.861.833	2.241.148	2.164.894	2.432.000	377.237	600.416	2.123.918
%	100,0	22,9	17,5	13,3	10,4	10,1	11,3	1,8	2,8	9,9
2000	39.182.854	5.137.622	7.804.139	5.015.481	4.526.444	3.358.250	4.734.095	900.542	1.249.188	6.457.093
%	100,0	13,1	19,9	12,8	11,6	8,6	12,1	2,3	3,2	16,5
2003	46.635.139	5.311.991	11.056.130	5.207.786	5.323.234	3.585.371	4.554.400	1.496.793	1.204.963	8.894.471
%	100,0	11,4	23,7	11,2	11,4	7,7	9,8	3,2	2,6	19,1
2006	53.006.946	5.985.002	10.986.866	5.245.881	5.474.456	4.069.302	3.921.345	1.938.295	1.428.346	13.957.453
%	100,0	11,3	20,7	9,9	10,3	7,7	7,4	3,7	2,7	26,3
2008	57.103.494	6.477.972	10.982.654	5.802.277	5.069.287	4.164.793	4.122.460	2.334.993	1.927.093	16.221.965
%	100,0	11,3	19,2	10,2	8,9	7,3	7,2	4,1	3,4	28,4
2009	56.299.647	5.799.030	11.450.766	5.635.477	5.135.275	4.514.902	4.020.096	2.446.431	2.000.420	15.297.250
%	100,0	10,3	20,3	10,0	9,1	8,0	7,1	4,3	3,6	27,2

Source: Business intelligence system for tourism Web Site, Institute for tourism Zagreb and Croatian Bureau of Statistics Web Site and special reports for Tourism 1989, 1992, 1996 and 2000

The main reason for the growth in Dalmatia in spite of biggest damages from the war was the building of motorway from Zagreb to Dalmatia, so this part of Croatia is now much better accessible by car from the rest of Europe. At the same time the structure of accommodation capacities in Dalmatia is less favourable than in Istria with low share of hotels and similar establishments and even lower share of tourists coming from Western Europe.

Kvarner region, located between Istria and Dalmatia, had the slowest growth of all coastal regions because the accessibility from the tourist point of view did not change so much, the privatization of main tourism companies was not so successful as in Istria and the region was exposed to excessive building of secondary homes¹⁰. The continental tourism in Croatia decreased even more, due to its primarily orientation on business tourism and mainly domestic and former Yugoslav market before 1991. This market is today drastically reduced due to the downfall of many industries, big decrease of former Yugoslav market as a consequence of war and dissolution of the State, and due to motorway building, what has enabled making business trips possible without realizing overnights.

¹⁰ Although the motorway Zagreb - Rijeka was also built, its effect on tourism was not so big as the motorway to Dalmatia due to predominant orientation of Kvarner region to Western European tourists coming from the direction of Trieste and Ljubljana. The fact that this motorway shortened the travel between between Croatia's capital Zagreb and its main port Rijeka helped the overall economy, but also the building of secondary residences for the people from Zagreb.

Those changes are visible also through actual much higher share of tourists coming from Western Europe in Istria than in the rest of Croatia - in 2009 in Istria there were 96,3% foreign overnights, from which four main nations are Germans (29,0%), Italians (12,4%), Slovenians (11,3%) and Austrians (11,2%). In the Croatia as a whole foreign overnights represent 89,7% of total, with four main nations being also Germans (20,3%) Slovenians (10,0%), Italians (9,1%) and Austrians (8,0%), but all with lower percentage. At the same time Istria has much lower share of tourists coming from other countries of Central and Eastern Europe, especially Czech Republic, Poland, Hungary and Slovakia, than the rest of Croatia.

Table 10 - The number of overnights in Istria by nationality from 1989 to 2009

year	total	Croatia	Germany	Slovenia	Italy	Austria	Czech republic	Netherlands	Slovakia	other countries
2003	16.213.896	699.113	5.125.754	1.973.721	2.358.438	1.804.756	890.377	1.083.354	155.079	2.123.304
%	100,0	4,3	31,6	12,2	14,5	11,1	5,5	6,7	1,0	13,1
2006	16.968.695	767.645	4.899.211	1.758.981	2.301.360	1.804.987	612.644	1.336.643	153.411	3.333.813
%	100,0	4,5	28,9	10,4	13,6	10,6	3,6	7,9	0,9	19,6
2008	17.965.984	787.612	4.967.708	1.930.216	2.240.802	1.786.876	650.180	1.570.840	188.049	3.843.701
%	100,0	4,4	27,7	10,7	12,5	9,9	3,6	8,7	1,0	21,4
2009	18.130.006	668.541	5.262.690	2.049.286	2.255.230	2.024.392	638.084	1.647.216	203.415	3.381.152
%	100,0	3,7	29,0	11,3	12,4	11,2	3,5	9,1	1,1	18,6

Source: Business intelligence system for tourism Web Site, Institute for tourism Zagreb and Croatian Bureau of Statistics Web Site and special reports for Tourism 1989, 1992, 1996 and 2000

Rovinj has followed the model of the whole Istria, but it was even more successful, as well as nearby Vrsar, where the most of tourism resources are managed by Maistra company as a part of Rovinj Adris group. Rovinj and Vrsar are therefore two only big tourist destinations in Croatia showing higher number of overnights today than before 1990. The crisis in 2009 has left Rovinj and the most of Istria practically untouched, what can be illustrated with fact that the number of total overnights in comparison with the 2008 raised 1,0% in the town of Rovinj, and 2,0% in the former district of Rovinj and 0,9% in the County of Istria. At the same time in Croatia as the whole the number of overnights decreased 1,4%.

Table 11 - the number of overnights in Rovinj by nationality from 1989 to 2008

year	total	Croatia	Germany	Slovenia	Italy	Austria	Czech republic	Netherlands	Slovakia	other countries
2003	2.465.067	140.870	813.264	113.253	411.824	331.619	116.294	147.845	28.397	361.701
%	100,0	5,7	33,0	4,6	16,7	13,5	4,7	6,0	1,2	14,7
2006	2.408.312	117.030	740.720	88.222	363.667	295.218	64.116	219.608	16.746	502.985
%	100,0	4,9	30,8	3,7	15,1	12,3	2,7	9,1	0,7	20,9
2008	2.577.391	109.327	789.312	106.636	364.205	291.188	47.912	290.180	23.175	555.456
%	100,0	4,2	30,6	4,1	14,1	11,3	1,9	11,3	0,9	21,6
2009	2.602.580	71.201	846.081	109.069	373.225	330.190	49.111	305.877	23.898	493.928
%	100,0	2,7	32,5	4,2	14,3	12,7	1,9	11,8	0,9	19,0

Source: Business intelligence system for tourism Web Site, Institute for tourism Zagreb and Croatian Bureau of Statistics Web Site and special reports for Tourism 1989, 1992, 1996 and 2000

The serious increase of the number of overnights between 2008 and 2009 in the area of the former district of Rovinj is caused mainly by the increase of overnights in households in the two rural municipalities in the interior Kanfanar and Žminj Also the structure of tourists by nationality is showing the attractiveness of Rovinj for the Western European tourists, because the share of Germans (32,5%), Italians (14,3%) and Austrians (12,7%) as three main nations is much higher in Rovinj than in the rest of Istria and especially in Croatia as a whole.

From the numbers shown in Table 9, Table 10 and Table 11, it is also clear that almost all capacities and tourist demand refer to the town of Rovinj, and very few to the adjacent municipalities of Bale, Kanfanar and Žminj, covering the former district of Rovinj. Therefore in the following chapters the data about the tourism supply and demand will be discussed only for the town Rovinj and Istria, and not any more for the former big municipality (district) of Rovinj. Nevertheless, although the total numbers are small in the last few years the tourism has seriously increased in the interior of Rovinj area i.e. municipalities of Bale, Kanfanar and Žminj. The growth of tourism in the rural interior is general tendency in Istria as a whole and is a good indicator of the overall change of tourism product from sun & sea to more diverse model adapted to various types of tourist demand.

8. Seasonality issues and tour operators importance

Arrivals of tourists in Rovinj follow the number of overnights regarding growth rates. The average length of stay or trip duration in Rovinj is 6,9 days for foreign tourists and 3,5 days for domestic tourists. Such trip duration is slightly smaller than in the year 2000 when it was 7,1 day for foreign tourists and 4,0 days for domestic tourists and is similar to Istria as a whole. This is probably caused by the general world trend of shorter holidays.

The main problem of tourism in Rovinj as well as in the whole Croatia is extremely high seasonality, what is visible by the fact that 96,1% of foreign and 76,7% of domestic overnights are made in only five months of peak season from May to September. During five winter months from November to March the area is almost free of tourists, since in this period are realized only 0,6% of foreign and 13,2% of domestic overnights. Such structure shows additional problem of tourism in Rovinj, and this is extremely strong orientation on foreign tourists, representing 97,3% of total tourists.

Table 12 - Basic tourism indicators for Croatia, Istria and town of Rovinj in 2009

	Croatia	Istria	Rovinj
hotel beds **** & *****	46.282	10.189	1.735
arrivals	1.636.967	289.574	40.456
nights spent	5.573.897	1.388.001	210.008
occupancy rate %	33,0	37,3	33,2
average trip duration	3,41	4,79	5,19
hotel beds *, ** & ***	82.717	20.802	1.199
arrivals	2.437.535	538.512	43.076
nights spent	9.211.646	2.666.714	197.288
occupancy rate %	30,5	35,1	45,1
average trip duration	3,78	4,95	4,58
beds in rental houses	70.556	38.266	4.797
arrivals	759.738	393.330	49.697
nights spent	4.923.889	2.612.919	294.120
occupancy rate %	19,1	18,7	16,8
average trip duration	6,48	6,64	5,92

Source: Business intelligence system for tourism Web Site, Institute for tourism Zagreb

From the data shown below it is obvious that seasonality problem in Rovinj is even bigger than in the rest of Istria, what is caused by very strong orientation on summer holiday tourism and high share of camp sites. That is clear if we take into account average occupancy rate in Rovinj, which is only 121 days or 33% for hotels with over standard rating as usually the best used type of accommodation, and for Istria it is 136 days

or 37%. It is interesting that the occupancy rate in Rovinj is much better for hotels of standard and under standard rating, what is caused by their stronger use by domestic tourists, especially for business purposes and outside summer season.

The tourism period duration in Rovinj as in the majority of Croatian coastal tourist resorts is therefore seven months – usually the season starts with the Easter holidays or at the beginning of April and ends by the end of October. In many coastal areas outside larger towns as well as for complementary accommodation capacities in B&B and in camp sites the season is even shorter - usually four to five months (from May or June to September) and in some cases only two months (July and August).

Table 13 - The number of visitors in Rovinj, Istria and Croatia from 1989 to 2009

		Year							
		1989.	1992.	1996.	2000.	2003.	2006.	2008.	2009.
Total visitors	total	9.669.804	2.009.604	3.898.853	7.136.554	8.877.978	10.384.921	11.260.807	10.934.474
Istria	total	2.256.164	896.025	1.390.644	2.162.538	2.436.799	2.575.090	2.729.618	2.755.269
	%	23,3	44,6	35,7	30,3	27,4	24,8	24,2	25,2
Rovinj	total	287.498	129.246	195.685	313.042	385.472	358.597	396.426	416.614
District	%	3,0	6,4	5,0	4,4	4,3	3,5	3,5	3,8
Rovinj	total	287.324	129.112	192.775	306.991	371.285	342.981	370.481	386.863
Town	%	3,0	6,4	4,9	4,3	4,2	3,3	3,3	3,5
Domestic	total	4.049.037	738.749	1.249.429	1.305.374	1.469.388	1.726.045	1.845.702	1.599.652
Visitors	%	41,9	36,8	32,0	18,3	16,6	16,6	16,4	14,6
Istria	total	853.352	173.593	171.758	146.510	160.995	189.013	203.910	167.287
	%	21,1	23,5	13,7	11,2	11,0	11,0	11,0	10,5
Rovinj	total	...	22.847	23.390	17.101	32.139	24.836	28.507	21.498
District	%	...	3,1	1,9	1,3	2,2	1,4	1,5	1,3
Rovinj	total	...	22.847	23.328	16.854	31.261	24.110	27.444	20.551
Town	%	...	3,1	1,9	1,3	2,1	1,4	1,5	1,3
Foreign	total	5.620.767	1.270.855	2.649.424	5.831.180	7.408.590	8.658.876	9.415.105	9.334.822
Visitors	%	58,1	63,2	68,0	81,7	83,4	83,4	83,6	85,4
Istria	total	1.402.812	722.432	1.218.886	2.016.028	2.275.804	2.386.077	2.525.708	2.587.982
	%	25,0	56,8	46,0	34,6	30,7	27,6	26,8	27,7
Rovinj	total	...	106.399	172.295	295.941	353.333	333.761	367.919	395.116
District	%	...	8,4	6,5	5,1	4,8	3,9	3,9	4,2
Rovinj	total	...	106.265	169.447	290.137	340.024	318.871	343.037	366.312
Town	%	...	8,4	6,4	5,0	4,6	3,7	3,6	3,9

Source: Croatian Bureau of Statistics Web Site and special reports for Tourism 1989, 1992 and 1996

General dependence of tourism in Rovinj and Croatia on tour operators is very low. Although there are no exact data, the share of tourists coming to Rovinj by air is very small and of those coming by charter flights even smaller. The main reason is traffic position, so the big majority of tourists are coming by car. Another reason is very small share of hotels and similar capacities which are generally more oriented towards tour operators.

9. Summary of the tourism issues

Rovinj is regarding economy one of the most developed towns in Istria and in the whole of Croatia. Besides highly developed tourism Rovinj is very important industrial centre with tobacco factory TDR as the main cigarette producer in the whole region of southeast Europe. Due to the antismoking campaign TDR has redirected its main activity into tourism and formed in 2003 a new big consortium Adris group, now the most important stake holder in Rovinj and its surroundings and one of the most successful companies in Croatia. Adris group has two components - tobacco industry TDR and Maistra Inc. as today the leading hotel company in Croatia. The majority of tourist accommodation capacities of Maistra are located in Rovinj and nearby Vrsar.

The concept of tourism development in Rovinj is relatively unique in Croatia, because the main driving force of development is locally based. The privatization process after fall of socialist system is driven by domestic investment, so the control of the development remains locally based. The successfulness of this model of tourism development can be proved with better results in the last five years than most other similar companies both regarding number of overnights and income from tourist business.

The structure of accommodation capacities in Rovinj can be considered as typical for the whole Croatia by much higher share of additional and seasonal accommodation capacities, especially camp sites and B&B accommodation inherited from previous socialist period. Very high percentage of accommodation in camp sites in Rovinj (43%) is partly caused by tradition of camping in Istria from the seventies, a lot of state owned unused flat land area in the coastal zone and high attractiveness of beaches, especially for naturists as a specific interest group.

The share of hotels and similar capacities is about 26% for the whole Croatia, 33% for Istria and 30% for Rovinj. Since due to the war in 1991 the tourism in Croatia is still under the numbers in late eighties of the previous century, there was generally no need to built new accommodation capacities. The share of hotel beds with four or five stars in Rovinj is much higher than in the rest of Croatia (slightly over 50%), so Rovinj is generally recognized as a quality destination. It is also known as an artisan town with long tourism tradition from the 19th century and an area with attractive cultural life. That is visible through the structure of tourists, with predominance of tourists coming from Western European countries as opposed to other parts of Croatia with higher share of tourists from Central and Eastern Europe.

Rovinj is also very popular nautical centre with well equipped marina. it is well known for its spa facilities, congress centre and various sport facilities (tennis courts, volleyball & basketball fields, possibilities for sailing, paragliding, water ski, free climbing etc). The most popular type of recreation is still swimming, due to natural state of the majority of coastline and very high quality of the beaches, five of them having Blue flag status.

Besides high quality of tourism suprastructure and infrastructure, Rovinj is considered as probably the most attractive tourist destination in Istria both from the natural and cultural point of view. In Rovinj there are more protected natural areas than in any other coastal town in Istria and its urban core is considered as the most attractive in the whole Istria. There are total seven protected natural areas – the most important are Lim channel and Rovinj coast with adjacent islands as important landscapes - large areas protecting unique and attractive landscapes. There is one ornithological reservation Palud swamp, unique geological monument Fantazija quarry and three attractive protected park areas, one of them (Golden cape) often listed as the most beautiful park on the whole Adriatic area.

The most important cultural attraction of the town is the urban complex of old Rovinj on the small hilly peninsula, with narrow steep streets from Middle Ages, numerous preserved palaces, churches and houses. Considering its size and position it is obligatory element of all Istrian image brochures. The most important monument is impressive church of Saint Euphemia located at the top of the old town, originally from 10th century and with existing shape from 18th century. The most popular street of the old town is Grisia, famous for the gathering of the artists. Among many museums the most original is House of Batana, dedicated to the fishermen's tradition of Rovinj and a small wooden boat the Batana.

Rovinj has well developed restaurant offer with 130 different types of establishments serving food and about 120 cafes, bars and similar establishments. In the town there are 35 travel & tourism agencies and 6 car rentals. There is also a large number of units organizing different sport activities, mostly located in hotels, tourist resorts and camp sites. The main problem regarding organization of tourism activities is seasonality. During five months from November to March almost all sport facilities and the majority of restaurants and café bars are closed and during April and October seriously reduced.

Very important reason for the successful tourism development in Rovinj is good planning system inherited from the period about fifty years ago, enabling sustainable development of tourism before the term sustainable was in use. The main elements of this planning were avoiding of infrastructure building near the coastline and formation of relatively large and autonomous tourism resorts outside town areas in order to avoid traffic congestion and unnecessary transportation.

Figure 10 - The town of Rovinj – tourist infrastructure and attractions



There are four larger and three smaller zones of concentration of tourism facilities in the area, all functioning as separate entities. North from Rovinj there is Monsena zone closer to the town centre with large tourist resorts and camp and Valalta zone far to the north with the famous naturist camp. South from Rovinj there is Polari zone with Villas Rubin tourist resort and camp and far to the south Veštar camp site. One of the three smaller zones is inside the town with all the luxurious hotels and the remaining two on small islands, each with one hotel only.

The central zone of the town is free of car traffic with large parking areas on the northern and southern edge of old town. Therefore Rovinj is good example of tourist destination with high concentration of tourists, but without serious problems of car traffic. The total area of tourism installations within residential areas relevant to the total area is about 22% and this area represents about 4% of the total area belonging to the town of Rovinj, or 3,4 km². This area is larger if we take into account B&B accommodation located inside the urban zone and some sport facilities used for tourism. The area used for tourism purposes is not seriously changed from the late eighties of the previous century due to the catastrophic decrease in 1991 caused by the war, when the number of total overnights in the whole Croatia dropped from 61,8 millions in 1989 to only 10,7 millions in 1991.

The recovery of Croatian and Rovinj tourism started after year 1996 and the end of the war and increased after the year 2000 and first democratic change of the government in Croatia. In the period between the years 2000 and 2008 Croatia had one of the fastest growth rates of tourism in Europe. Istria as the region that was practically untouched by war and it was the first region that has recovered. The recovery included also the rise of the quality of the accommodation, causing better financial effect with the same number of tourists, visible through much higher share of tourists coming from Western Europe than in the rest of Croatia.

Rovinj has followed the model of the whole Istria, but it was even more successful, being one of the rare bigger destinations in Croatia showing higher number of overnights today than before 1990. The crisis in 2009 left Rovinj and the most of Istria practically untouched, since the number of total overnights in comparison with the 2008 raised 1,0% in spite of the crisis. Arrivals of tourists in Rovinj followed the number of overnights and generally show the average length of stay or trip duration in Rovinj of 6,9 days for foreign tourists and 3,5 days for domestic tourists.

The main problem of tourism in Rovinj as well as in the whole Croatia is extremely high seasonality, visible by fact that 96,1% of foreign and 76,7% of domestic overnights are made from May to September. The tourism period duration is seven months - usually the season starts with the beginning of April and ends by the end of October. Additional problem of Rovinj is extremely strong orientation on foreign tourists representing 97,3% of total tourists.

Seasonality problem in Rovinj is even bigger, what is caused by very strong orientation on summer holiday tourism and high share of camp sites. This unfavourable condition is partly compensated with higher profits in summer due to small dependence of tourism on tour operators. The main reasons are good accessibility by road and small share of hotels and similar capacities more oriented towards tour operators.

III. Results and performance of tourism

Tourism socio-economic and environmental results will be assessed partly according to the existing data and partly according to the assumptions, due to the problem of assessing data on the local level. Some data, especially those regarding human activities will be based on the census 2001, because there will be no new data before the year 2012 from the scheduled census of the population 2011. The main reason for the lack of data is the new administrative system in Croatia with smaller administrative units than before 1991, when many data were collected for 102 larger municipalities (districts) equivalent to NUTS 4. Today the data collected for 70 towns and 419 municipalities equivalent to NUTS 5 are only the basic ones¹¹.

1. Tourism results on local economy

Although there are few concrete numeric data showing effects of tourism for local economy, all the additional compulsory data are showing undoubtedly positive effects of tourism on the economy of Rovinj and Croatia in general. After City of Zagreb with 16.766 Euros per capita, Istria is with 12.463 Euros per capita the second county in Croatia regarding GDP per capita and is treated as developed area as a whole. Together with Zagreb and another two coastal counties of Primorje-Gorski kotar and Dubrovnik-Neretva, the county of Istria is showing higher GDP than the average of Croatia of 9.655 Euros per capita according to the data from Croatian Bureau of statistics for the year 2007¹².

Table 14 - Average daily expenditure of tourists in Croatia by county in 2007 (in euros)

br.	county	Total	Accommodation	Food & drink	Shopping	other
1.	ISTRIA	59,6	23,0	16,0	10,6	10,0
2.	PRIMORJE-GORSKI KOTAR	46,3	19,1	12,2	9,6	6,4
3.	LIKA-SENJ	44,2	18,4	14,2	7,4	4,2
4.	ZADAR	43,3	20,6	9,5	6,8	6,4
5.	SIBENIK-KNINSKA	46,7	22,3	12,2	7,1	5,1
6.	SPLIT-DALMATIA	59,1	23,8	17,7	9,8	7,8
7.	DUBROVNIK-NERETVA	87,9	37,7	26,2	12,5	11,5
	CROATIA	55,5	23,0	14,9	9,5	8,0

Source: TOMAS 07, Attitudes and expenditures of tourists in Croatia in summer 2007, Institute for tourism, Zagreb 2008

The general positive effects of tourism on the local economy are very clear, because afore mentioned coastal counties are also the counties with the strongest tourism development. For Rovinj as a town the precise data regarding GDP per capita were not available, but considering revenues from the companies and small entrepreneurs the town of Rovinj was all the time one of the most developed in Croatia. The main reason is location of the “Adris” group, consisted of tobacco industry TDR and “Maistra” tourism company, as one of the most successful Croatian companies, in Rovinj. Among ten most developed towns and municipalities in Croatia there are usually five most developed tourist destinations in Istria – Rovinj, Novigrad, Umag, Poreč and Pula, the most well known Dalmatian and Croatian tourist destination the town of Dubrovnik, and some island towns like Krk, Cres or Hvar where tourism is dominant activity.

¹¹ Larger amount of data is collected for 20 counties and the city of Zagreb with county status equivalent to nuts 3, and that includes all data about economy.

¹² The GDP per capita for the city of Zagreb is exaggerated and of all other counties a little bit diminished due to a fact that many large state companies have a seat in Zagreb as a capital of the whole country. Therefore the GDP generated from such companies (telecommunications, energy and water distribution, petrol production etc.) is registered in Zagreb, although many branches and employed people are distributed all over Croatia. In that sense the overall development of “tourist” areas is higher than the actual number are showing.

It is very important to mention that in comparison with the situation before 1991, the situation has additionally changed in favour of areas with tourism, due to the closure of many industrial complexes, decrease of revenues from transport or damages in war. Therefore some towns with strong industries or important ports like Rijeka, Ploče, Vukovar or Šibenik have disappeared from the list of most developed parts of Croatia. On the other hand, tourism is considered as probably the healthiest part of Croatian economy and as an area where Croatia is competitive on the European market, as opposed to many other activities.

Another important aspect of tourism is its role in export-import balance of Croatia, because due to disproportion between high imports and low exports in Croatia tourism is often seen as a magic tool for the assuring the necessary import revenues for the whole country. The problem is Croatia's orientation to tourists with low expenditure habits, what is visible from the Table 14 and information about the average daily expenditure. This expenditure is generally low in comparison with many other tourist destinations in the Mediterranean, what is a consequence of extremely large share of tourists coming by car and low share of tourists spending their holiday in the hotels and similar establishments.

Although the total expenditure is relatively low, high share of this expenditure remains in the local community and therefore there is high interest of local small entrepreneurs to retain the structure of accommodation capacities as it is. At the same time foreign investments are often criticized in a way that the profit from tourism will be extracted out from the country. Along with some dubious investments in the post-war period in the past, this is one of the reasons for strong opposition to new investment in Croatia's tourism in the last twenty years.

Table 15 - Average daily expenditure of tourists by type of accommodation facility in Istria county in 2007 (in euros)

	Total	Hotels	Tourist resorts	Campsites	B & B
Average daily expenditure	59,6	100,4	64,2	43,6	55,9
Hospitality services	39,0	70,8	43,7	25,9	37,1
Accommodation	23,0	39,0	27,5	15,9	21,2
Food within accommodation services	5,6	18,7	6,5	1,6	1,0
Food outside accommodation services	7,2	6,0	7,1	6,1	12,3
Beverages	3,3	7,1	2,7	2,3	2,6
Shopping	10,5	13,8	9,6	9,4	11,4
Food	4,2	2,7	3,7	4,1	6,8
Beverages	1,8	3,4	1,4	1,5	1,6
Clothes and footwear	2,6	4,5	2,8	2,2	1,6
Other	1,9	3,1	1,8	1,6	1,4
Other services	10,0	15,8	10,9	8,3	7,5
Sport, recreation and entertainment	3,4	4,8	4,0	3,0	2,4
Culture	1,8	2,8	2,1	1,5	1,4
Excursions	3,9	6,7	3,8	3,1	3,1
Other	0,9	1,5	1,0	0,7	0,6

Source: TOMAS 07, Attitudes and expenditures of tourists in Croatia in summer 2007, Institute for tourism, Zagreb 2008

It is interesting that in spite of the generally higher quality of tourism in Istria in comparison with the rest of Croatia, the average daily expenditure in Istria is close to the Croatian average or even lower than in southern Dalmatia. This is caused partly by very high share of camp sites in Istria, but also with higher share of transport costs of tourists going to the south of Dalmatia, as the only part of Croatia with slightly higher share of tourist coming by air. Absolutely the highest expenditure in the county of Dubrovnik-Neretva is caused by the fact that Dubrovnik as its main resort is one of the rare Croatian expensive destinations and is at the same time predominantly air oriented.

There is a more detailed analysis of the expenditure in the county of Istria, showing significantly higher daily expenditure in hotels than in other forms of accommodation. That is mainly caused by the higher share of hospitality services and accommodation by the guests in hotel accommodation, although hotel guests generally spend more than other guests. This is especially a case with the expenditure for beverages, shopping, excursions and various services. The only exception is expenditure for food outside the accommodation, what is caused by usage of half pension and full pension in hotel accommodation as opposed to tourist resorts and especially bed & breakfast accommodation. They are no separate data for Rovinj, it can be assumed that the expenditure is close to the average of Istria or is slightly higher.

2. Tourism effects on employment and society

The influence of tourism on the local economy is in Rovinj very strong, what is clearly visible through its share in total local economy. This share is slightly larger than 20%, but considering the influence of tourism on the whole economy of Rovinj, it is really much higher due to bigger needs for employment in other service activities, especially commerce, transport and banking. The share of tourism in the economy is in Rovinj also larger than in Istria and especially Croatia average, where in spite of big importance of tourism the share of employees is only 5%. It is also interesting that almost all other sectors in Rovinj are proportionally smaller in comparison with the rest of Croatia, including industry which also plays important role in local economy of Rovinj.

The share of employed population in total population is in Rovinj close to 40%, what is slightly higher than Istrian and seriously higher than Croatian average of only 35%. The share of employed women in Rovinj is with 45,8% also slightly larger than Istrian and especially Croatian average, and is also one of the indicators of higher overall level of development of Rovinj and more diverse job offer.

Although there were no recent data about the employed population for the whole area of Rovinj, there were data about the Maistra company for the year 2009. Considering the assumptions that Maistra is employing nearly two thirds of total employees in tourism for Rovinj, those data are very indicative for the whole Rovinj¹³. According to the data from the company, the total number of employees of Maistra in the year 2009 was 1.150, from which 850 refer to the area of Rovinj and remaining 300 mainly to the employees in the municipality of Vrsar north from Rovinj. Maistra company is owning the majority of tourist establishments in the area and therefore the results of the company can be used as representative for the study area and partially for the whole Istria.

¹³ Relatively low number of employees in tourism in the town of Rovinj outside Maistra company is caused by a fact that the large share of owners of B&B accommodation are also employed in Maistra or have some other job or are sometimes listed as unemployed.

Table 16 - Population of Rovinj and Istria according to sectors of Employment in 2001

administrative unit	Rovinj town	The county of Istria	Croatia
total population	14.234	206.344	4.437.460
employed population	5.668	79.876	1.553.643
women	2.598	35.601	682.589
agriculture and fisheries	287	3.698	175.262
industry, construction, mining ,energy production	1.294	23.057	410.519
commerce, banking, insurance and transport	1.400	21.804	405.122
tourism	1.162	9.823	80.764
administration, education, health services etc.	1.135	14.997	335.951
abroad and unknown	390	6.497	146.025
women %	45,8	44,6	43,9
agriculture and fisheries %	5,1	4,6	11,3
industry, energy production, mining, construction %	22,8	28,9	26,4
commerce, banking and transport %	24,7	27,3	26,1
tourism %	20,5	12,3	5,2
administration, education, health services etc. %	20,0	18,8	21,6
abroad and unknown %	6,9	8,1	9,4

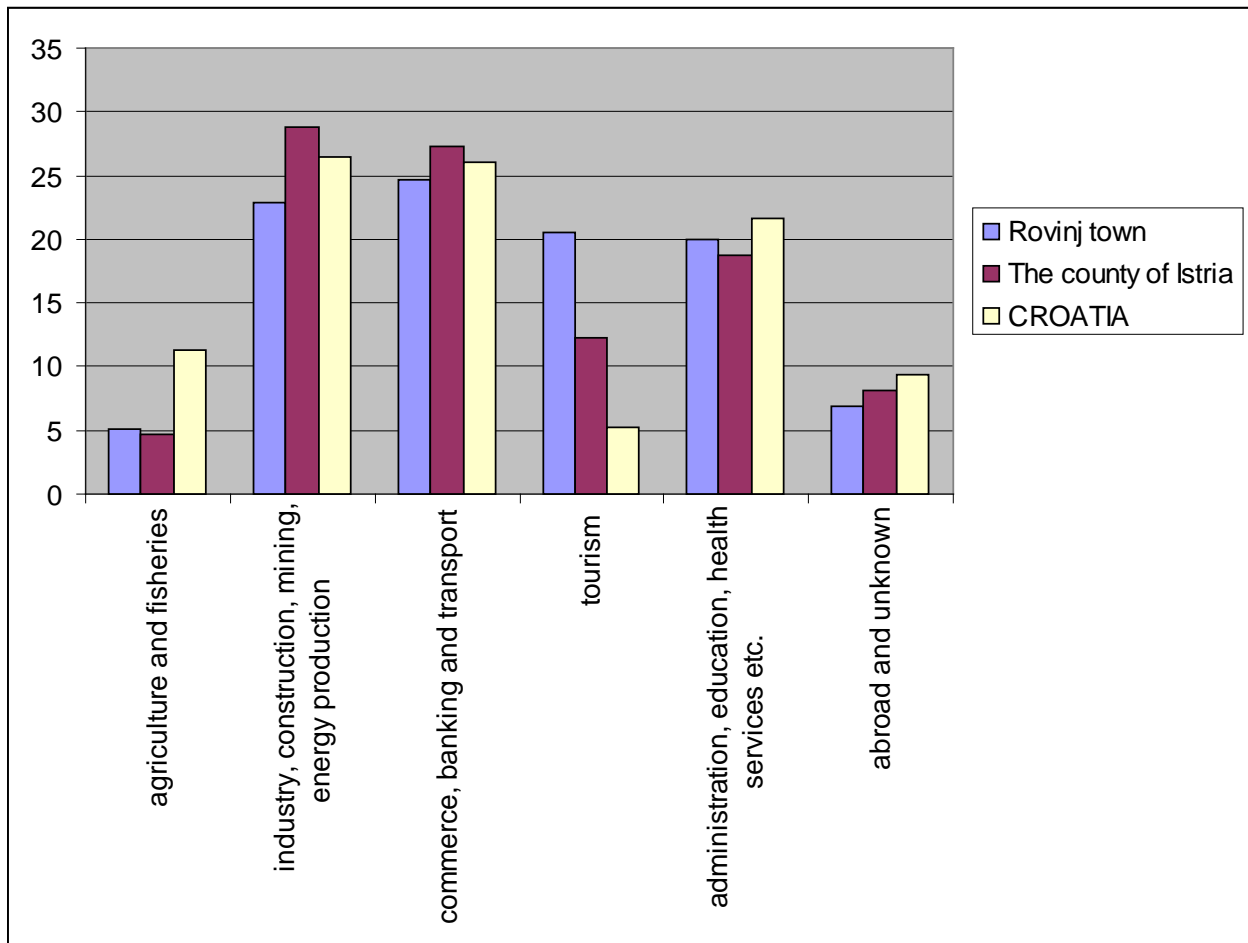
Source: Croatian Bureau of Statistics Web Site

The educational structure of the company Maistra is relatively high for the tourism sector and includes 11,0% of those with only primary school or less, 27,2% of those with specialized secondary school education (mainly waiters and cooks), 42,5 of people who have finished all other types of secondary school and remaining 18,3% of people with college education or more. The reason is partly generally higher level of education of the people living in Rovinj and partly a fact that jobs in Maistra Company are generally considered as desirable in comparison with other jobs in tourism. Therefore the people with college education are often happy to accept a job in Maistra even if it is originally intended for the people with only secondary school. Interesting fact is that the share of employed women, which is generally high in tourism sector, is higher in Maistra (59%) than in the whole tourism sector in Rovinj (54%).

The main problem of employment structure in general is afore mentioned very high share of seasonal jobs, covering total 54% of all jobs. According to the information from Maistra, the majority of seasonal workers are unemployed the remaining part of the year. Some of them are trying to find some additional work, but the majority is just unemployed and is waiting for the next tourism season. Practically all the seasonal workers are Croatians and are coming mainly from the local surroundings. From the 460 seasonal workers in Maistra in Rovinj area, 42% live permanently in the town of Rovinj, 21% are coming from the rest of Istria and remaining 37% from the other parts of Croatia. From those coming outside Istria more than half

is coming from the region Slavonia in the far east of Croatia¹⁴. Although there are no precise data, the structure of seasonal workers outside Maistra is similar to those inside the company.

Figure 11 - The share of population according to the sectors of employment in Rovinj, Istria and Croatia in 2001



Considering a fact that seasonal workers are mainly Croats coming from the neighbouring area, there are no social conflicts between them and local population. The main problem from the Maistra company point of view is fluctuation of workforce and constant need for the education of new seasonal workers. From the workers point of view the main problem is impossibility to find all year job. Therefore the extension of tourism season is seen as an important task both from the employers and potential employee point of view.

¹⁴ Slavonia is a region covering five counties in the northeastern part of Croatia between the rivers Drava, Sava and Danube. Before the war this was one of the developed regions known for strong agricultural production, but is today the most undeveloped part of Croatia due to war damages and closure of many industrial complexes from the socialist period. The majority of seasonal workers are coming from the two easternmost counties Osijek-Baranya and Vukovar-Srijem located on the border with Serbia, which were most seriously hit by the war.

Table 17 - Accommodation capacities of Maistra company in 2010

Hotels			Resorts			Camps		
	Rooms	Beds		Rooms	Beds		Lots	Guests
Monte Mulini	113	250	Amarin	575	1.768	Polari	1.650	4.900
Eden	325	807	Villas Rubin	304	1.371	Veštar	700	2.000
Istra	326	807	Belvedere(Vrsar)	310	984	Amarin	670	2.000
All Suite hotel	32	68	Petalon(Vrsar)	224	596	Valdaliso	356	990
Park	202	424	Naturist park Koversada			Naturist park Koversada		
Valdaliso	289	671	Apartments (Vrsar)	119	456	Camp (Vrsar)	1.700	5.000
Adriatic	27	53	Naturist park Koversada Villas (Vrsar)	215	462	Valkanela (Vrsar)	2.000	6.000
Katarina	120	337	Riva (Vrsar)	34	148	Portosole (Vrsar)	800	2.400
Pineta (Vrsar)	99	198	Funtana (Vrsar)	228	512			
Total (hotels)	1.533	3.615	Total (resorts)	2.009	6.297	Total (camps)	7.878	23.390

Source: Maistra company internal data basis

3. Tourism environmental results

The general view of tourism in the case of Rovinj and the majority of Croatia is that this is the activity which is much less harmful for the environment than the other activities and is therefore generally desirable. Such a view is caused by two most important issues: lack of tourism investments in the last twenty years and bad experiences with industrial complexes from the past and from the recent period.

The absence of new investments is caused mainly by war between 1991 and 1995, which hit tourism industry of Croatia so badly that the physical results from the year 1986 as the peak year regarding the total number of overnights are still not reached. So, in spite of enormous growth of Croatia's tourism in the last ten years, there were very few new investments. The growth was based mainly on the process of renewal of hotel capacities from the pre war period and partial transformation of B&B capacities into small hotels. Since at the same time the quality of tourism offer has increased in a way that Croatia is not seen any more as strictly sun & sea bathing destination, the overall impact of tourism on the environment was not negative.

Completely different situation are investments into secondary residences or "tourism apartments"¹⁵ in the coastal areas, which are mainly seen as extremely negative and harmful for the environment. The effects are considered negative both for the natural environment and local economy. The negative effects for the environment are visible through the destruction of natural into built-up areas and negative effects for the local economy through occupation of most attractive coastal areas suitable for commercial tourism for

¹⁵ In order to maximize profit, construction companies used the term "tourism apartments" as a tool to get the license for building and achieve better land price values. After those apartments were built, instead of commercial tourist use there were sold mainly as secondary residences, since it was possible according to the actual legislation. Therefore the word "apartmanization" is very often used in Croatia as a term for aggressive destruction of coastal areas by overbuilding of secondary residences. Additional problem is that those apartments are generally used less than one month in a year and therefore are considered as extremely unsustainable form of development.

residential purposes. Therefore in some areas where building of apartments was the most aggressive, such as Crikvenica or the island of Krk in Kvarner bay area¹⁶, the number of overnights is today much lower than 25 years ago.

The bad experiences with industry are caused by the fact that before 1991 the legislature regarding environment protection was relatively weak and there were examples of heavy industry pollution in the coastal area having negative effects on tourism development. The most notorious examples were Kaštela bay near Split with chemical and asbestos industry, Bakar bay near Rijeka with chemical industry and coke plant, metallurgic complexes in Šibenik and Dugi rat near Split and thermal power plant based on imported coal in Plomin bay in Istria.

The case of Plomin and actual problems with air pollution caused by newly built factory of stone wool pollution in central Istria has provoked strong responses by ecological activists in Istria. Therefore tourism is seen as an activity which can prevent possible ecological incidents, especially air and water pollution. Istria as Croatia's most important tourist region as well as Rovinj as its part were examples of strong opposition to industrial pollution and excessive building of secondary residences in the coastal areas.

Rovinj has avoided many problems of "apartmentization" due to planning procedures which have preserved coastal areas from building of secondary residences, but also due to strong interest for permanent building in the town area. The eventual industrial pollution in tourism areas was avoided by the displacement of tobacco industry from the central town area into the modern complex near motorway interchange in the interior of Istria.

Regarding water problems it has to be mentioned that Croatia is one of the rare European countries still having drinking water in taps all over the country and generally not having problems with water supply due to rich resources. Nevertheless, it has to be mentioned that in Croatia very few agricultural areas are irrigated, so the usage of water in agriculture is much smaller than in most other Mediterranean countries. Having in minds actual frequent draughts in the last few years there are plan to start irrigation in some areas and there are some plans for lager tourism investment south from Rovinj, what can produce problems with water supply in the future.

There are no data for the total usage of water for tourism purposes in Rovinj, but according to the data from Maistra company the average water consumption per capita per day is 1.460 liters in five star hotels, 520 liters in four star hotels, 300 liters in three star hotels, 270 liters in tourist resorts and 180 liters in camp sites. The usage of energy is about 30,2 kwh per overnight in hotels, 6,2 kwh in tourist resorts and 4,0 kwh in camp sites.

The consumption of waste waters is estimated to 0,26 cubic meters per overnight for the all Maistra company establishments. The waste waters from tourism establishments in the central areas of the town are drained into the central system of the whole town of Rovinj. Tourist resorts and camp sites in the areas outside the town are draining water into the open sea, but there is a plan to connect them to the central collector as well.

The production of solid waste in the objects belonging to Maistra is estimated to 1,99 kilograms per overnight. Solid waste is then divided into 23 types and then delivered to the local communal company covering the whole area of Rovinj, including the former district (municipalities of Bale, Kanfanar and Žminj). Selective types of solid waste are collected by licensed collectors, especially the plastic bottles and paper, but still the large amount of waste is directly going to dump sites and the waste collection and recycling is still not widely spread.

¹⁶ This area was especially targeted as a zone suitable for apartments building due to close distance to Croatia's capital Zagreb and due to problems in privatization of former socialist companies. The number of new built apartments was even larger in North Dalmatia around Zadar and Šibenik as an area also well connected with the new motorway, but those areas did not show such decrease in the number of overnights, because this number was relatively low also before 1991.

Figure 12 - Pedestrian zone in central Rovinj



Source: author

This is the case in the most of Croatia, what is partly caused by lack of serious problems due to low level of industrialization and low population density. Nevertheless, the situation regarding waste treatment has seriously improved in the last few years due to the joining process to European Union. One of the most important issues is abandonment of local unordered dump sites and transportation of all unselective solid waste to the one central fully equipped landfills for each county - in this case that will be the one location for the whole Istria.

Noise is not considered as serious problem in Rovinj except during certain festivities in the central town area. Due to the position out of main speed and transit roads there are also no serious problems with car traffic. It is important that each of the five main tourist areas (central zone, two huge tourist resorts and two big camp sites) has some autonomous facilities and services in order to avoid unnecessary traffic to the central town zone.

Artificialization of coastal zones in the area belonging to the town of Rovinj is very low and is mostly visible in the central town area, where artificialization started many centuries ago. Except some small central areas, the beaches belonging to the tourist areas outside town centre - Monsena and Villas Rubin tourist resorts as well as Valalta and Veštar camp sites are also kept in natural condition. Important factor helping keeping coast in natural condition is relatively deep sea and lack of sand beaches.

The rest of the coastline belonging to Rovinj is under protection, especially the northern shore in Lim bay under very strict regime not allowing sailing and swimming. Only two small islands with hotels are partially changed, but not much in the coastal zone. The general view of Rovinj area as not very changed due to tourism is heavily influenced with the fact that very few new objects near the coastal area are built in the last 25 years.

4. Summary of performances of tourism

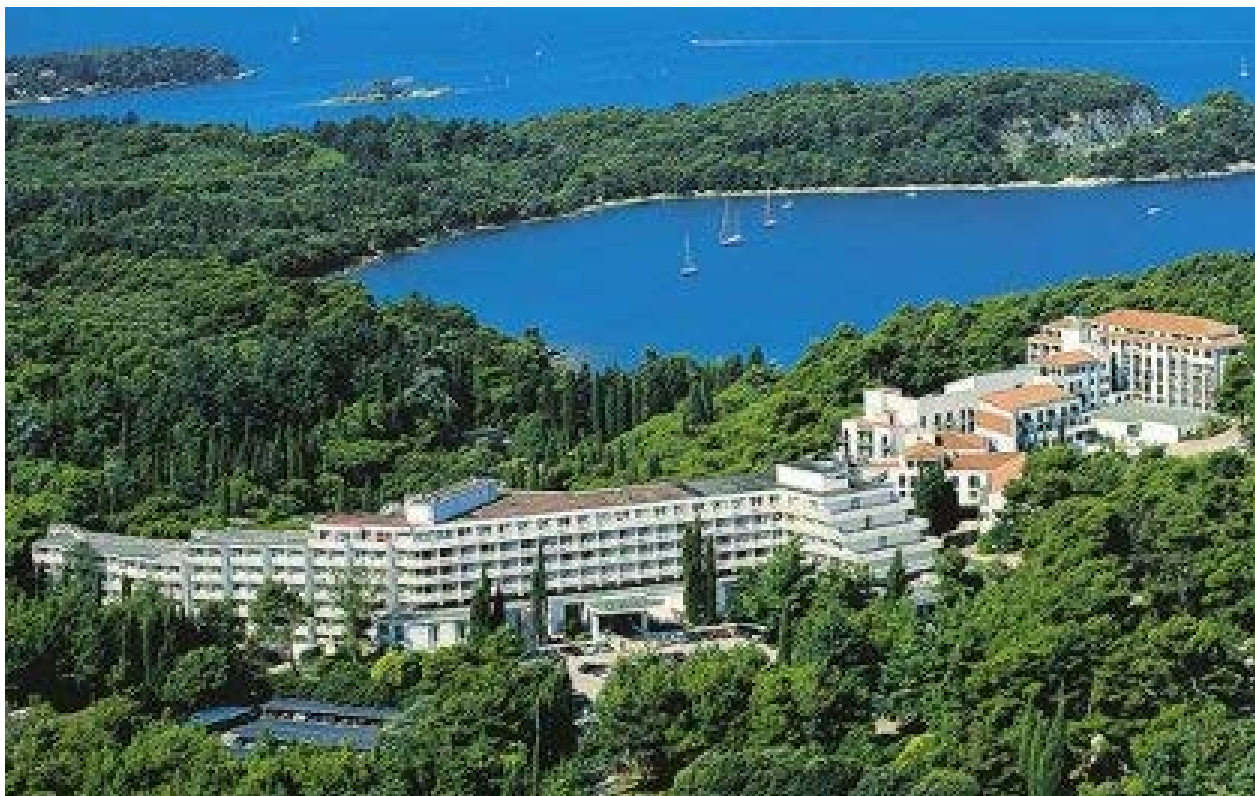
Exact data about the tourism socio-economic and environmental results was difficult to assess due to the problem of assessing data on the local level and availability of newer data after the Census in 2001. But from the available data about the county of Istria and some general assumptions it is very clear that performances of tourism in the study area are generally positive. After City of Zagreb with 16.766 Euros per capita, Istria is with 12.463 Euros per capita the second county in Croatia showing higher GDP than the average of Croatia of 9.655 Euros per capita. The following most developed counties are another two coastal counties with the strongest tourism development - Primorje-Gorski kotar and Dubrovnik-Neretva.

Considering revenues from the companies and entrepreneurs, especially “Adris” group, the town of Rovinj was all the time one of the most developed in Croatia. Among ten most developed towns and municipalities in Croatia there are therefore usually five most important tourist destinations towns in Istria – Rovinj, Novigrad, Umag, Poreč and Pula. In comparison with the situation before 1991, the situation has additionally changed in favor of areas with tourism, due to the closure of many industrial complexes, decrease of the revenues from transport or damages in war.

Tourism is considered as probably the healthiest part of Croatian economy and as an area where Croatia is competitive on the European market. Very important is the role of tourism in export-import balance of Croatia due to disproportion between high imports and low exports in Croatia. The problem is Croatia’s orientation to tourists with low expenditure habits, what is a consequence of large share of tourists coming by car and high share of additional types of accommodation, especially camp sites. This is especially a case in Rovinj and the most of Istria. The average daily expenditure in Istria is higher only in hotels due to the higher share of hospitality services and accommodation.

The influence of tourism on the local economy is in Rovinj very strong. Besides direct share of tourism over 20%, there are many other jobs connected with tourism such as commerce, transport and banking. The share of employed population in total population is in Rovinj close to 40%, what is higher than Istrian and Croatian average. Consequently the share of unemployed people is smaller.

Figure 13 - Hotel Eden in Rovinj



Source: www.rovinj.hr

Very interesting fact is relatively high educational structure for the tourism sector with 42,5% of people with all types of secondary school and 18,3% college education or more in Maistra company as the main employer. This is caused by generally higher level of education of the people living in Rovinj and that jobs in Maistra Company are generally considered as desirable. The problem is very high share of seasonal jobs, but practically all the seasonal workers are Croatians. About 60% of seasonal workers are coming from the local surroundings in Istria and the rest from the continental parts of Croatia, mainly from the north-eastern region of Slavonia as most undeveloped part of Croatia.

In the case of Rovinj and the majority of Croatia the general view of tourism is that this is the activity which is less harmful for the environment than the other activities and is therefore generally desirable. This is caused mainly by lack of tourism investments in the last twenty years caused by war between 1991 and 1995 and by bad experiences with industrial complexes from the past and nowadays. The growth in tourism is based mainly on the process of renewal of hotel capacities from the pre war period and partial transformation of B&B capacities into small hotels.

Apart from tourism producing new working places, investments into secondary residences or “tourism apartments” are seen as extremely negative and harmful both for the natural environment and local economy. Generally negative views regarding industry are caused by the fact that the environment protection was relatively weak and there were examples of heavy industry pollution in the coastal area having negative effects on tourism development. Actual problems with air pollution caused by newly built factory of stone wool in central Istria have provoked strong responses by ecological activists and therefore tourism is seen as an activity which can prevent possible ecological incidents.

Croatia does not have problems with water supply and is one of the rare European countries still having drinking water in taps all over the country. The waste waters are also not a big problem, although only from tourism establishments in the central areas of the town they are drained into the central system and from tourist resorts and camp sites in the areas outside the town are still dumped into the open sea. Solid waste is partly divided and then delivered to the local communal company or collected by licensed collectors, but still the large amount of waste is directly going to dump sites.

The situation regarding waste water and solid waste treatment has seriously improved in the last few years due to the process of Croatia joining to European Union.

Noise is not considered as serious problem in Rovinj and due to the position out of main speed roads there are no serious problems with car traffic. Artificialization of coastal zones is also low and it mostly happened many centuries ago. Except some small central areas, the beaches are kept in natural condition. Important factor is a fact that large part of the coastline belonging to Rovinj is under protection and therefore the general view of Rovinj is as an area not very changed due to tourism.

IV. Impacts of tourism on the destination

1. General economic situation

Regarding GDP evolution Croatia as a whole and Rovinj as its part it is very difficult to have clear picture, what is caused by turbulent history in the last two decades. That includes the transition of socialist into market economy after 1991, two introductions of new currency (firstly Croatian dinar and then in 1994 kuna as actual Croatian currency), several exchange rates etc. The most important factors of the economical evolution were dissolution of former Yugoslavia and the establishment of independent Croatia in 1991, as well as the war between 1991 and 1995. The war caused general fall of economy and especially tourism, which is still under physical results before the year and maximum of 68,2 million overnights in 1986.

The overall recovery of economy was not equal in the whole of Croatia - the best results are in the city of Zagreb and areas with strong tourism development such as Istria and Rovinj its part. In the last five years the recovery is very visible also in the southern coastal part of the country (Dalmatia), which was heavily hit by the war, in a contrary to Istria where there were no war activities. Therefore the differences between Istria and remaining coastal counties are becoming smaller in the last five to ten years. On the other hand, the differences between coastal part of Croatia as a whole and the interior are becoming even bigger. That is caused by the decrease of industrial production in general in comparison with tourism as one of the rare successful economic activities.

Table 18 - GDP per capita in Croatia and its most developed counties

year	total GDP in millions US \$	GNI per ca-pita in US \$	GDP per capita in Euro			
			CROATIA	The city of Zagreb	Istria	Primorje-Gorski kotar
1992	10.240,6	3.150				
1994	14.578,4	2.600				
1996	23.380,1	4.720				
1998	25.239,0	5.390				
2000	21.320,4	5.160	5.229	8.532	6.828	6.682
2002	26.452,1	5.360	6.759	11.527	9.275	7.997
2004	40.692,4	8.080	8.042	14.216	10.628	9.674
2006	49.049,4	10.660	8.807	15.567	11.377	10.560
2007	58.558,2	12.000	9.656	16.766	12.463	11.177
2008	69.332,5	13.580				
2009	63.033,6	13.810				

Sources: World Bank Croatia (data in US \$) and Croatian Bureau of Statistics (data in Euro)

Another problem for having a clear picture about economic changes are lack of data about GDP on local level, and the differences in the numbers dealing with GDP from various sources. For example, the data from the World Bank are showing higher growth rate of Croatian GDP then domestic sources, as seen in Table 18, and data from CIA World Factbook generally higher numbers then both sources. In 2007 Croatian Gross National Income was 12.000 US \$ per capita according to the World Bank, GDP was 9.656 Euro per capita according to the data from Croatian national Bank, and GDP per capita according to the CIA World Factbook and purchasing power parity was 18.100 US \$.

As mentioned before, after City of Zagreb with 16.766 Euros per capita, Istria is second most developed county with 12.463 Euros per capita. In the previous years the numbers were different in all sources for the same year due to the change of the calculation methodology and exchange rates. It had to be mentioned also that regional data (by counties) are not very reliable, because GDP is calculated on the basis of companies registered in the certain area. Therefore the GDP per capita in the City of Zagreb is definitely overestimated, because Zagreb as the capital of the country is the seat of the majority of the most successful companies having business and employees throughout the country, especially telecommunications, energy and oil production.

Some unofficial estimations of GDP per capita by municipalities are even more unreliable, because they are based on taxing reports and include even bigger discrepancies. Rovinj is very good example of it, because it is the seat of the company Maistra and Tobacco Industry (TDR), which are the best companies in the whole Istria and one of the best in the whole Croatia. Both companies include objects and employees outside the town of Rovinj, but the income is calculated in Rovinj. If this information is taken into account Rovinj is in fact the most developed town in the whole Croatia and was listed as such in many publications¹⁷.

In spite of such differences, the whole Croatia shows very strong correlation between development in general and tourism development. Besides Zagreb, two most developed counties are Istria and Primorje-Gorski kotar, which are the second and the third in overall GDP per capita and first and second regarding the number of total and per capita tourism overnights. The following are five remaining coastal counties to the south - Lika-Senj county and four counties in the historical province of Dalmatia - Zadar, Šibenik-Knin, Split-Dalmatia and Dubrovnik-Neretva. They are all showing high growth rates in the last five years, especially the county of Dubrovnik-Neretva and the county of Zadar.

The county of Dubrovnik-Neretva is showing high growth in tourism numbers thanks to the fact that Dubrovnik is most well known and most expensive Croatian tourist destination and the county of Zadar thanks to excellent traffic position as the closest in Dalmatia to the continent on new motorway and a lot of free space for building¹⁸. In a contrary, the most undeveloped counties are those in continental Eastern Croatia (Slavonia), where there are almost no tourism capacities and activities.

The data about employment are generally available only on census years, so it is not possible to make useful comparisons due to a fact that last census was in the year 2001. Nevertheless, the growth of overnights generally reflects in the growth of employment in tourism. In the case of Croatia and Rovinj it is even more important for the local economy than in many other European countries, because the working force is almost exclusively domestic, including the seasonal workers.

Although there are no data on local level, from the data on the national level it is clear that actual crisis has additionally enforced the role of tourism, because that was one of the rare activities in Croatia that was not seriously hit by the crisis. On the contrary, in comparison with other European countries, especially in the Mediterranean, tourism is showing higher growth rates in Croatia than in other countries, especially those with developed tourism such as Spain, Italy or France. At the same time the industrial production in Croatia is decreasing, what is not a case in developed European countries and especially in transition countries of Central and Eastern Europe.

Considering the weight of the competitive economic branches, Rovinj can be considered as relatively healthy area. According to the last available precise data from 2001, the share of employed people in agriculture and fisheries was 5,1%, in industry and mining 22,8% and in tourism 20,5%. So, in spite of very

¹⁷ According to the fiscal information the town of Rovinj has shown about 29.000 euro of profit per inhabitant. On the second place is the town of Dubrovnik (also a tourist destination) and on the third place suburban town Sveta Nedjelja near Zagreb, known as favorable location of many small and medium size enterprises.

¹⁸ According to the data from 2009, in Primorje-Gorski kotar were 36,7 overnights per one inhabitant, in the county of Zadar 34,8, in Dubrovnik-Neretva county 33,9 and in Šibenik-Knin county 33,3 overnights per one inhabitant, meaning that Zadar county have recently surpassed the county of Dubrovnik-Neretva from the third position. The county of Istria is superiorly first with 84,3 overnights per one inhabitant. Regarding total number of overnights the county of Istria is first with 18.130.000 and the county of Primorje-Gorski kotar second with 11.161.000 overnights in 2009.

strong tourism, Rovinj is well known also for its industry and as very important fishing centre. Therefore it is a good example of balanced economy without too strong dependence on tourism.

The relation between tourism and other activities is in Rovinj generally better than in most other touristic areas of Croatia, with generally low share of industry and especially agriculture. In spite of lack of numeric data this share is not changed much in the period after 2010 and is not likely to be seriously changed in the future¹⁹. The general intention in Croatia is to develop temporary neglected industrial sector in the less developed continental parts of Croatia with more serious problem of unemployment than in the coastal parts.

It is also interesting that industrial sector in Istria is relatively successful in comparison with other parts of Croatia in spite of higher importance of tourism. Besides Tobacco industry in Rovinj there is large shipbuilding industry in Pula as the most important industry in the county of Istria. Shipbuilding is considered as one of the most important industries in Croatia with large number of employees and Pula shipyard is with total 14.000 employees (the whole company) one of the three large shipbuilding centers in Croatia) and the only successful one²⁰.

Agriculture plays relatively unimportant role in local economy considering the possibilities, so relatively small share of products are used on tourism market. Agriculture in general in Croatia is playing unimportant role in overall economy and Croatia is highly dependent on import in spite of good possibilities for agricultural production. The only important cultures showing some increase in the last twenty years are grape and olives, but this production is also much smaller than in most other Mediterranean countries like Spain, Italy or Greece.

Figure 14 - Fishing boat in Rovinj harbour



Source: www.travelpod.com

¹⁹ It has to be mentioned that the direction of the Tobacco industry TDR is still in Rovinj in spite of the replacement of the production in the neighboring municipality of Kanfanar. Therefore this industry is still viewed as the industry of Rovinj with management and the majority of employees living in Rovinj.

²⁰ The remaining two shipbuilding centers in Croatia are two largest coastal cities Rijeka (with neighboring Kraljevica) and Split (with neighboring Trogir). The companies in Rijeka and Split are in serious economical troubles and are receiving important state subsidies and therefore were important issue during Croatia's process of joining European Union.

Fisheries is more important, because Rovinj is known as the major fishing center in Istria and one of the most important in Croatia, as well as its local fish producing industry²¹. Rovinj fishing industry is also one of the rare in Croatia that was not closed after 1991 and is likely to work successfully in the future. Similarly to agriculture, fisheries is in Croatia not very developed, and represent much less important sector of economy than in neighbouring Italy and most other Mediterranean countries.

One of the reasons while Rovinj is mentioned as successful example in Croatian tourism in spite of unfavourable seasonal structure is its local foundation. So, different from most other destinations, almost all tourism enterprises are owned by local entities - from Maistra company, which includes the majority of hotels, tourism resorts and camp sites to local bed & breakfast and similar types of accommodation. The industry represented with strong tobacco and fish production is also locally owned, so the majority of the income, if we exclude very high tax income that goes to the state budget, remains in the town.

2. Economic leakages

Considering afore mentioned characteristics of overall economy in Croatia, especially small domestic agricultural and industrial production, it can be concluded that economic leakages in Rovinj are not so big as it can be expected. The favourable conditions are very small share of tour operators in overall tourism and large share of additional accommodation (bed & breakfast, camp sites), which is traditionally oriented towards individual tourists and locally owned. Unfavourable conditions include small share of products made in the area and in Croatia in general, meaning that the majority of tourism is based on imported stuff. This is especially a case with the technical stuff (hotel equipment, furniture, appliances etc.), but also with a lot of food and drinks. Having in mind those elements and a fact that the employees are mainly coming from the local area, the overall economic leakages are relatively small.

Generally the most important products offered to tourists produced locally or elsewhere in Croatia are drinks, especially wine and beer. Although foreign wine and beer are also offered on the market it has to be mentioned that many foreign beers are also bottled in Croatia. Many soft drinks are also imported, but as in a case with beer the most important soft drink producers have factories in Croatia. Bottled water is produced almost exclusively in Croatia (and exported abroad), with remark that the water from the tap is potable throughout the country.

Basic food products such as bread, milk, dairy products, ice cream, sweets and the majority of vegetables come from the country too. There is a general opinion that Croatian food product are of good quality, so there is a strong tendency of local people and many foreign tourists to use Croatian food products or food processed in Croatian factories even if some slightly cheaper foreign produced products are offered. That is especially a case with dairy products, cheese, delicatessen, sweets, coffee, tea, canned food etc. Nevertheless, many food products that can be produced in Croatia are also imported such as meat and meat products, fish, fruit and there is very low offer of other products made in Croatia. That includes also souvenirs, textile stuff etc. produced mainly in China and Third World countries.

In the case of Rovinj the situation is generally better than in the most other tourism areas in Croatia, where tourism enterprises are often not locally owned, meaning that leakages are much bigger. But even in Rovinj there are many leakage, especially because there are very few local products from the area, including the rest of Istria, offered to tourists. They include mainly local wine, olive oil and some vegetables, not mentioning cigarettes from the Rovinj based company. What is important is a fact that in the case of Rovinj the general feeling of the people is that they are working in the area where the majority of economical assets are under local control, what is different to most other areas in Croatia.

²¹ After Zadar and its neighboring areas Rovinj is the most important fishing center in Croatia and from total 287 employees in agriculture and fishing sector 143 or 50% belongs to fisheries.

3. Impacts of tourism on the society

The situation regarding employment is in Rovinj better than in the rest of Croatia in spite of the seasonality in tourism, what was presented in the previous chapter. Although there are no exact data on the town level, the official estimations from the town of Rovinj mention 4% unemployment in the summer period and about 11% in the winter period. According to the data from the Croatian Bureau of Employment in 2009 there were total 765 unemployed people in the former district of Rovinj (including the municipalities Bale, Kanfanar and Žminj). From those 450 were women, 205 people with only basic education and 78 with high and faculty education.

The average salaries are in Rovinj also higher than in the rest of Croatia. In 2008 the average net salary in Rovinj was about 775 Euros, in the county of Istria 613 Euros and in the Croatia as a whole 585 Euros. It has to be mentioned that taxes on the salaries in Croatia are extremely high (often over 50%), so the total salaries are much higher. Although the average salaries in tourism are lower than in many other sectors, there are still higher than in agriculture or in many industries facing problems with competition such as textile or metal industry, and often also than in trade sector.

Tourism is the sector showing generally less problems during the crisis, so it was less exposed to insolvency or bankruptcy, what happened with many industrial companies or shops. The attractiveness of jobs in tourism in spite of relatively low salaries is caused also by perception of those jobs as more pleasant than the work in agriculture or some industries and possibilities for additional income from tips, overtime job in summer etc. Therefore in Croatia there is still no big pressures for the import of workers in tourism, what is not a case with some other activities such as construction or shipbuilding.

It is also important to mention that large share of people employed in tourism as employees are also owners of apartments or bed& breakfast accommodation and therefore have additional income. Rovinj, as well as other coastal areas, offer many seasonal jobs in summer, so there are many possibilities for additional income in summer, many of those not registered through statistical forms. Therefore in general coastal parts of the country with developed tourism do not have problems with poverty in comparison with many continental parts and they are generally seen as developed. Considering decay of industrial sector after break up of former Yugoslavia and effects of the actual crisis, the difference between developed coastal parts and less developed interior in Croatia is constantly increasing in the last twenty years.

Having in mind afore mentioned facts, Rovinj is generally seen as a rich town in comparison with the rest of the country, only the seasonality of work is considered as larger problem. The situation with unemployment caused by seasonality of work in tourism is becoming worse due to a crisis, but it is still better than in the rest of Croatia. It is visible especially by the number of unemployed people in Rovinj, which was usually between 570 and 590 according to the data from the town of Rovinj. It has increased recently to 650 in 2009 and is prospected to be 660 in 2010.

Table 19 - The number of unemployed people in Rovinj area, Istria and Croatia 2007-2010

Area	2007	2008	2009	2010	2007-2010	approximate population in 2009	the share of unemployed people in total population
Old municipality (district) of Rovinj	712	677	765	824	15,7
The county of Istria	6.189	6.169	8.740	9.270	49,8	214.991	4,3
The city of Zagreb	28.124	26.184	34.112	39.900	41,9	790.298	5,0
Croatia	254.484	240.455	291.545	319.845	25,7	4.429.078	7,2

Source: HZZ - Hrvatski zavod za zapošljavanje (www.hzz.hr)

From the data in Table 19 showing official statistics collected by the Croatian bureau for employment, which is covering the area of the district of Rovinj, it is also evident that the growth of unemployment as a consequence of World crisis was smaller in Rovinj than in Istria and the rest of Croatia. In the parts of Croatia where tourism is not so important activity the increase of the unemployed people was higher, including Zagreb as the most developed part of the country. The increase of unemployed people in Istria is not so much connected with tourism, but with bankruptcy of few industrial establishments in the northern part of the county. Still, the shares of officially unemployed people are in Istria also in the year 2010 under Croatia's average and lower than in the city of Zagreb.

The share of employed women and people with more than a basic education is in Rovinj also higher than in the rest of the country. Besides overall higher educational level the interesting fact is very high average level of education in tourism sector, which is caused with high attractiveness of jobs in tourism, especially in Maistra company. The share of active population is in Rovinj (47,7%) slightly higher than in Istria (46,4%) and more seriously higher than Croatian average (44,0%). The share of elderly population is in Rovinj (13,9%) also smaller than in the county of Istria and Croatian average (15,6%), what are both indicators of higher overall development. All other indicators regarding population structure such as number of births, share of younger population, life expectancy etc. are also better in Rovinj then in Istria and Croatian average.

Figure 15 - Rovinj grammar school and gymnasium



Source: Matura - hrvatski godišnjak maturanata

The afore mentioned facts made Rovinj an area attractive for immigration, what is clearly shown by its constant population growth and multicultural population structure. The share of people born outside Rovinj (53,1%) is therefore higher than Croatian average of people living outside the place they were born (48,2%). Especially high is the share of people living in Rovinj which are born abroad - it is 17,9% in comparison with only 13,4% of people born abroad in the county of Istria or 11,7% in Croatia as a whole. The main reasons of this attractiveness are various possibilities of jobs in tourism combined with overall image of the area as multicultural and developed.

Besides economic factors, Rovinj is attractive for living also due to high communal and social infrastructure such as connection to water supply and sewage system, schools, kindergarten, social services etc. It can be documented with the data about housing standards from the census in 2001 where Rovinj is usually above

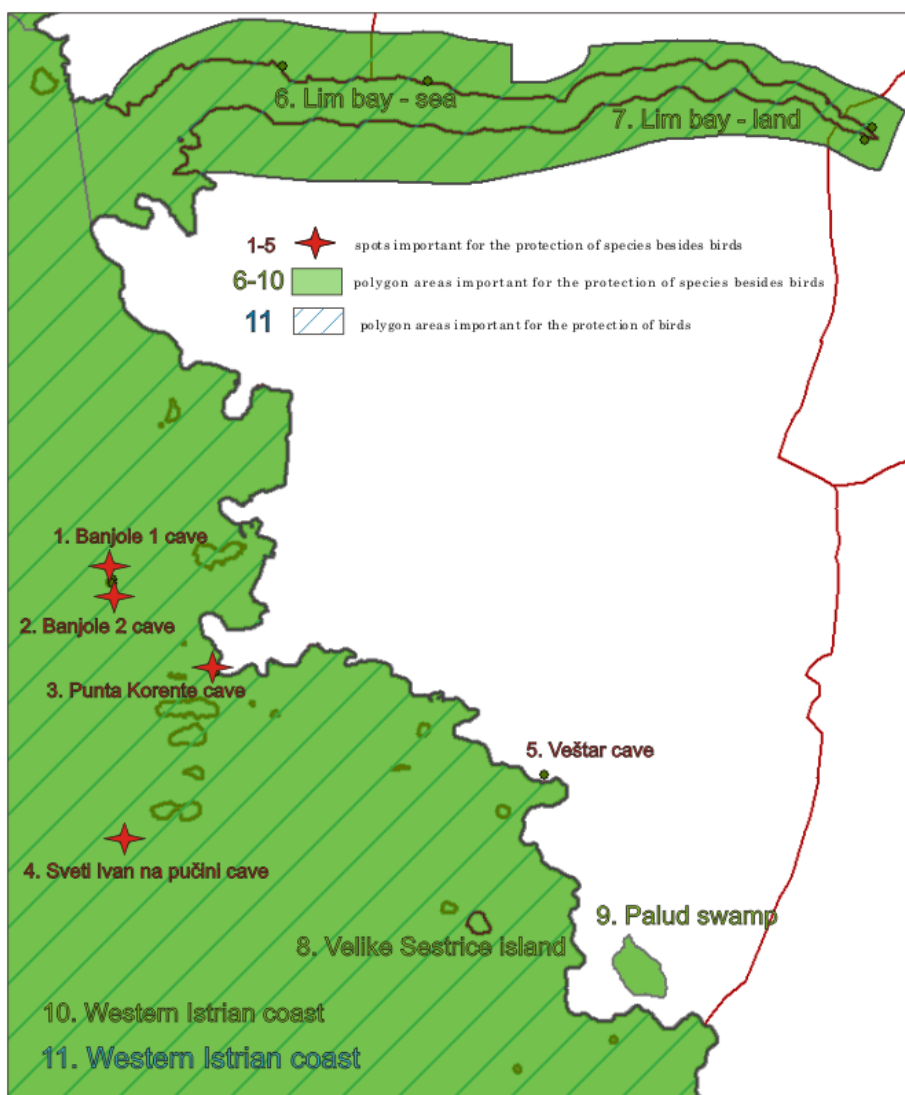
Istrian and much above Croatian standards. For example, the percentage of apartments having lavatory and bathroom is in Rovinj 99,4 and 96,5%, in the county of Istria 96,0 and 94,3% and in Croatia only 89,5 and 88,4%. The percentage of apartments connected to (drinking) water supply and sewage is in Rovinj 99,7 and 99,6%, in the county of Istria 99,1 and 97,7% and in Croatia 93,7 and 92,8%.

Although there are no data about other elements of overall development such as income distribution or life expectancy, but according to the assumptions it is expected that those and other indicators of overall wealth are above the Croatian average. Another positive element is a mild Mediterranean climate as opposed with continental climate in the Croatian interior with colder winters and smaller number of sunny days.

4. Impacts of tourism on the environment

The town of Rovinj is an area with large portions of land under various types of protection, so the biodiversity was generally not endangered. The Croatian laws about protection are usually strict and areas under protection were able to keep the biodiversity on existing level. For the protection of the environment is important that in the area belonging to the town of Rovinj were almost no new tourism investments in the last twenty years and that industry production is reduced. That is caused by the replacement of tobacco factory as the most important industrial complex from the town area into interior of Istria into the municipality of Kanfanar and by reducing of production in the fishing industry.

Figure 16 - Natura 2000 sites in Rovinj town



Source: Natura 2000 Croatia Web site

The protected species are found in areas under protection, where no building is allowed, especially in Lim channel and Rovinj coast and islands protected landscapes and in the ornithological reservation Palud swamp and Sestrice islands. Marine species are also not endangered because in the Lim channel sea area no motor boat traffic is allowed due to protection status. Since in the whole area belonging to the town of Rovinj there were not many new houses built and those which were built cover already partially built-up areas, it can be estimated that there was no serious threats to biodiversity in the last twenty years.

In that sense it is important that on the territory belonging to the town of Rovinj besides protected areas according to the Croatian laws there are total eleven areas protected in the NATURA 2000 network. That is very large number for a single town area of such size and the largest in the whole Istria. There are five spot areas important for the protection of species besides birds, five polygon areas important for the protection of species besides birds and one polygon area important for the protection of birds.

Five spot areas important for the protection of species besides birds include Banjole 1, Banjole 2 and Sveti Ivan na pučini island as partially flooded sea caves on small islands, Punta Korente partially flooded sea cave on the shore near the town centre and Veštar cave on the southern coast. Lim bay protected landscape and marine reservation is protected also as NATURA 2000 polygon area important for the protection of species besides birds, both the land part (as carbonate rocks with hasmophyte vegetation) and marine part (as large shallow bay).

Palud swamp ornithological reservation is protected as polygon area important for the protection of species besides birds (because of terrapin turtle) and Velike Sestrice islet due to coverage with evergreen holm forest. The whole coast belonging to the town of Rovinj is a part of NATURA 2000 site Western Istrian coast and is protected both as protected area important for the protection of species besides birds (because of bottlenose dolphin) and polygon area important for the protection of birds (red diver, cirl diver, tern and shag)²².

The quality of landscape is generally high, because all the most attractive areas are under protection. That includes park forests of high landscape value inside the narrow town area. The landscape value is partially even improved due to abandonment of tobacco industry and widening of pedestrian zones. The main criticism about the land use refers to tourist capacities on the two small islands, but they are there for more than fifty years ago.

As stated before, Croatia is one of the rare European countries still having drinking water in taps all over the country and generally not having problems with water supply due to rich resources. In the case of Rovinj practically all water is coming there from the Butonega reservoir in the central Istria and is transported through the system of water pipelines covering all Istria. The problem is relatively high price of the water caused by overestimated costs of the maintenance and sometimes irrational usage of water resources. The increase of usage of bottled water in the last ten years is mostly caused by strong marketing of the companies offering bottled water and by its usage by foreign tourists, which are accustomed to bottled water at home.

The quality of the sea water is also high, what is proven by blue flag status of all important beach areas and protected status of the majority of the remaining parts of the coastline belonging to the town of Rovinj. Eventually slightly lower quality of water can be found only in small areas in the town centre and in the marina, where there is higher concentration of motor boats in closed bays. There is a potential risk of eventual incident due to large number of transport ships sailing near the western Istrian coast on their way to Northern Adriatic ports of Trieste and Koper, but there was no such incident in the recent history.

Regarding soil usage it is evident that majority of the area belonging to the town of Rovinj is covered by forests, although most of it is of lower quality (macchia). Nevertheless, there are many preserved pine forests in protected areas and also in unprotected parts of the town of Rovinj. The areas used for agriculture are generally stable, with few areas being abandoned in the last thirty years.

²² Natura 2000 Croatia Web Site

Table 20 - Usage of soil in the town of Rovinj area

Soil Use	Are in sq km	Weight	
Cultivations	11	1	11,0
Forests	44	0,8	35,2
Grassland for pasture	5	0,5	2,5
Urban areas	18	0,2	3,6
Rocky areas	0	0	0
TOTAL	78		

Source: Approximation from the Spatial urbanistic plan of Rovinj from 2003

Table 20 is showing the share of those areas and is based on approximations from the spatial plans, because the used categories are not reflected in the plan.²³ Desertification is not present in Rovinj and Croatia as a whole, what is caused by relatively humid climate, but with remark that agriculture sometimes suffers due to lack of irrigation systems. There is generally no soil erosion caused by improper usage or by building, with remark that there are very few objects built on the slopes.

The quality of the air in Rovinj is generally good, due to lack of industrial pollution and relatively low extent of car traffic caused by the position of Rovinj away from main transit routes. Therefore there are practically no traffic congestions and the level of noise from motor traffic is low. There are more noise in the town centre during the season in the café bars, but the most places producing noise such as discos and open air music are located outside the populated area.

Population density is also low considering the town area with very few buildings with more than four floors. For the overall life quality extremely important is very large extent of pedestrian zones as well as location of two large protected park forests near the town centre. The parking usually does not make a problem thanks to large parking areas on the edges of the town centre, especially on the northern side.

Rovinj is well known throughout Croatia for its high quality of urban design and careful planning not allowing inappropriate interventions in the inner town area. Therefore it is popular as a spot for gathering artists and generally as a place “with style”. Tourism is considered as a positive factor for such development, especially because its tradition is very long. For the future development it is important that the official strategy of the development of the town as most important goals highlights sustainable development, protection of natural and cultural heritage and further increasing of the tourism quality.

5. Summary of the impacts of tourism on the destination

General economic situation in Rovinj is a consequence of turbulent history in the last two decades marked by the establishment of independent Croatia in 1991 and the war between 1991 and 1995, which caused general fall of economy and especially tourism. The recovery was not equal in the whole of Croatia - the best results are in the city of Zagreb and areas with strong tourism development such as Istria and Rovinj, where there were no war activities.. Due to the location of the seat of the companies Maistra and Tobacco Industry (TDR), which are one of the most successful companies in the whole Croatia, Rovinj was according to the statistics in the recent years often the most developed town in the whole Croatia.

²³ There is mixed category PŠ containing «other agricultural areas, forests, forest areas and pastures» on the spatial plan covering about 10% of total town area, and there are some existing pastures also in the areas marked as built-up and tourist areas.

The differences between the overall development in the coastal part of Croatia and the interior are becoming bigger, what is caused by the decrease of industrial production in general in comparison with tourism as one of the rare successful economic activities. Therefore the whole Croatia shows strong correlation between development in general and tourism development. Besides Zagreb, two most developed counties are Istria and Primorje-Gorski kotar, which are the second and the third in overall GDP per capita and first and second regarding the number of total and per capita tourism overnights. In a contrary, the most undeveloped counties are those in continental Eastern Croatia (Slavonia), where there are very few tourism capacities and activities.

The growth of overnights generally reflects in the growth of employment in tourism. In the case of Croatia and Rovinj it is even more important for the local economy than in many other European countries, because the working force is almost exclusively domestic, including the seasonal workers. Actual crisis has additionally enforced the role of tourism, because that was one of the rare activities in Croatia that was not seriously hit by the crisis and the jobs in tourism are therefore relatively desirable.

In spite of very strong tourism development, Rovinj is well known also for its industry and as very important fishing centre. Therefore it is a good example of balanced economy without too strong dependence on tourism. Only agriculture plays relatively unimportant role in local economy considering the possibilities, so relatively small share of products are used on tourism market. One of the reasons while Rovinj is mentioned as successful example is its local foundation. So, different from most other destinations in Croatia, almost all tourism enterprises are owned by local entities.

Having in mind that the employees are also mainly locally based the economic leakages and relatively small considering low level of local production. The favourable conditions are very small share of tour operators in overall tourism and large share of additional accommodation such as bed & breakfast and camp sites). Very important fact is that in the case of Rovinj the general feeling of the people is that they are working in the area where the majority of economical assets are under local control, what is different to most other areas in Croatia as a whole.

The situation regarding employment is in Rovinj much better than in the rest of Croatia with 4% unemployment in the summer period and about 11% in the winter period. The average salaries are in Rovinj also higher - about 775 Euros, in comparison with 613 Euros in the county of Istria and 585 Euros in Croatia as a whole. Large share of people employed in tourism as employees are also owners of apartments or bed & breakfast accommodation and therefore have additional income. Therefore in general coastal parts of the country with developed tourism do not have problems with poverty and Rovinj is generally seen as a rich town in comparison with continental parts of the country, only the seasonality of work is considered as larger problem.

The share of employed women and people with more than a basic education is in Rovinj also higher than in the rest of the country, as well as the share of younger population. All other indicators regarding population structure such as number of births, life expectancy etc. are also better in Rovinj than in Istria and Croatian average. All mentioned facts made Rovinj an area attractive for immigration, what is clearly shown by its constant population growth in comparison with negative trends in most other parts of Croatia and multinational population structure. Besides economic factors, Rovinj is attractive for living also due to high communal and social infrastructure such as connection to water supply and sewage system, schools, kindergarten, social services etc.

Because very large portions of land are under various types of protection, in the area belonging to the town of Rovinj the biodiversity was generally not endangered. The situation is even better than twenty years ago since there were almost no new tourism investments, industry production is reduced or replaced outside the town area (tobacco factory) and pedestrian zones are widened. The protected species are found mainly in areas under protection, where no building is allowed, especially in Lim channel, Rovinj coast and islands protected landscape and in the ornithological reservation Palud swamp. Therefore the quality of landscape is generally high.

Croatia is one of the rare European countries still having drinking water in taps all over the country and generally not having problems with water supply due to rich resources. The quality of the sea water is also high, what is proven by blue flag status of all important beach areas and protected status of the majority of the remaining parts of the coastline. The areas used for agriculture are generally stable, with some areas being abandoned in the last thirty years. There is generally no soil erosion caused by improper usage or by building, with remark that there are very few objects built on the slopes.

Figure 17 - Palud swamp ornithological reservation



Source: www.rovinj.hr

The quality of the air in Rovinj is generally good, due to lack of industrial pollution and low extent of car traffic caused by the position of Rovinj away from main transit routes. Population density is also low considering the town area. For the overall life quality very important is large extent of pedestrian zones and location of two large protected park forests near the town centre. The parking usually does not make a problem thanks to large parking areas on the edges of the town centre. Rovinj is also known for its high quality of urban design and as gathering spot for artists, so tourism in general is considered as a positive factor for overall development.

V. Policy measures to improve sustainability of the destination

1. Overall problems with policy measures and sustainability

The general problem of policy measures in Croatia in general is a discrepancy between the amount of policy documents and its applicability. On one hand there is enormous amount of various strategic and planning documents and legislation covering all aspects of life on national, regional and local level, especially in the areas of land use and building. On the other hand, the majority of those documents are not applied at all, because they are often produced for declarative purposes and legislation is very often bypassed or changed in order to favor particular political and economical interests.

The bypass of laws is made either through direct disrespect of laws due to lack of efficient repressive measures or through various types of corruption, mostly through the change of particular laws and change of purpose of some land areas when it suits to certain interest groups. This problem has reached the worst consequences in the area of building due to practical destruction of previously very strict planning procedures. That has escalated in the last four years and is visible through the arrest of former Croatian Prime Minister Sanader and many other high ranked politicians and businessmen. The main consequences of such aspects of policy measures can be listed as:

- Unattractiveness of Croatia for large foreign investments due to complicated, slow and not transparent procedures, combined with high land prices and corruption;
- Destruction of many coastal areas through inadequate building, especially of apartments and secondary residences due to lack of practical measures to stop such development; and
- Slow economical growth of Croatia and slow recovery after the crisis in combination with high unemployment rate.

Additional problem is actual joining process to European Union causing many laws to be changed automatically in order to meet EU standards without supporting measures for their implementation. That has produced legislation vacuum and uncertainty in business sector and many other aspects of life. Tourism is one of the rare business sectors which were relatively successful in such circumstances. The main reason is a fact that actual crisis left Croatia less vulnerable due to its position close to the main markets and less dependent on tour operators and air traffic.

The study area of the town of Rovinj was additionally successful due to some specific circumstances that helped it to avoid many of afore mentioned negative processes. The most important is definitely a fact that the majority of the resources in the area are under local control and that local companies were economically successful, especially Adris group as the most important economical subject in the area.

It is also important that Istria in general conducted relatively independent economical policy, because the local government is under the control of local political party IDS (Istarski Demokratski Sabor – Istrian Democratic Assembly) constantly from 1993. This is as an exception in Croatia, because in all other parts of the country the county governments are under control of the large parties acting in the whole territory of Croatia – those were mainly HDZ (Hrvatska Demokratska Zajednica - Croatian Democratic Union) and SDP (Socijaldemokratska partija Hrvatske - Social Democratic Party of Croatia). Although Istria was not immune to corruption affaires, the consequences for the local community were not so negative like in many other parts of Croatia.

2. Problems of tourism supply and demand

Considering the actual situation tourism supply in Croatia in general and in the study area is not making serious ecological problems simply because the overall number of newly built accommodation establishments was very small in comparison with almost all other countries in Europe and especially the Mediterranean region. Another element producing general benevolent attitude towards building new hotels was much higher threat coming from building secondary residences or “apartments”. The opposition

towards new strictly tourism projects were more obvious only against few large scale projects such as “Brijuni riviera”²⁴. Although the opposition to this project included eventual ecological threats, the main reason was fear for its usage as a tool for further “apartmentization”²⁵ and doubts about corruption.

The same situation is recently happening with the Law about golf courses declared in 2008²⁶. This law was established in order to attract investments in building golf courses in Croatia as one of the rare developed tourist countries almost without golf courses. The Law opens a possibility for building apartments on the golf course areas and enables expropriation of land for the purpose of building golf courses. The lawmaker justified those solutions as necessary tool in order to prevent overpricing of areas dedicated for golf courses, to enable creation of areas big enough for golf courses and in order to justify investment for the potential developers.

The reaction of almost all NGOs and general public was extremely negative about this law, because there are doubts that in practice it will enable further conversion of agricultural areas into building areas and open new areas for the continuation of the “apartmentization”. Those doubts were in many cases valid, because the majority of interesting projects of golf courses and large scale tourism projects refer to attractive coastal areas. That is opposed to logical direction of building golf courses in ecologically more suitable areas in hinterland or in devastated areas near the coast where building of golf courses can eventually upgrade the state of the environment.

Similar problems exist with many other Laws, such as very often mentioned Regulation about the Organization of the protection of coastal areas from 2004, passed in order to protect the coastal zone from overbuilding²⁷. According to this Law it is forbidden to make new building areas in the coastal strip on the distance less than one kilometre from the coast except for the purpose of tourism, but on the area smaller than 15 hectares. The consequences of such Law were on one hand the absence of big investments because the zone is too small and on the other hand the frequent overriding of the law by building “tourist” establishments, which were later converted into secondary residences.

There are also several limitations regarding building in the areas 100 meters and 70 meters from the coast, but they also allow some exceptions in the case of tourism purposes. At the same time it is very easy to build inside the existing building zones and since there are usually not many large building spots these is oriented mostly to small scale objects. Nevertheless, some large scale projects with dubious environmental consequences were approved in spite of such limitations due to strong political support provoking severe reactions by various NGOs and other civil organizations.

It must be stated that there is one positive effect of actual situation and it is general lack of huge investment projects which can endanger the environmental situation in the coastal areas. Such situation is different not only in comparison with developed southern European countries such as Spain or Italy, but also in comparison with some recently less developed countries in tourism terms such as Montenegro, Albania or Bulgaria²⁸. This is also the reason why Croatia is one of the rare Mediterranean countries where tourism is still not seen as a threat to the environment, except in case of afore mentioned “apartmentization”.

²⁴ « Brijuni riviera » is the name of the large scale tourism project of building new tourism capacities on 14 locations on the western coast of Istria south from Rovinj, mainly on areas formerly used for military purposes across Brijuni national park. The project was presented to the general public in 2003, but it is at the moment constricted to only three locations and none of them is at the moment realized.

²⁵ “Apartmentization” is a vernacular word very often used in Croatia meaning aggressive destruction of coastal areas by overbuilding of secondary residences, often presented to general public as tourism projects built in order to produce new tourist accommodation capacities and working places.

²⁶ Narodne Novine (“Public Newspapers”) 152/08

²⁷ Narodne Novine 128/04

²⁸ In Montenegro, Albania and Bulgaria there are more newly built beds in hotels and similar establishment in the last twenty years then in Croatia in spite of the fact that Croatian coastline in total (5,835 km with islands) is 20 times longer than Montenegrin coast (295 km), 16 times than Albanian coast (362 km) and 15 times than Bulgarian coastline on Black sea (362 km).

Figure 18 - Apartments in Rovinj



Source: www.apartmani-rovinj.net

The situation with the tourist demand is generally similar with the supply – the actual number of overnights is still under the maximum numbers before 1991 and therefore the demand is not seen as a threat to the environment. Since other economical sectors are much more influenced with the world crisis, the growth of tourist demand is still a desirable option. In comparison with other European Mediterranean countries Croatia is seen as a country without serious problems regarding tourist density even in the coastal areas. This especially a case with the hotel accommodation, represented in much lower proportion than in almost all European Mediterranean countries.

In the Rovinj area the situation from the environmental and sociological point of view was even better due to afore mentioned convenient situation regarding ownership of the tourist business and higher level of respect towards planning issues. Another positive element is high share of protected areas in the coastal zones i.e. rich natural resources - about 20% of the area is under various types of natural protection. Therefore Rovinj can be posted as good example regarding environment issues in tourism, except in a case of overemphasized seasonality of tourism business.

According to the actual plans of the town council and general knowledge about the actual situation in the area of policy measures regarding tourism supply and demand it can be suggested:

- The continuation of support for upgrading the existing tourist accommodation capacities based on exceptional natural and cultural heritage of the area;
- Easement and transparency of legislation procedure in order to attract investments in tourism accommodation capacities that will be sustainable and produce new working places;
- Disincentives for the building of new secondary residences and their limitation to the existing built up areas and harmonized with the local architectural traditions; and
- The support for the change of tourism demand on the targets groups such as eco tourists, bird watchers etc., which are generally ecologically more conscious than the tourists oriented mainly towards sun & sea tourism product.

3. Policies related to environmental results of tourism activities

The situation in the study area was explained as relatively good in comparison with other areas in Croatia due to balanced socio-economic structure, successful economic performances and inexistence of serious ecological threats. Therefore it can be suggested to continue with the existing policies and to focus on the most important issues that can endanger sustainability in the future. The most important are seasonality of tourism, unsatisfactory water and energy management and the situation with the water pollution and solid waste.

Considering the seasonality problem it is necessary to improve the offer of additional activities in the area and to find some fiscal supports for the work during the spring and autumn. Some actions are already in progress and they include stronger accent on health & wellness tourism, MICE (meetings, incentives, conventions and exhibitions) and overall orientation towards higher quality market. Although some unnecessary activities are removed from the coastal strip and directed towards the interior, the concentration of tourism activities in the narrow coastal strip is still very high.

Regarding usage of water it is necessary to improve the existing water management, which is due to relatively satisfactory recourses managed not in proper way considering the maintenance of the system and leakages. The same situation is with the electricity issues, because the whole energetic resources are managed by the government controlled company as well as water resources. Therefore the prices for electric power are still relatively low as well as for water considering that it is potable throughout the country.

Another suitable element is that in Croatia there are generally no problems with the electricity supply in summer period in spite of strong concentration of tourism. This is caused by the general higher pressure in winter period due to high percentage of households using electrical power for heating. This is especially a case in the coastal areas with relatively short winters, due to still acceptable price in comparison with other energy sources. But it can be expected that situation will be downgraded due to constant growth of usage of cooling devices, which is at the moment relatively low, including in tourism accommodation capacities in camp sites and lower quality bed & breakfast accommodation. There is also a general problem of energy in Croatia, which is dependent on the import of energy caused by unsatisfactory domestic resources.

The largest environmental problems lie in the area of wastewater and solid waste management. There are still some parts of the waste waters that are dumped directly to the sea, the solid waste is not recycled enough and is transported directly to the central dump sites. The good aspect is that according to the EU joining process of Croatia this situation is in the process of improvement, especially regarding recycling of the solid waste. Therefore it is necessary to find mechanisms which can stimulate further investments into improvement of waste management.

In the case of Rovinj the situation is satisfactory, because the existing landfill Lokva Vidotto is in relatively good condition regarding its position and potential threats to the environment. The new rules imply creation of huge central dumping sites for the whole county, and this location is planned to be far away from the Rovinj town area, probably near the biggest Istrian town Pula.

The situation with land management is in the study area also generally satisfactory due to limitation of tourism projects to the existing building zones and a fact that about 20% of the town area is under various forms of protection of nature. The protection of natural areas is in the area of Rovinj on high level, with the highest concentration of protected areas in whole Istria. In that sense Rovinj is in a better position than many other coastal areas in Croatia with much small areas under special protection status. The cultural heritage is as well protected and is percept as very important element of tourist image of Rovinj.

Considering the actual situation it can be suggested to continue with the existing policies and to work more on some issues that are unsatisfactory. That includes:

- Implementation of various incentives, especially in the domain of fiscal measures, towards the extension of tourist season and removal of unnecessary tourism and supporting activities from the coastal strip;
- Intervention in the areas of water and electricity management in order to reduce irrational usage and leakages;

- Improvement of the waste water management, with a goal to include the whole town area to central sewage system, including the huge camping sites on the northern and southern edge of the study area;
- Improvement of the solid waste management, especially through promotion for achieving higher percentage of deployment of various types of waste and improvement of the percentage of recycled waste;
- Preservation of the existing and eventual creation of new protected areas, including both the natural and cultural heritage;
- Further widening of the pedestrian and semi pedestrian zones (only for vehicles with special licensees) in the old town zone and in the narrow coastal zone areas.

4. Policies related to socio-economic sustainability

Socio-economic sustainability of the destination is satisfactory considering the actual circumstances with the World crisis, which in Croatia had very serious consequences. In the area belonging to the town of Rovinj the actual situation is from the psychological point of view also better considering that the study area and its close environment belong to the most developed parts of Croatia with the lowest unemployment rates and practically no inhabitants under poverty level.

Figure 19 - Batana Museum in Rovinj



Source: www.muze.hr

The general image of Rovinj as tolerant multicultural area is very much caused by tourism development bringing people with different habits both as tourists and as immigrants attracted by good job offer possibilities, good climate and attractive natural and cultural environment. Therefore tourism is also seen as mainly positive phenomena from the socio-cultural point of view, because periods of successful tourism development correspond with period of overall wealth, peace and development.

Some negative aspects of tourism visible in some other developed tourist regions like social conflicts, higher crime rate or negative attitudes of domestic people towards tourists were in most cases avoided due to some special circumstances in the town of Rovinj such as:

- very long tradition of tourism with a beginning in 19th century and the strongest development about forty years ago
- slow growth rates of tourism caused by break-up of former Yugoslavia and slow recovery process after 1991, avoiding disturbances caused by fast growth

- lack of serious damages to natural and cultural environment caused by protection status of natural and cultural heritage
- turbulent history in the last 100 years with many changes of rulers and population, what has contributed to tradition of tolerance.

The main negative aspects of tourism development concerning socio-economic sustainability lie in the area of economic transition after 1991. Although Rovinj avoided big privatization and corruption affairs that happened in some other parts of Croatia as well as in the rest of Istria, there were many cases of criminal activities connected with changes of land usage and resell of land and houses in Rovinj too. Therefore the discrepancy between rich and poor is bigger than before 1991 and the number of people that became wealthy has increased. On the other hand, Rovinj and surrounding areas are one of the rare in Croatia with relatively high share of medium class people, what is caused by good income from tourism and even more from tobacco industry²⁹.

According to the process of joining European Union Croatia has changed many laws in order to adapt to EU standards. Furthermore, considering actual problems with the two newest EU members Romania and Bulgaria, the norms that Croatia has to reach were much stricter than for the joining of previous new candidates³⁰. That had produced a lot of confusion in legislation issues, especially because there were too many changes of various laws and regulations from 1991 until now. Together with exaggerated land and property prices, extremely high taxes caused by low production and outspread corruption it has turned Croatia into a state unattractive for investment. That happened in spite of very good conditions considering attractive countryside, favorable location, good transport connections, developed infrastructure and well skilled staff.

One of the rare activities that were attractive, although fortunately not as much as in other Southern European countries, was building of secondary homes, especially in the coastal areas. That kind of activity was seen as generally negative because it has produced benefits only to a limited number of people and has at the same time produced very few new working places and permanently occupied potentially large areas suitable for commercial tourist development. In that sense building of new tourist capacities for commercial use and productive working places (especially in hotels) was seen as positive activity supportive from almost all stake holders.

Taking into account afore mentioned situation regarding socio-economic sustainability it can be suggested to continue with the existing policies and to work more on some issues like:

- Further intensification of participatory process and involvement of the local population in planning of development on local level;
- Keeping the image of the area as multicultural and open minded and therefore attractive for investment and immigration;
- Preservation of local cultural values through organization of various cultural manifestations, sports manifestations, education of local population etc.;
- Intensification of cooperation with various European towns and regions considering newly expected joining Croatia to European Union, but also with the towns and regions from other continents;
- Taking care about the various measures that will keep the existing social balance and participation of all local population in the economic growth.

²⁹ Tobacco industry TDR was famous for dealing very high dividends of the company to their workers, and investment in dividends of TDR was often mentioned in Croatia as extremely prosperous.

³⁰ Although Croatia's general level of development both from the economic and social point of view is higher than in Romania and Bulgaria, the negative experiences with accession of those two countries into EU has caused caution from EU officials towards Croatia, especially in the field of legislation and judiciary issues.

VI. Systemic analysis of the tourism destination

1. SWOT analysis

Rovinj as a destination is recognized as one of the most attractive and popular in Croatia, and also as a good example of destination where sustainability is still not seriously endangered in spite of high tourism importance. That is caused partly by its natural conditions, position and history of tourist development, but also thanks to the strong involvement of local community in overall development. That can be illustrated with the SWOT analysis following in the continuation.

1.1. Strengths

- Attractive coastal area with a lot of forests, natural beaches and small islands
- Many attractive protected natural areas (Lim bay, Rovinj coast and islands, parks)
- Attractive and abundant cultural heritage, especially historic old town on the hilltop
- Numerous attractions in the surrounding areas (Brijuni national park, Venice in Italy etc.)
- Good traffic position close to main markets, especially by road
- Various accommodation offer from five star hotels to camp sites and B&B accommodation
- Good quality of local infrastructure, including road network
- Well maintained local transport with a lot of parking spaces and pedestrian zones
- Good language knowledge of the local staff and inhabitants /especially Italian language/
- Good quality of staff in tourism and in other services
- Long history of tourism
- Diverse tourist product from bathing to cultural tourism
- Maistra company image as high quality tourism business enterprise
- Existence of the system of TDMOs at local levels

1.2. Weaknesses

- Lack of sandy beaches in a summer holiday destination
- High seasonality of tourism
- Image of Croatia as “Balkan” country
- Long distance to the nearest frequent airport
- No railway connections
- Complicated legal framework for running the businesses in tourism
- Lack of capital for tourism investments
- Long administrative procedures in starting the businesses (e.g. permits)
- Weak networking of tourism development stakeholders

1.3. Opportunities

- Joining EU as a “new” interesting destination without border procedures
- The finalization of motorway connecting the area with the motorway network in Italy
- The image of Croatia’s top holiday resort
- The image of the multicultural artizan’s destination
- Growing trend of demand for destinations with preserved environment
- Growing trend of demand for the destinations accessible by car
- Financing through EU sources/support
- Good planning base in the existing planning documents with clear building zones
- Growth of interest for foreign investments after joining EU
- Strengthening the image of the „green destination“
- Better possibilities for co-operation with neighboring countries after joining EU

1.4. Threats

- Unstable macroeconomic climate at national level
- General decrease of interest for summer holiday destinations
- Decreasing trend on the demand side for tourism global crisis impact
- Threats of increased pressure for building secondary residences after joining EU
- Strong foreign competition for the same type of tourism offer
- Lack of financial sources for the protection, renewal and upgrade of cultural heritage
- Endangering the cultural identity of the area due to stronger immigration after joining EU
- Inefficient spatial planning implementation
- Lack of strategy for foreign investors outreach

The SWOT analysis shows that the main strengths in favour of sustainable tourism development in Rovinj lie in the good combination of abundant natural and cultural-historical resources and geographical position, additionally strengthened with well developed communal and social infrastructure caused by long tourism tradition and local control over main resources. The main weaknesses are either less important, such as lack of sandy beaches, inexistence of railway connections and distance to important airports, or subject to change such as image of the wider area or unfavourable conditions for running business.

Rovinj as a destination has good opportunities for future development considering growth of interest for the destinations with preserved and well maintained natural and cultural heritage and considering Croatia’s joining into European Union, what will ease border procedures, improve the image of the area and have positive effect on business in general. This process has its threats too, like pressure for building secondary residences and stronger immigration that can endanger cultural identity in the area and there are many additional threats like decrease of interest for summer bathing holidays in general, competition on the World market and economical disturbances in general.

2. Roles of external actors in sustainable tourism development

The roles of various actors in Rovinj are in many cases similar as in many other tourism destinations in Croatia and in the Mediterranean. What is generally specific for Croatia and even more for Rovinj is larger importance of internal factors than in most other parts of the Mediterranean, what is caused by the strong orientation of tourism towards individual visitors using land transport. Another specific element is big importance of actors on the national/state level in Croatia in general, what is caused by the centralistic system of the Government and very strong involvement of the State in various aspects of life. Istria and especially Rovinj are in that sense slightly different due to stronger influence of regional and local factors caused by special situation in Istria as a region with strong regional identity and larger share of local control as in most other parts of Croatia.

The influences and interactions of tourists are probably the most important among the roles of external actors, what is caused by the position of the area and the general orientation towards tourists coming by car. Therefore the tourists coming to the area are predominantly those coming from the surrounding areas - Slovenia, Austria, Northern Italy, Southern Germany. That is different from many other Mediterranean destination dependent on tour operators, but also from other coastal parts of Croatia. Those parts, especially Dalmatia to the southeast, have the same structure, but much larger share of domestic tourists and tourists from the countries of Central Europe like Czech Republic, Poland, Slovakia and Hungary. The positive aspect of such orientation is high level of similarity of socio-cultural aspects of behaviour between tourists and local population, what is good from the socio-cultural sustainability point of view.

The role of investors is at the moment very small, because there are very few new investments caused by the lack of interest due to complicated legal procedures and unfavourable economic conditions. Another reason is the need to put in function already existing objects that have lost their market position after the year 1991 and break-up of former Yugoslavia. In the case of Rovinj the investors are almost exclusively domestic, what is positive regarding socio-economic sustainability, because they live in the area and have strong interest to fulfil the needs of local community. The main problem is coming from the investors involved in the building of secondary residences which are also domestic, but behave less sustainable, although they have strong links with local politicians.

The tour operators and low cost airlines companies are even less important due to small share of tourists brought to the area by tour operators and by air in general. That is also good for sustainability, because they'll probably bring more tourists from the area with different socio-cultural habits and will probably have larger demands regarding overall characteristics of tourism offer adapted to needs of their customers. The influences and interactions of international organizations and foreign NGOs is also small, because they are either inexistent in the area or have no reason to deal with tourism development. As opposed to some other parts of Croatia which were hit by war twenty years ago, Istria and Rovinj were immune to conflicts based on national or religious differences, so there were no serious reasons for their involvement.

Therefore the most important external factors influencing tourism development are those connected to overall economic situation, what besides World crisis include specific position of Croatia as temporarily the only country deeply involved in the process of joining EU. Since this process is at the moment producing a lot of economical problems for the domestic population, it has caused further growth of already extremely strong orientation towards foreign tourists. But considering very similar behaviour patterns between tourists and domestic population, this economically negative situation did not produce threats to the other sustainability issues. Therefore it is interesting to mention that the only serious difference between tourists and domestic population is language, because the majority of tourists are Europeans coming from predominantly Roman Catholic countries from the Southern and Middle Europe, i.e. from the area where Istria and Rovinj belong too.³¹

³¹ Croatia and especially Istria are part of the area on the crossroads between historical regions of Middle Europe, to which belong also Austria, Germany and the majority of Slovenia, and Southern Europe, which part is Italy. The majority of those countries, and that includes also parts of Northern Italy, share long common history of living in the Habsburg, later Austrian-Hungarian empire, i.e. in the area sharing a lot of common cultural-historical values.

3. Roles of internal actors in sustainable tourism development

Internal actors have much stronger influences on the overall situation in the area in large extent due to weaker roles of external actors caused by the specific geographic position of Croatia and its tourist orientation. At the same time some internal actors have excessively strong influence on the situation in the area, especially the actors connected with politics and government on all levels. This situation is in larger extent a consequence of previous socialist system, when the State had extremely high role in the organization of life in the whole society. That was especially a case with economic life, what is probably different from all other countries in concern not having experience with socialist system in their history.

Although former Yugoslav socialist government was more opened to entrepreneurship than socialist governments in most other countries of Central and Eastern Europe, now members of European Union (Czech Republic, Slovakia, Hungary, Poland), and Croatia was in the past oriented mainly towards tourism from developed European countries with market economy, the State control of the economy is in Croatia today stronger than in those countries. The reasons are partly a fact that Croatia did not join European Union in 2004 or 2007, partly due to the War which has produced degradation of overall economy, but also much stronger involvement of overall Croatian population in the previous system. Therefore the central Croatian Government determine all the important aspects of the national economy and Croatia is unfortunately known as a country with one of the most complicated legal procedures in business and with the highest taxes in Europe.

Such influence was generally negative for the overall development and therefore especially for the economical sustainability of tourism development. This is also one of the reasons while Croatia's economical position in Europe is worse than before 1991 and why in Croatia there were few new investments in tourism accommodation capacities in spite of overall growth of tourism. The only positive element of this influence is probably a fact that Croatia in general, and especially Istria and Rovinj, are much less destroyed with overbuilding in coastal areas than many other European Mediterranean countries.

The main difference between Rovinj and Istria in comparison with the rest of Croatia is stronger role of regional (county) and local (town) governments and politicians. Although such circumstances have produced many positive effects visible in the higher level of overall economy and well being in Istria and Rovinj, the way of acting of regional and local decision makers regarding tendency to control the economical life in the area was in many aspects similar to the acting of decision makers on the State level. In the case of Rovinj the influence of local (town) government on the overall life is probably the strongest among all the most important tourist destinations in Croatia, but it was generally positive because it was economically successful and the majority of the income remains in the area.

The role of Ngo's in the overall society in Croatia and in Rovinj is a good indicator of the similarity of the behaviour of national, regional and local stake holders regarding tendency to control the economical resources in the area in concern. Their importance and influence in the society is rising all the time, showing general big progress in Croatia considering the issues like environment protection, human rights, protection of national, religious, sex orientation and other minorities etc. Therefore almost all Ngo's have often similar opponents - those are usually influential politicians connected with the main economical powers, regardless of level.

In any case the role of Ngo's and similar institutions is growing and is generally positive for the environment, because the Ngo's are usually warning the overall public in cases of misbehaviour, especially in the fields of environment protections like building golf courses, secondary residences etc. Rovinj as a destination is one of the rare without huge problems of that kind, what helped to keep the sustainability on relatively high level until now and will hopefully do so probably also in the future.

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