

## MEMBER STATES' ANNUAL TOURISM REPORTING TEMPLATE

Article 3 of [Council Decision 86/664/EEC](#)<sup>1</sup> of 22 December 1986 establishing a consultation and cooperation procedure in the field of tourism stipulates that:

*"...each Member State shall send the Commission, once a year, a report on the most significant measures it has taken and, as far as possible, on measures it is considering taking in the provision of services for tourists which could have consequences for travellers from the other Member States. The Commission shall inform the other Member States thereof".*

*The following reporting form aims at facilitating compliance with this Council Decision.*

### SECTION 1 TOURISM ORGANISATION AND GOVERNANCE

This section is aimed at reporting on the following:

- **Administrative organisation**
- **Territorial organisation**
- **Organisation and links between the national tourism authority and the provinces / regions**
- **Organisation and links between the national tourism authority and industry associations, stakeholders and customers**

**1.1. Please provide a short description of the administrative and territorial organisation of public bodies responsible for tourism**, indicating the relationship and cooperation between national, regional and local bodies of the core responsibilities and competences of each department (Max. 3000 characters)

The Ministry of Tourism (NTA) is responsible for drafting strategies, policies and other measures at national level and drawing up proposals for legislation that regulates the tourism and hospitality industry, the tourist board's role and activities and tourism tax issues.

The Ministry is headed by the Minister and he has one **State Secretary**. There are also four Assistant Ministers who are heads of Directorates (Quality Management, International Cooperation and EU; Competitiveness; Tourist Destination Management; Legal Affairs), each Directorate being composed of a number of Sectors, Departments and Units.

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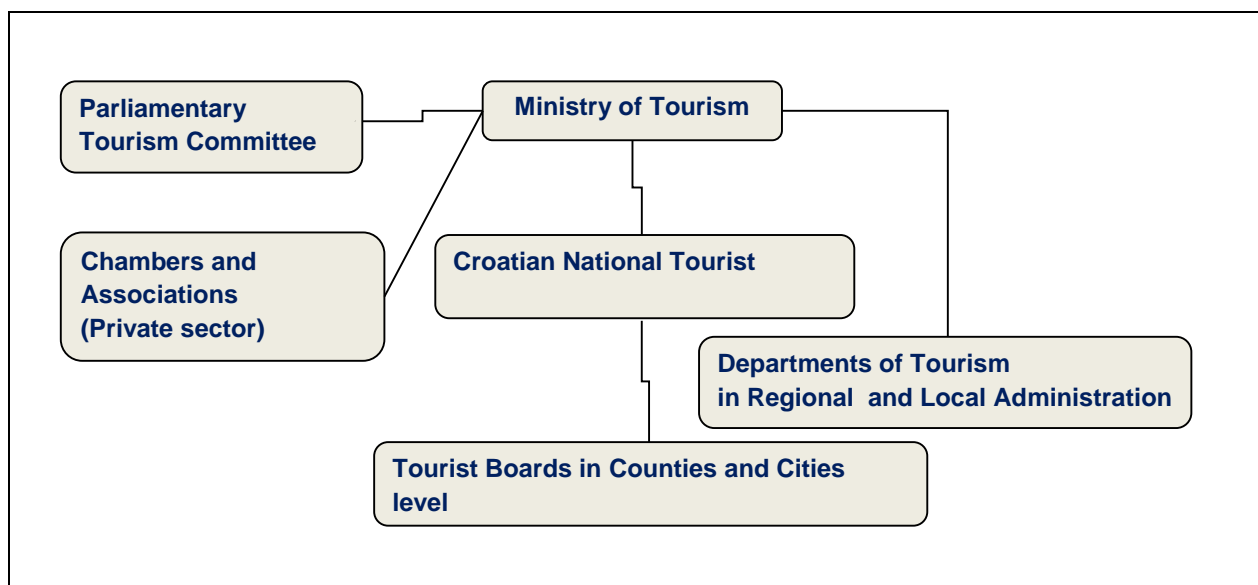
<sup>1</sup> <http://eur-lex.europa.eu/Notice.do?val=123070%3Acs&lang=en&list=123070%3Acs%2C&pos=1&page=1&nbl=1&pgs=10&hwords=>

Tourism promotion lies within the responsibility of the Croatian National Tourist Board (CNTB). The Minister of Tourism presides over the CNTB in an ex officio capacity, but it also has an Executive Director, who is in charge of daily operations and activities. The CNTB work is monitored by its Supervisory Committee (one member is always from the Ministry), and its Council (representatives of Regional Boards, professional associations, tourism industry and the Ministry) that regularly meets to discuss current issues and prepare decisions.

At the regional level, within the county administrative office, there is usually a unit/department responsible for tourism and hospitality. County administrative offices handle the classification and permits for private accommodation operators, but the classification of hotels, campsites and marinas is the responsibility of the Ministry.

The Tourism Committee of the Croatian Parliament shall establish and monitor the implementation of policy, and in procedures to enact legislation and other regulations it shall have the rights and duties of the competent working body in matters pertaining to: the concept and strategy of the development of Croatian tourism, the establishment and monitoring of the implementation of tourism development policies of the Republic of Croatia, hospitality industry and tourism activities and directly related activities, monitoring of concessions in tourism, developmental programs in tourism of particular importance to the economic development of the Republic of Croatia, the establishment and monitoring of the implementation of protection and maintenance of the quality of tourism sites, co-operation with the corresponding bodies in the European Parliament and the parliaments of other countries.

**1.2.** Please provide an **organisation chart** reflecting the above described administrative and territorial organisation.



**1.3. Please list and describe briefly the relationship and main areas of cooperation between national/regional public tourism bodies and the most significant / active private organisations / stakeholders / industry associations /unions / consumer organisations.**  
(Max. 1500 characters)

The Ministry regularly co-operates with professional associations (e.g. associations of travel agents, hoteliers, camping sites etc.), as well as with NGOs and trade unions.

The main areas of cooperation are:

- Coordination of measures and activities for preparation of tourism season;
- Coordination and implementation of marketing and promotional activities;
- Cooperation with professional associations with the aim to improve their quality and business conditions;
- Preparation of regulations related to tourism;
- Ministry of Tourism conducts various programmes through which it finances for tourism professional associations in their work (e.g. improving the quality of human resources and strengthening the competitiveness of tourism offer, vocational trainings, green businesses, competitiveness of tourism products and services, innovations in tourism, development of public tourism infrastructure, strengthening the tourism market and human resources, promotion of professions in tourism and strengthening the competencies of tourism jobs, etc.)
- Advisory activities related to the adoption and implementation of the act in the jurisdiction of the Ministry of Tourism

Important was also cooperation with the Croatian National Tourist Board on the establishment of the new Tourist information system (eVisitor).

**1.4. What is the existing national/regional specific legislation on tourism?** (Max. 500 characters)

- The Tourism Inspection Act (NN 19/14)
- The Act on the Provision of Tourism Services (NN 68/07, 88/10, 30/14, 89/14, 152/14)
- The Hospitality and Catering Industry Act (NN 85/15, 121/16)
- Act on Tourist Boards and the Promotion of Tourism (NN 152/08)
- Act on Tourist Board Membership Fees (NN 152/08, 88/10, 110/15, 121/16)
- The Sojourn Tax Act (NN 152/08, NN 59/09, NN 97/13, NN 158/13, NN 30/14)
- The Act on Tourism and Other Construction Land (NN 92/10)

There are also more than 50 subordinate legislations on tourism in the competence of the

Ministry of Tourism.

The other laws which influence tourism (e.g. Value Added Tax Act, Consumer Protection Act, Foreigners Act, Trade Act, Act on Regulated Professions and Recognition of Foreign Professional Qualifications) are the responsibility of other lines Ministries.

The Act on Strategic Investments Projects of the Republic of Croatia, drafted by the Ministry of Economy and passed in October 2013, is of great importance as it made reference to tourism for the first time. The adoption of the new Act on Regulated Professions and Recognition of Foreign Professional Qualifications was of great importance as it was a prerequisite for the adoption of the Ordinance on the Recognition of Professional Qualifications in the Field of Tourism, which enables tourist guides and other regulated professions in the field of tourism to provide their services on a temporary and occasional basis.

## SECTION 2 - MEMBER STATE ECONOMIC DATA AND TOURISM BUDGETS

*This section is intended to provide an overview of the key statistical information about the general tourism economic environment of the Member States.*

Data marked with **green** is also collected by Eurostat. Data marked with **orange** is equally collected by the OECD. The data categories match the templates of these two organisations, therefore data reported to the Commission can be transferred / used when reporting to Eurostat and OECD and vice-versa.

The statistical data provided in the tables below shall cover the year 2015 and, **if available**, 2016.

The data collected through these sections will also feed into the future Virtual Tourism Observatory.

**Please use the Excel templates provided below** in order to facilitate coherence and comparability of the data.

**Please note that you are only requested to fill in data that is available in your country. Please insert "N/A" for those that you are not able to provide.**



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## SECTION 3 NATIONAL TOURISM POLICY AND STRATEGIES

*This section aims at collecting information on the Member States general strategic vision as well as the specific objectives of their tourism policies.*

**3.1. Please provide information in bullet points on the key mission, main medium and long-term objectives and the main targets of your national tourism policy. (Max. 1500 characters)**

The three main goals of the National Strategic Reference framework are:

- encouraging faster economic growth that is based on the integration of the market and the institutional reforms,
- higher employment rate and
- promotion of sustainable development.

Similarly, and taking into account the existing limiting factors for the future tourist development in the Republic of Croatia, as well as global tourism demand trends, the main goal for the development of Croatian tourism until 2020 is to increase its attractiveness and competitiveness. At the same time, other main goals of Croatian tourism policy are:

- Improve infrastructure and quality of accommodation
- New employment
- Investments
- Increase in tourism expenditure

According to the three-year Strategic Plans of the Ministry of Tourism 2016-2018 the key challenges are:

- Improving tourism quality and content of the tourism product, through development of new and improvement of existing products and services by implementing innovation smart specialization and sustainability.
- Affirmation of Croatia on the international tourism market, through effective promotion, with goals of strengthening the Croatian tourist brand, raising the turnover out of the peak season, raising the average consumption of tourists and stronger support for the tourism industry.

**3.2. Do you have a multi-annual national tourism strategy specific / relevant for tourism in place? If yes, please describe in bullet points the main medium and long-term objectives of the strategy as well as who is responsible for its implementation. How is the implementation monitored and how often? (Max. 2000 characters)**

In 2013, The Strategy of Tourism Development in Croatia by 2020 was adopted by the Government and the Croatian Parliament. The main goals of the Strategy are to: ensure a top 20 world ranking for Croatia in terms of competitiveness; achieve EUR 7 billion of investment; increase foreign tourism expenditure by EUR 6 billion; grow the tourism sector workforce by 30,000 (20 000 jobs directly with the industry and 10 000 indirect jobs); increase bed capacity by 100 000; spread tourism more equitably through the year; and encourage a more balanced tourism development across the country.

The following are seen as the main challenges to reaching these goals: adapting the Ministry's activities to the needs of the Strategy; aligning the CNTB's Operational Marketing Plan 2014-2020 with the Strategy; increasing competitiveness; establishing an Inter-ministerial Council; ensuring EU funding for tourism sector development; implementing the necessary legal changes; developing the concept of Destination Marketing Organisations (DMO); privatising the remaining tourism properties in state hands; developing new products for new tourism segments; ensuring favourable conditions for tourism investment; offering incentives for "Greenfield" investments; and increasing off-season tourism activities.

The main body responsible for implementation of the Strategy is the Ministry of Tourism in cooperation with a number of governmental and public institutions such as the Croatian National Tourist Board, and a number of line ministries, professional associations in the tourism industry as well as regional and local governments and all potential stakeholders.

The Strategy will be continuously monitored by the Ministry of Tourism and by the Government of the Republic of Croatia.

According to the Strategy the following documents were developed:

- Action plan on Congress Tourism Development
- Action plan on Green Tourism Development
- Action Plan on Culture Tourism Development
- Action Plan on Cycling Tourism Development
- Action Plan on Nautical Tourism Development
- Action Plan on Health Tourism Development
- National Programme on Sea Beaches Management and Planning
- National Programme on Tourism SMEs Development
- National Programme on Small Family Hotel Businesses Development
- National Programme on Social Tourism Development – Tourism for All
- National Programme on Family Accommodation Improvement
- Programme on Strengthening the Competitiveness of Human Resources in Tourism

Based on the Strategy, the new Strategic Marketing Plan for Croatian Tourism for the period 2014-2020 has been adopted, as one of the basic documents defining national tourism. The Plan determines marketing tools and tactics, with 3 main goals: combatting seasonality, higher tourism expenditure and raising awareness of brand "Croatia" on every key market.

Aside from that, Ministry of Tourism in cooperation with the Ministry of Sea, Transport and Infrastructure, have prepared the Nautical Tourism Development Strategy for the period 2009-2019.

#### 4. TOURISM CHALLENGES, MEASURES AND INITIATIVES

*This section aims at collecting information on the challenges the Member states and the tourism industry has to deal with as well as the measures put in place to tackle them.*

##### 4.1. Please identify the key challenges for the tourism sector in your country and indicate their importance /priority in the table below.

CHALLENGES	IMPORTANCE / PRIORITY		
	HIGH	MEDIUM	LOW
Diversification of the tourism offer	<b>x</b>		
Protection of the cultural heritage		<b>x</b>	
Protection of the natural heritage		<b>x</b>	
ICT and innovation	<b>x</b>		
Connectivity and transport		<b>x</b>	
Employment in tourism	<b>x</b>		
Improving education and skills in tourism	<b>x</b>		
Combatting seasonality	<b>x</b>		
Demographic changes		<b>x</b>	
Improving accessibility of tourism	<b>x</b>		
Improving socio-economic data in tourism		<b>x</b>	
Economic crisis and recovery		<b>x</b>	
Improving the sustainability of tourism offer		<b>x</b>	
Combatting climate change		<b>x</b>	
Improving the quality of tourism offer	<b>x</b>		
Developing responsible tourism practices		<b>x</b>	
Competition against other destinations			<b>x</b>
Administrative / regulatory burden, bureaucracy	<b>x</b>		
Other, please specify			

**4.2. Please describe briefly the main measures in your country aimed at tackling the key high-priority challenges indicated above. (Max. 2000 characters)**

**Diversification of the tourism offer** – The various programmes conducted by the Ministry of Tourism and the Croatian National Tourist Board support diversification of tourism offer (e.g. programmes for support of organization of cultural, gastronomic and sport events, tourist attractions, thematic parks, cycling routes, etc.)

The Croatian National Tourist Board has financially supported tourist agencies with their programmes of developing DMCs and introducing complex tourism products and services. The aim is to support programmes that contribute to the development of complex destination products in Croatia (e.g. activation of unutilized tourism resources and creating new motives of arrival on the entire territory of Croatia, enrichment of the tourism offer especially on the PPS destinations, development of innovative products that are contributing to reducing seasonality, making recognizable image of Croatia as destination of special interest tourism and the market valorisation of complex tourism products).

In 2016 CNTB financially supported tourist boards in tourism underdeveloped areas (mainly in continental part of Croatia, except Zagreb). The support is given for: 1) Development and improvement of tourist destination offer and conditions of stay, e.g. renovation of promenades, cycling, thematic and instructive paths, viewpoints; branding of the tourist destination, improving quality of key products; making promotional brochures about key tourism products, raising quality of information for visitors, making new and renewing signalizations for tourists. 2) Education of new and specialization of existing providers of services 3) Development, renovation and improvement of public tourism infrastructure.

**Employment in Tourism and Improvement of education and skills in tourism -**

Ministry of Tourism co-financed projects in vocational and art schools, with the aim of promoting and consolidating vocational tourism careers in 2015. Means were aimed at: 1) new tourism products for strengthening competitiveness of destinations, 2) projects set up in cooperation with other educational departments, 3) strengthening the competitiveness of human resources in cooperation with private sector, 4) new types of promotion and 5) improvement of destination management.

In order to encourage vocational education in the field of tourism and hospitality, Ministry of Tourism, along with other participants, co-financed scholarships for pupils of (vocational) School of Hospitality and Tourism Management and students in the field of tourism and hospitality. Partners asked to participate were legal and private persons registered for hospitality services and county trade chambers. Main goals were: improving quality of Croatian tourism, raising youth motivation for careers in tourism and hospitality and better connection between educational institutions and businesses.



The Ministry of Tourism financially supported projects by vocational associations, aimed at raising the quality of human resources in tourism and hospitality and in improving competitiveness of tourism offer. The funds are intended for co-financing programs / projects and training programs of vocational associations in tourism and / or hospitality that provide added value to members of the association and thus affect the strengthening of the competitiveness of human resources and ultimately tourism product.

**Combatting seasonality** – The Croatian National Tourist Board has launched a project to increase the competitiveness of Croatian tourism through the PPS concept for extension of tourist season. The "PPS destination" label is awarded with the aim of encouraging the development of attractive and competitive destination with added value in the period of pre- and post-season. This market communication should contribute to better visibility and perception of Croatia as a destination with attractive offer in the PPS period.

With the aim to prolong the tourist season MT financially supported development and improvement of additional facilities such as are swimming pools as well as development of tourism of special interest (rural and mountain tourism, cycle tourism, sport and adventure tourism, thematic parks etc.).

**Improving accessibility of tourism** – The *National Programme on Social Tourism/Tourism for All* was developed with the aims to: activate the national hostel network; construct the social tourism data base; launch the web site with relevant social tourism offer; develop the national programme of leisure vouchers; organize a public awareness raising campaign on the importance of social tourism.

**Improving the quality of tourism offer** - Croatian National Tourist Board continuously co-finances products and initiatives as well as the programmes of tourist boards in areas where tourism is still underdeveloped and especially out of the peak season. MT conducted the programme "Competitiveness of tourism economy", through targeted support for new investment, diversification of tourist offer, raising the quality of accommodation and hospitality facilities, sustainable development, innovation and new destination tourism products, etc..

**4.3. Please identify if any of the above mentioned challenges relate to any legislative measures at EU level, and how. (Max. 1000 characters)**

Visa Code- full application of the Visa Code creates obstacles for better competitiveness, creating damages at certain markets e.g. Russian Federation) or with slow negotiation

(Turkey) reverses positive trends.

**4.4. Please identify and describe any measures implemented in your country to increase tourism flows from other EU Member States and from third countries.**  
(Max. 1000 characters)

The Croatian National Tourist Board (CNTB) is conducting the promotion of Croatian tourism on tourism fairs, social networks and TV campaigns.

The slogan “Winter is great for thinking about spring” is used on markets with the habit of early booking, like Germany, Great Britain, Austria, Poland, France, Sweden, Norway, Netherlands, Belgium and Switzerland.

In March 2016 started a PPS campaign for promotion of pre - and post-season on markets that have strong potential and the tradition of traveling outside the main season and after that starts regular campaign on all markets including United States, Japan, Russia and Ukraine.

The Croatian national tourist board participated on 26 tourism fairs, 18 of them were focused on large public and eight were specialized (three nautical and camping fairs and two for congress stock exchange) An interesting fact is that after several years of absence the CNTB has returned to the ATM fair in Dubai.

The first and the only Croatian gastronomic itinerary in English language, Croatia’s finest, has started with displaying, in October 2016, on National Geographic Channel for Asian market (China, Japan, India, Malaysia, Saudi Arabia, South Korea, Bahrain, United Arab Emirates and even a part of Africa), and through the next three years, with rebroadcasts, over half billion people will be able to meet Croatia, its reach cultural heritage, natural wonders and excellent gastronomic offer, which until now will be the biggest promotion of Croatia and Croatian products in the world.

Croatia and Slovenia (Croatian National Tourist Board and Slovenian Tourist Board) have successfully organized Joint Tourism Promotion Events with the theme of "Experience Croatia, Feel Slovenia” on some third markets (China and South Korea) for several years. These events aimed to promote the rich tourism resources of the two countries, as well as present their world famous music and culture to foreign travel trade and potential travellers, receiving high praises from the attendees.

**4.5. Please describe how promotional measures implemented in your country make use of / capitalise on the promotional campaigns carried out by the Commission (i.e. Ready for Europe, EDEN, low-season tourism campaigns, etc.). (Max. 1000 characters)**

In general, Croatia successfully participated in all EDEN thematic calls. Croatian destinations achieved multiple benefits that concern local community, stakeholders and the visitors. Some of the destinations at the moment of receiving the EDEN award were little known on the national level and almost unknown on the international level, but after receiving the EDEN award and through the stronger marketing, their visibility and better positioning were increased. All marketing activities after the award got much larger media attention.

EDEN award encouraged the destinations to improve their offer according to the sustainable tourism principles and based on the cultural and natural values of their destinations.

All Croatian EDEN destinations had positive impact and became a model for tourism development in their areas (in neighbouring destinations). They also exchange visits and good practices among themselves, usually based on similarities of their offer, some even internationally.

In 2015 the Croatian National Tourist Board applied on the Call for proposals *European Destinations of Excellence –Promotion of EDEN destinations and awareness raising (COS-TE DEN-2015-3-05)* that is successfully implemented.

CTNB participate also in 2016 edition of selection of EDEN destinations on the theme "Cultural tourism".

Through the promotion and stimulation tourism of special interest MT and CTNB strive to reduce seasonality. *Croatia, Full of Life* is the new tagline used in Croatian tourist promotion, and is lead thought the new concept of communication with the market, labelled *Big Idea*. Due to the variety of new activities offered to tourists, they have chosen to spend more time in the country and see all it has to offer. They chose to see the country as a place where they can have fun, try new challenges and be active. The new slogan is adaptable and used for promotion of various activities and tourism products (e.g. Full of trails, Full of adventures, Full of flavours, Full of stories, Full of world heritage, Full of nature, Full of fun etc.)

In 2016 MT published brochure on "20 Top Archaeological Sites of Croatia" and the Association of Rural Tourism prepared brochure "Discover the Croatian Village".

**4.6. Please identify and describe any measures /actions in your country which contribute to maximising the potential of national policies for developing tourism (e.g. ensuring that tourism interests are taken into account in the development of other policies which may have impact on tourism). (Max.1000 characters)**

1. In view of Croatia's accession to the EU on 1st July, 2013, its **visa policy** was harmonized with that of the EU on the 1st of April, 2013.

As the Russian and Ukrainian markets have shown a significant increase in tourist flow in the years preceding Croatian accession to the EU, Croatia has been trying to ease up the visa issuance procedure as much as possible.

One of the measures, aside from manning the existing consulates, continuing with accreditation of travel agencies and contracting services of the visa centres, is **governmental decision which allows all foreigners' holders of valid Schengen documents do not require an additional (Croatian) visa for entry and short-term stay in Croatia**. More information on: <http://www.mvep.hr/en/consular-information/visas/visa-requirements-overview/>

2. According the Croatian Tourism Development Strategy by 2020 the **tourism investments** are one of important goals. Namely, the plan is to reach 7BN EUR new investments in tourism by 2020 and the key driving force of investment cycles should be hotels.

Hotels represent the basis of more developed and more diversified offer that can attract tourist outside the summer months. At the same time their restructuring will bring more and longer employment, more activities in the destination and more income to the local economy with enhanced quality of life.

3. The Ministry of Tourism financially supported SMEs development through following three measures: 1) increasing the standard, quality and additional tourism offer, business diversification, and sustainable growth, by using new technologies and social inclusiveness improvement, 2) development of special types of tourism, 3) international recognisability. Grants were aimed at small businesses (trade companies out of public sector, trades and cooperatives), rural homesteads and private person (private renters). The grant allocation for construction and equipment of new pools in household objects (room, apartment, studio apartment, house, camp) has induced competitiveness of tourism sector.
4. Through the Tourism Development Fund Ministry (funds collected from charges from concessions and sale of land) supported public infrastructure development and resource basis conservation – tourist attractions. Goals of program implementation are: improvement of tourism quality and content of touristic product, development of tourism infrastructure and preservation of tourism resources, more appropriate valorisation of resources, creation of new attraction, generation of new motives for arrivals, more balanced spacious distribution of demand, encouraging growth of tourism expenditure, boosting guest satisfaction, innovative interpretation of natural and cultural tangible and intangible heritage, visitor management. In 2016 the Ministry of Tourism has issued a public call based on the Program for development of public touristic infrastructure and financed were: beaches, centres for visitors and interpretative centres, public cyclotourism infrastructure. Grants were allocated to legal entities (local and regional self-government units, trade companies owned by local, regional or state authority, tourist boards, and national or nature park public institutions).

**4.7. Please identify and describe any measures/actions in your country which contribute to maximising the potential of EU Financial Instruments for developing tourism** (e.g. information on main objectives, financing opportunities, training courses, etc.). (Max. 1000 characters)

The Ministry of Tourism organized several workshops, presentation and partnership consultation on utilizing of the EU Social Fund and possibilities of financing professional associations' projects through the EU Structural funds in the field of social tourism.

The Ministry of Tourism is preparing a call for proposals "Improving access of vulnerable groups to the labour market in the sector of tourism and hospitality" which will be financed by European Social Fund. Applicants will be adult education institutions and NGO's operating in the tourism and hospitality sector.

This call for proposals will directly respond to the social needs of vulnerable groups with aim of greater employability in the tourism and hospitality sector.

With regard to harmonization of hospitality educational system with labour market demands the presentation and workshop on the „Proposals for improvement of secondary education for tourism needs in Croatia“ was held, as well as a number of meetings with the Ministry of Science, Education and Sports about financial opportunities for this measure from the EU's multiannual financial framework for 2014-2020.

In line with the **Act on the Establishment of Institutional Framework for the Use of European Structural and Investment Funds in Republic of Croatia in the financial perspective 2014-2020** (NN 92/2014.) and the **Act on Bodies of Management and Control Systems for the Use of European Social Fund, European Regional Development Fund and Cohesion Fund**, in accordance with the goal of „**Investment for Growth and Jobs**“ (NN 107/2014), the Ministry of Tourism has been appointed as the First Level Intermediate Body for the Operational Programme „Efficient Human Resources“ of the priority axes „Social Inclusion“ and „Education and lifelong learning“. In addition, the Ministry of Tourism is indirectly included and has assumed obligations in the Operational Programme „Competitiveness and Cohesion“ in the period 2014-2020.

MT coordinates the 4<sup>th</sup> Pillar of the EU Strategy for Adriatic and Ionian Region (EUSAIR) and it enables better cooperation and communication with stakeholders in terms of good practices exchange, possible common actions and using funds from transnational and cross border programmes.

**4.8 Please describe shortly which EU programmes are used the most frequently and for what purposes of tourism development in your country.** (Max. 1000 characters)

During 2015, the Ministry of Tourism was involved in the programming of the Operative Programme Competitiveness and Cohesion, OP for Maritime Affairs and Fisheries and **in the Rural Development Programme** in which the Ministry included, through their individual priorities, measures and activities of possible support for increasing the competitiveness of

tourism, balanced development and sustainable tourism. The most relevant investment priorities for improving competitiveness of tourism in the OP Competitiveness and Cohesion are PO1 - IP1b, PO3 - IP3d, PO 4 - IP4b and PA6 - IP6c. In the final quarter of 2015, there has been a Call for a grant from EU funds to support the development of SMEs in the tourism industry by increasing the quality and offer of hotels, with a total allocation of 40 million Euros. The implementing body was the Ministry of Entrepreneurship and Crafts of Croatia in collaboration with the Ministry of Tourism. In the final quarter of 2015, a public debate was held and the Public Call for Preparation and implementation of integrated development programs based on the restoration of cultural heritage was prepared and published, with the competent implementing body being the Croatian Ministry of Regional Development and EU Funds in cooperation with the Ministry of Tourism and the Ministry of Culture.

**Interreg V-A Hungary-Croatia Co-operation Programme 2014-2020** - within the first Call for Proposals in this financial perspective more than 50 joint Hungarian-Croatian development projects were awarded 23.4 M EUR for investments into tourism development, inter-institutional cooperation and improvement of educational facilities. Out of three Priority Axes open to applicants within the First Call for Proposals potential beneficiaries showed the biggest interest for tourism projects eligible within Priority 2 ‘Sustainable Use of Natural and Cultural Assets’ (Bicycle paths, Tourism attractions), which resulted in the majority of the 23.4 million EUR of EU contribution being allocated to projects investing in bicycle paths and tourism attraction development (14.4 million EUR).

**Interreg V-A Slovenia-Croatia Co-operation Programme 2014-2020** – within the Priority Axis 2 “Preservation and sustainable use of natural and cultural resources” specific objectives “Active heritage preservation through sustainable tourism” and “Protecting and restoring biodiversity and promoting ecosystem services” 2.042 mill EUR were allocated for tourism projects.

**Interreg IPA CBC Programme Croatia – Serbia 2014-2020** – within the first Call and Priority axis (PA3) ‘Contributing to the development of tourism and preserving cultural and natural heritage’ 4.184 million EUR were allocated to tourism projects.

**Interreg Danube Transnational Programme 2014- 2020** – within the first Call a and Priority axis 2 “Environment and Culture Responsible Danube Region”, specific objective “Foster sustainable use of natural and cultural heritage and resources” allocated were 1.31 million EUR for tourism projects involving Croatian partners.

**Interreg MED Transnational Programme 2014- 2020** – within the first Call for tourism project and Croatian project partners allocated were 2.59 million EUR.

As there is no obligation to report to the line Ministry on projects or funds utilized by regional/local authorities connected with tourism, we cannot provide complete information on the use of EU funds in Croatian tourism sector.

MT regularly informs all tourism stakeholders in country about all open calls i.e. EU funding opportunities for tourism sector.



*Sustainable and responsible tourism, whether talking about economic, social or environmental sustainability, is a broad concept and may be interpreted in various ways depending on the attributes of a Member State or region.*

*The following questions focus on sustainability and responsibility in tourism as described in the 2007 Commission Communication<sup>2</sup> on an agenda for sustainable and competitive European tourism.*

**4.9. Sustainable destination: What support is given to strengthen destination management at the national /regional/local level (e.g. supportive policy environment, knowledge networks, training programmes, technological support tools, financial support, promotional activities, etc.)? (Max. 1000 characters)**

In the period 2011 – 2012 MT participated as a partner in the project FAST – LAIN (Further Action on Sustainable Tourism – Learning Area Innovation Networks) designed by ECOTRANS and co-financed by the Competitiveness and Innovation Programme (CIP). As the unique place where stakeholders (the administrative bodies of all levels, destinations, businesses and individuals) could get access to the key information on crucial aspects of sustainable tourism development had been lacking, the Ministry of Tourism has established a web portal <http://www.odrzivi.turizam.hr/>. It provides both national and international news and has direct connection with the Knowledge Networking Portal for Sustainable & Responsible Tourism <http://destinet.eu/>.

With the aim to improve the overall supply of destinations CTNB developed the new system of the annual Croatian tourist award that consists of 28 awards in six (6) categories: destination of the year, award for sustainable tourism, innovation of the year, attraction of the year, award to the business sector (The Tourist Flower- Quality for Croatia) and the special prize *People in the tourism industry*. Categories were shaped in accordance with the current Tourism Development Strategy and Strategic Marketing Plan.

The **Tourist Flower – Quality for Croatia** is the award of the Croatian Chamber of Economy which was awarded for twenty years in a row to the best hotels, marinas, camps and tourist destinations that provide high quality services and improve quality of life through responsible use of energy, environmental protection and landscaping. For the first time in 2016 a special recognition was assigned to the best micro DMC travel agency.

This new concept of tourism awards will serve as a tool for future monitoring, controlling and improving of the quality and efficiency of all important components in tourism sector.

On Europe's first ETIS and Accessible tourism awards ceremony held in Brussels on the 22<sup>nd</sup> April 2016, Mali Lošinj, located on the Croatian island of Lošinj, won ETIS Economic Value Achiever for the breadth and depth of insights gathered on sustainable tourism practices on

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<sup>2</sup> [http://ec.europa.eu/enterprise/sectors/tourism/documents/communications/commission-communication-2007/index\\_en.htm](http://ec.europa.eu/enterprise/sectors/tourism/documents/communications/commission-communication-2007/index_en.htm)

the island. The survey revealed that 56% of the most attractive locations on the island have had access for people with disabilities, and 78% of local companies were involved in programs for environmental protection and climate action. 89% of enterprises switched to low energy lighting, but only 14% of waste was recycled.

**4.10. Sustainable businesses: What support is given to strengthen the sustainability and competitiveness of tourism businesses** (e.g. supportive policy environment, knowledge networks, orientation of business support services to sustainability, training, financial incentives, promotional activities, etc.)? (Max. 1000 characters)

The Ministry of **Environmental Protection and Energetics**, with the Ministry of Tourism as its partner, has established a Croatian system for awarding the “**Environmentally Friendly**” label to hotels and campsites that qualify in the efficient use of natural resources and higher levels of environmental protection. Except of the “Environmentally Friendly” award that is currently under revision, the **Ministry of Environmental Protection and Energetics** also implemented the EU Ecolabel and Eco-Management and Audit Scheme (EMAS).

The first Croatian award, “GREENOVATION”, for green economy development, was launched by the Association for Energetics Zagreb and The Croatian Chamber of Economy, the European Entrepreneurship Network of Croatia in 2012 and since then, every year the winners in ten categories are entitled to use the “Green mark – sign of excellence” label for five years.

In 2014 and 2015 the "Sustainable Hotel Certificates by UPUHH", were awarded to 41 hotels in Croatia. These hotels earned their "green" certificates by leading the sustainable business operations.

The certificate of the Association of Employers in Croatian Hospitality (UPUHH) guarantees that the hotels follow global sustainable business trends. Successful management of sustainability in the daily hotel business, the environment and the constant expansion of environmental awareness is present in the hotels, energy efficiency, education of employees, saving water and energy along with control of the CO2 emissions - are just some of the many criteria that the hotels must meet in order to obtain this status and certification. **The plan is that by the end of 2018 this concept of green businesses will adopt almost 200 hotels in the UPUHH membership what is about 80% of overall hotel industry in Croatia as well as that the project will join other professional associations - camping, nautical tourism and other segments of tourist offer.**

**Croatia 365 Gourmet** is a national digital platform that promotes local foods and wines. The platform has been active since July 2016, with a current total of 134 sub-pages: 71 restaurant subpages, 22 sub-pages of winemakers, 9 sub-pages of oil producer and 31 sub-pages of food. Restaurants are selected in cooperation with the county tourist boards.



**4.11. Responsible tourism: What support is given to tourists and the tourism industry to promote their responsible practices and choices (e.g. awareness raising, sustainability in education, national marketing and media campaigns, promotion of certification schemes, etc.)? (Max. 1000 characters)**

- The Ministry of Tourism issued the **Ordinance on Quality label for hotels**, with some standards based on a number of “green” criteria. To be assigned a label, a hotel has to meet a minimum of standards in nine different categories including areas referring to the sustainable and responsible use of energy and resources, staff and guest satisfaction, etc.

So far, the Quality label (Q) was assigned to following hotels: MONTE MULINI in Rovinj, LE MERIDIEN LAV in Split and VALAMAR Hotels & Resorts.

*Lijepa naša Sava* (Our beautiful Sava) is a social responsible project which was held for the ninth consecutive year. In 2009 the project got the European Excellence Award for the best campaign in Southeast Europe. The project is including 11 partners from the government level and 45 partners from local level. Until now 24 expositions were held with the aim of raising the consciousness on the importance of water resources and preserving the environment of the river Sava, returning of people on the river and stimulating innovation, sustainable economy and ecotourism.

**4.12. Please describe maximum three of the most significant planned / future tourism measures (legislative or non-legislative) which envisage to impact travellers visiting your country from other Member States or from outside Europe. (Max. 1000 characters)**

In the period till 2020 Croatia will turn towards developing products that will enable not only better usage of existing capacities outside the summer months’ period, but also **activate tourism potential of the continental region of Croatia.**

Starting with global market trends in the tourism market and the quality of the natural and cultural resource, the following product groups are important for the development of Croatia's tourism: nautical tourism (yachting and cruising), health tourism, culture tourism, business tourism, golf tourism, cycling tourism, wine and food tourism, rural and mountain tourism and adventure and sports tourism. With these products, Croatia will also further develop several specific product groups, such as eco-tourism and young and social tourism.

Some of priority product development activities according to the Strategy of Tourism Development by 2020 will be:

- Improving the quality of accommodation in hotels and campsites, including their positioning and branding (improving facilities, raising existing category standards and introducing new standards in the quality of service) and diversification of the accommodation offer through themes (e.g. family sports, business, etc.);
- Development of new attractions (e.g. theme or fun parks, aquariums, interactive

museums, etc.) with a potential to attract regional and international demand;

- Branding of the national and regional food offer;
- Creation of modern visitor centres at key attractions;
- Incentivising the development of cultural themed roads and paths (e.g. historical roads, UNESCO heritage roads, religious roads), which include clear development criteria and management systems.

In accordance with the prescribed time limits from Directive (EU) 2015/2302 of the European Parliament and of the Council of 25th November 2015 on package travel and linked travel arrangements, amending Regulation (EC) No 2006/2004 and Directive 2011/83 / EU of the European Parliament and of the Council and repealing Council Directive 90/314 / EEC, the Law on the Provision of Tourism Services, which already contains many provisions prescribed in the aforementioned Directive, will be implemented in addition to new provisions in the aforementioned Directive, which will ensure an adequate protection of service users.

MT secured financial support for the Croatian Mountain Rescue Service due to their activities and significant contribution to the perception of Croatia as a safe destination as an important part of Croatian tourism.

## 5. ADDITIONAL INFORMATION

### 5.1. Please describe maximum 3 best practices of tourism measures implemented at national, regional or local level (any type of activity). (Max. 2000 characters)

#### 1. Promotion of professions and strengthening the competencies of pupils in vocational schools

The "Tourism Development Strategy of the Republic of Croatia by 2020" takes into account the existing limiting factors affecting tourism development in the Croatian tourism marketplace, as well as the global trends in tourism demand. It directly identifies increasing tourism attractiveness and competitiveness as the main priority of Croatian tourism development by 2020. It clearly states that one of the most important limiting factors within the tourism and hospitality sector is the educational system, which has not been adjusted to the needs and demands of a dynamic international tourism market. Its main disadvantages prove to be the insufficient and inadequate competences of the personnel engaged in tourism. Within the scope of improving human resources and developing vocational education and training, and customizing it to enhance the tourism and hospitality sector, the Ministry of Tourism has continuously supported the promotion of professions and strengthening of competencies of pupils in vocational schools by funding activities within the Call for

Proposals “Promoting Professions and Strengthening the Competencies of Pupils in Vocational Schools“ since 2008. The overall aim of the Call has been to develop new tourism products and types of promotion for the tourism sector. The 2016 Call for Proposals set objectives, such as raising awareness that tourism is a multi-sectoral and horizontal activity; **introducing** the requirement for cooperation between the educational system and the private sector; developing an entrepreneurial spirit, and building teamwork skills and a project-way of thinking among pupils. Additionally, the national and international competition of pupils in the tourism and hospitality sector entitled GASTRO is organized each year and held by the Agency for Vocational Education and Adult Education. Representatives from the Ministry of Tourism take part in the competition as judges. The competition is not only a place where skills and competencies acquired through formal education can be assessed, but also a place for gaining new skills.

## **2. VET centres of competence**

Considering the specific problems of education in the sector of tourism and hospitality, such as outdated education programmes and a fragmented network of schools, the VET centres of competence will be introduced as places of excellence for training HR in tourism. The centres adhere to relevant national and EU policies (Croatian Education, Science and Technology Strategy, Croatian Tourism Development Strategy by 2020, the future VET System Development Programme, the Programme for Strengthening Competitiveness of Human Resources in Tourism and Vocational Education and Training Act). **In 2016, a harmonisation of the above-mentioned documents was continued. The EC acknowledged the concept of VET centres concept and subsequently adopted it within the OPEHR 2014-2020 and the OPCC 2014-2020.**

The establishment of VET centres will focus on the vocational education for pupils with the emphasis on practical work, but it will also provide continuous education targeting SME employees, education professionals and unemployed persons. The centres will promote partnerships and networking among different stakeholders in the public, private and civil sectors, as well as support a high-quality infrastructure, modern equipment and innovative learning models adapted to regional labour market needs.

## **3. Social inclusion of persons with disabilities**

The Ministry of Tourism is actively involved in the preparation of the National Strategy for the Equalization of Opportunities for Persons with Disabilities for the period 2016-2020 by implementing the following activities:

- preparing and implementing calls for proposals for educating people with disabilities to work in the tourism sector which, *inter alia*, includes educating trainers/mentors for working with people with disabilities; **launching of the Call for proposals "Improving access of vulnerable groups to the labour market in the sector of tourism and hospitality" is planned for 2017.**
- Preparing and implementing campaigns on raising awareness on accessible tourism.

The above mentioned activities will be provided by the means of the OPEHR 2014–2020 and will help raise awareness of the importance of developing accessible tourism and increasing the level of tolerance and acceptance of people with disabilities by all stakeholders in the tourism and hospitality sector.

#### **4. eVisitor**

eVisitor is a central place for tourist check-in and check-out in the Republic of Croatia that is in use from 1 January 2016. It is a new information system that functionally connects all Tourist Boards and about 60,000 accommodation providers. All Tourist Boards have access to all the data collected on the accommodation providers and their accommodation facilities as well as the arrivals and departures of tourists in their area.

The purposes of this tourist check-in and check-out information system are:

- Collection and processing of data on accommodation providers and their accommodation facilities on the Croatian territory;
- Checking-in and checking-out guests via the Internet by the accommodation provider;
- Calculation and control of the collection of tourist tax;
- Treatment and analysis of data and reporting for the purpose of statistics;
- Mutual cooperation of public authorities in carrying out legal tasks.

**5.2. Please describe, in a concise manner, in your view, what policy developments / actions / activities would you expect from the Commission's tourism team that would serve better (than the current ones) the EU Member States and the industry. (Max. 2000 characters)**

Commission's tourism team should provide us with more information on foreseen and ongoing activities with ETC, UNWTO, Council of Europe (routes) and OECD on a regular basis.

As TAC members are often involved in some initiatives/policies/strategies that are responsibility of the other DG's (e.g. visa policy, travel package directive, macro-regional strategies) we would appreciate more detailed information about all *EU affairs* that have influence on tourism. We would appreciate more thematic meetings and those with representatives from the private sector.

**THANK YOU**