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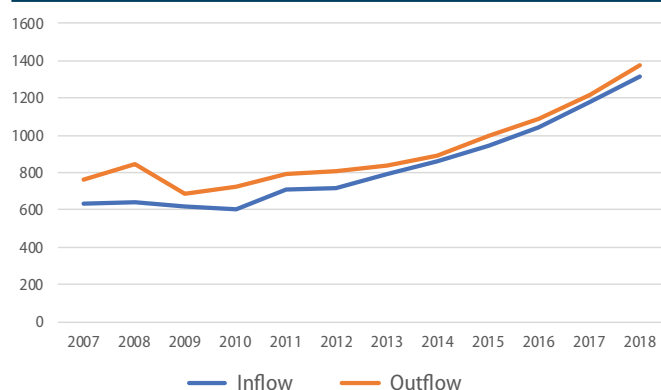
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Highlight 2. International Competitiveness of Serbian Tourism

Aleksandar Radivojević¹

In the last 15 years, Serbia has recorded positive results on the international tourist services market based on a number of indicators. The number of foreign tourists increased 2.46 times in the previous year compared to 2007, while in the same period the number of foreign tourist nights spent increased 2.48 times². In the same period, 2007–2018, the inflow from foreign tourists increased by more than 2.1 times (from EUR 630 million to EUR 1.3 billion³). However, in none of the observed years did Serbia record a surplus in exchange with the world, as the outflow due to the departure of tourists from Serbia abroad was always higher than the inflow from foreign tourists (Table 1). However, the positive trend is that the resulting deficit is decreasing.

Table 1. Inflow form foreign tourists and outflow from tourists from Serbia, in millions of EUR, 2007–2018



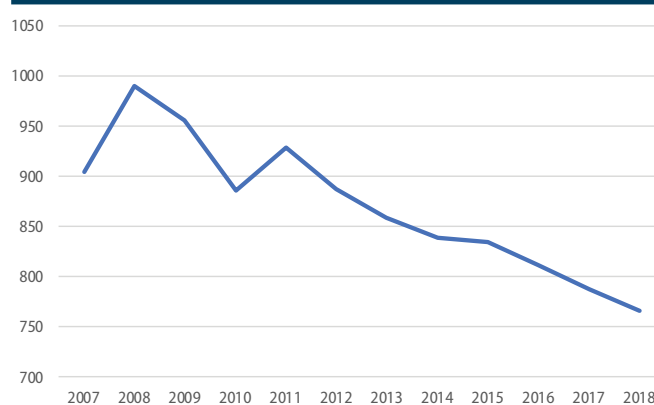
Source: NBS

These data indicate a faster growth of the number of foreign tourists than the growth of the realized inflow,

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2 <http://www.stat.gov.rs/publikacije/publication/?p=12008>
3 https://www.nbs.rs/internet/cirilica/80/platni_bilans.html

which indicates a decrease in the average spending per foreign tourists in Serbia (Table 2), probably as result of an insufficient number or inadequate supply of tourist services in Serbia.

Table 2. Average spending of foreign tourist in Serbia, in EUR, 2007–2018

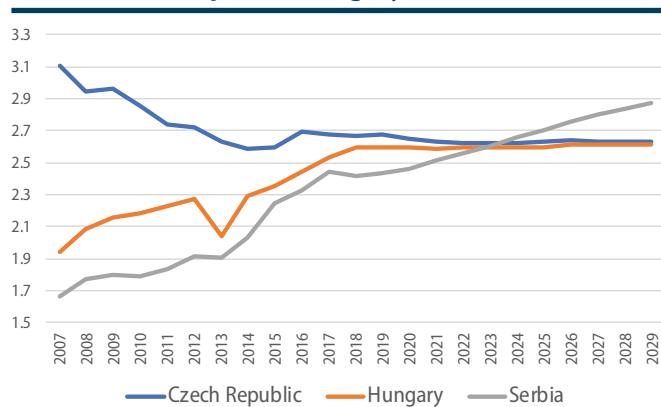


Source: Author based on NBS and SORS data

The analysis of the competitiveness of Serbian tourism in this Highlight is based on the data from the Travel & Tourism Competitiveness Report of the World Economic Forum. According to this report, Serbia ranks 83rd out of 140 countries covered by the report. Compared to the previous report, from 2017, when Serbia was ranked 95th (out of 136 observed countries at that time), this result represents an improvement of 12 positions. An improvement of 12 positions is also the biggest improvement recorded in this year's report, and it is interesting that the same result as Serbia was recorded by countries of the region, Albania and Romania. However, if we also look at the percentage change in the value of the index, we can conclude that according to this year's report, Serbia made the biggest progress compared to all observed countries. In the text below, instead of travel and tourism, we will use the term tourism sector, which is more appropriate to our terminology.

If we look at the period 2007-2018 the share of the tourism sector in the GDP of Serbia increased from 1.6% to 2.4%, which shows its increasing importance to the domestic economy. This is a significant increase if we look at the trend of the tourism sector's share in GDP in comparable countries, which are located in Europe and do not have access to the sea, such as Hungary and the Czech Republic, which are experiencing either slower growth or a decline. According to the World Travel and Tourism Council projections, the tourism sector's share in GDP in these three countries is expected to be the same for all three countries in 2023, after which this share in Serbia will continue to grow.

Table 3. Trends in the share of tourism sector in GDP 2007-2018 and projections for the period 2019-2029, Serbia, Czech Republic, Hungary



Source: World Travel & Tourism Council

However, globally this share is over 10% of global GDP, with an expected increase up to 15% over the next few decades. In addition to the expected growth and the fact that tourism is the second fastest growing sector in the world, after processing, and before information technology, financial services and health care, additional importance of tourism is the already proven resilience in the conditions of economic shocks, i.e. the ability to recover quickly. If Serbia wants to play a more significant role in this sector at the international level, and explore its expected growth, it must first and foremost improve the conditions of competitiveness of this sector in which contribute to attracting foreign tourists and attracting investments in this sector.

Understanding Serbia's progress in the World Economic Forum's report and the possibility of future progress in individual indicators, categories of indicators and the global tourism sector competitiveness index, implies understanding the methodology of the report and ranking of the observed countries. According to the definition of the World Economic Forum, the Tourism Sector Competitiveness Index is "a set of factors and policies that enable sustainable development

of this sector, which further contributes to the level of development and competitiveness of the country". It should be emphasized that this index does not in any sense assess the attractiveness of a country as a tourist destination, but rather gives an assessment of the attractiveness to invest in the tourism sector in individual countries.

The Tourism Sector Competitiveness Index

Methodology

The goal of this index is to rank as many countries as possible according to the level of competitiveness of their tourism sector, and to monitor from year to year trends in overall competitiveness, individual categories of indicators and individual indicators, relative to other countries and relative to their own value in previous years. In order to be able to understand the ability of an index to fulfill this goal, we must first understand the methodology behind the index production, as well as the sources and methods of data collection.

The Tourism Sector Competitiveness Index is calculated on the basis of the results of 95 indicators divided into 14 categories: I Business environment; II Safety and security; III Health and hygiene; IV Human resources and the labor market; VICT Readiness; VI Prioritization of the tourism sector; VII International Openness; VIII Price competitiveness; IX Environmental sustainability; X Air transport infrastructure; XI Ground and port infrastructure; XII Tourist Service infrastructure; XIII Natural Resources; and XIV Cultural resources and business travel. These fourteen categories are divided into 4 groups: Enabling Environment, Tourism Policy and Enabling Conditions, Infrastructure and Natural and Cultural Resources (Table 4).

The index assesses competitiveness by analyzing 95 indicators, defining these 14 competitiveness categories, out of which 33 indicators are obtained through a questionnaire in which managers of large, small and micro enterprises provide answers indicating the business conditions in the country in which they operate. This type of data collection has its disadvantages, which primarily relate to the ability/inability of each individual manager to rationally evaluate the situation within all areas of business covered by the questionnaire. In addition, managers have to place the evaluated situation in an international context and rank it in relation to all countries of the world. The second part of the data is taken from the official statistics of relevant international institutions by the World Economic Forum (World Bank - WB, International Labor Organization - ILO, World Health Organization - WHO, United Nations - UN, Food and Agriculture Organization - FAO, etc.). The

Table 4. Travel & Tourism Competitiveness Index

Travel & Tourism Competitiveness Index			
Subindex Enabling Environment (25%)	Subindex Tourism Policy and Enabling Conditions (25%)	Subindex Infrastructure (25%)	Subindex Natural and Cultural Resources(25%)
Business environment (20%)	Prioritization of the tourism sector (25%)	Air transport infrastructure (33%)	Natural Resources (50%)
Safety and security (20%)	International openness (25%)	Ground and port infrastructure (33%)	Cultural resources and business travel (50%)
Health and hygiene (20%)	Price competitiveness (25%)	Tourist service infrastructure (33%)	
Human resources and the labor market (20%)	Environmental sustainability (25%)		
ICT readiness (20%)			

Source: *Travel & Tourism Competitiveness Index 2019*.

*The parentheses refer to the share of the category results in the results of the respective sub-indices, as well as the results of the sub-indices in the total index.

disadvantages of collecting data through questionnaires and in some cases comparing the same international statistics data for different countries but in different years, have been consciously accepted in order to create an index that includes a sufficient number of indicators to determine the competitiveness of the tourism sector, provided these data are internationally comparable for a large number of countries. A great advantage of the report is that, in addition to the index values for all observed countries and the rank shown, report displays data on the value and movement of all individual indicators which enter into the calculation of the index.

As already noted, more than a third of indicators that make up the index are derived from the Executive Opinion Survey which WEF conducts in every country. The survey questions are closed-ended, based on a seven-point Likert scale⁴, and thus the data obtained from secondary sources are converted to a seven-point scale to allow for the aggregation of indicators obtained from secondary and primary sources. The secondary data that form the indicators outside the survey are taken from databases that are above all comparable to all countries for which the index is calculated, and which are the product of international organizations with experience in collecting and processing them. Adjusting this data to a seven-point scale is done based on a min-max normalization on a scale of 1 to 7. When normalizing these data, indicators with a value of 1 to 7 are formed, taking into account that for some indicators, a higher value represents a worse result, so for their adjustments an alternative formula is used.

Serbia’s global rank by the competitiveness of the tourism sector

As we have already stated, according to this year’s report, Serbia has achieved a 12-position improvement over the

previous report⁵ and is now ranked 83rd on the list. This result was influenced by improvements in almost all categories that, according to the World Economic Forum methodology, determine the competitiveness of the tourism sector in a country.

Serbia has made the greatest progress in the Business Environment category (an increase of 38 positions, from 112th to 74th), primarily as a result of the progress made in the result of two indicators that measure the time required and the money needed (as a percentage of overall construction costs) to obtain construction licenses in Serbia⁶. Reducing the number of days required to issue a construction permit from 156 to 106 resulted in a shift in the ranking within this competitiveness indicator by as many as 36 positions (from 77th to 41st place), while reducing the share of the cost of issuing a construction permit from 3.2% to 1.7% influenced the movement within this indicator by 35 positions (from 88th to 53rd place). Significant progress, of 21 positions, within this competitiveness category was also made by the indicator “Cost of establishing a company”⁷. The same progress, of 21 positions, was achieved by the indicator “Level of market dominance”⁸ which measures the ratio of participation of small firms and large business groups in business activity in the country.

Despite the progress made in the ranking of Business Environment, the index value of this category is still below the overall average of all observed countries and below the average of European countries. This also applies to the aforementioned indicators of business environment competitiveness, with the exception of the indicator “Cost of establishing a company” whose

4 In your country, to what extent can police services be relied upon to enforce law and order?

Not at all

1	2	3	4	5	6	7
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 To a great extent

5 The Travel and Tourism Competitiveness Report is published once every two years.

6 The values of these two indicators are taken from the World Bank’s Doing Business Report, and their interpretation should bear in mind that this is an estimate of the costs and time required to build the warehouse space, which the World Bank takes to compare countries.

7 The indicator measures the cost of setting up a d.o.o. company (the cost of procedures, time, minimum founding capital, etc.) as a percentage of gross national income per capita. Source: World Bank Doing Business Report.

8 This indicator is derived from the WEF survey, in which managers of large, small and micro enterprises provide answers that indicate the business conditions in the country in which they operate.

Table 5. Serbia's position in the tourist services market by competitiveness categories

	Index Value in2019	Rank in 2019	Index Value in 2017	Rank in 2017	Change
Business environment	4.4	74	4.0	112	38
Safety and security	5.5	71	5.4	72	1
Health and hygiene	6.3	26	6.0	42	16
Human resources and the labor market	4.7	58	4.4	82	24
ICT readiness	5.1	56	4.8	57	1
Prioritization of the tourism sector	3.9	109	3.6	116	7
International openness	3.2	71	2.4	106	35
Price competitiveness	5.5	67	4.8	76	9
Environmental sustainability	4.5	40	4.2	61	21
Air transport infrastructure	2.6	76	2.4	84	8
Ground and port infrastructure	3	85	2.8	94	9
Tourist service infrastructure;	3.9	77	3.9	76	-1
Natural resources	2.1	127	2.0	130	3
Cultural resources and business travel	1.7	67	1.7	71	4

Source: Author based on data from Travel & Tourism Competitiveness Index 2019 edition and Travel & Tourism Competitiveness Index 2017 edition

value is below the European average, but above the total average of the observed countries.

Another category of competitiveness that has seen significant positive movement is the International Openness category. The achieved improvement of 35 places now ranks this category on 71st place, compared to the 106th place it occupied two years ago. The progress made is solely a result of the movement in the openness of the visa regime for tourist visits⁹. This indicator achieved improvement by as much as 51 positions, which indicates the growth of the world population that can enter Serbia without a visa, can obtain an electronic visa, or can obtain a visa upon entering the country.

The third most significant progress, of 24 places, was achieved by the category Human Resources and Labor Market. All indicators in this competitiveness group which have made significant progress are based on the responses of company managers in Serbia within the questionnaire used by the WEF in creating the Global Competitiveness Index. The indicator "Ease of finding employees with the necessary skills" has moved up by 51 positions (from 121st to 70th), the indicator "Salary and productivity", which should indicate the relationship between paid workers and their productivity, made achieved progress of 46 positions (from 105th to 59th place), indicator "Level of investment in employee training" progress of 33 positions (from 125th to 32nd), etc. The only decrease in the ranking within this competitiveness category was recorded by the share of

children in primary education in the total number of children of that age, and the indicator of the share of total participation in secondary education in the population belonging to the group to which secondary education relates according to age. The decline in the ranking of these indicators was 14 and 8 places, respectively.

The Environmental Sustainability category has made progressed of 21 places, from 61st to 40th. Within this category, the biggest progress was made by the indicator "Sustainability of the tourism sector development" (17 places), which, based on the response of the managers of companies in Serbia, assesses the level of development of the tourism sector that is environmentally sustainable. Although the overall category has made progress, individual indicators in this category also indicate some deterioration. Thus, an indicator measuring the percentage of wastewater treatment recorded a value of 2.6% compared to 6.4% from the previous report, which led to a fall of this indicator by 18 places¹⁰.

As can be seen from Table 5, all other competitiveness categories that are included in the overall competitiveness index of the tourism sector, with the exception of the Tourism Services Infrastructure category, registered a positive shift in the rankings and in their value. Also, the category of Tourism Services Infrastructure, which recorded a decrease of one place, did not see a decrease in its value, i.e. it recorded the same value as in the previous

9 Source: Visa Openness Report 2015, World Trade Organization.

10 Source: Wendling, Z.A., J.W. Emerson, D.C. Esty, M.A. Levy, A. de Sherbinin, et al., 2018 Environmental Performance Index. New Haven, CT: Yale Center for Environmental Law & Policy.

year. However, of 14 competitiveness categories, Serbia is below the overall average of the observed countries by as many as 8 categories, and more importantly below the average of the European countries by as many as 12. The only two categories according to which the tourism sector is more competitive than the average of the European countries are Price competitiveness and Health and Hygiene.

In addition to looking at the positive developments achieved, the report also allows us to focus on individual indicators that are very poorly ranked, as well as on indicators that have experienced a significant decline compared to the previous report, which should therefore be given special attention. Thus, Serbia ranks 137th out of 140 countries according to the indicator of the share of expenditures for travel and tourism in the General State Budget¹¹. According to the quality of the strategy of the National Tourism Organization for the promotion of the country brand, Serbia ranks 133rd out of 140 countries observed. According to the fuel cost indicator 118th out of 140 observed countries.

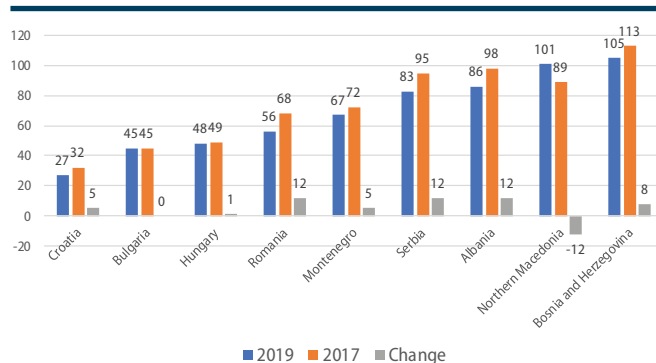
As for the significant negative movements of the indicators, it can be said that there were not too many. In addition to the above-mentioned indicators measuring the percentage of wastewater treatment (-18) and the participation of children in primary education in the total number of children of that age (-14), the indicator of the number of subscribers to mobile internet per 100 inhabitants (-17) also recorded a significant fall, although there was no decline in the number of subscriber but the growth was slower than in some other countries, which resulted in a fall in ranking. A significant fall in ranking was also recorded by hotel accommodation price indicator (-10), number of airports per million of inhabitants (-12), etc.

Serbia's position in the tourist services market in the region

Compared to the neighboring countries, Serbia ranks 6th out of the 9 countries observed (Croatia, Bulgaria, Hungary, Romania, Montenegro, Albania, Northern Macedonia, Bosnia and Herzegovina and Serbia). On the other hand, Serbia, along with Albania and Romania, is in first place by the progress made compared to the previous year (+12 positions), while other countries achieved different results (Croatia +5, Bulgaria 0, Hungary +1, Montenegro +5, Northern Macedonia -12, Bosnia and Herzegovina +8).

¹¹ This indicator includes expenditures (transfers or subsidies) made by government agencies providing services to visitors in the travel and tourism sector such as cultural services (eg art museums), recreational services (eg national parks), immigration or customs services, etc. Source: World Travel & Tourism Council, Tourism Satellite Account Research 2019.

Table 6. Changes in the ranking of the observed countries compared to the previous report



Source: Autor based on data from Travel & Tourism Competitiveness Index 2019 edition and Travel & Tourism Competitiveness Index 2017 edition

The reasons for this position among the countries of the region can be found by looking more closely at the index, by ranking the observed countries of the region according to the competitiveness categories that make up the index. Within the Business Environment category, Serbia ranks third, while Montenegro recorded the best result. The business environment essentially measures the conditions for business of companies from the tourism sector in one country, and according to the latest report, Serbia does not deviate significantly from the countries of the region or the average of all observed countries, while it is slightly below the average of European countries. Spain, which ranks first in this year's competitiveness list by total index value, recorded a value of 4.5 in this category, compared to 4.4 recorded by Serbia. It should be borne in mind here that the Business Environment category mainly relies on indicators taken from the Executive Opinion Survey conducted by the WEF.

Table 7.1. Overall ranking

Croatia	27
Bulgaria	45
Hungary	48
Romania	56
Montenegro	67
Serbia	83
Albania	86
Northern Macedonia	101
Bosnia and Herzegovina	105

Table 7.2. Business environment

Montenegro	4.6
Serbia	4.4
Bulgaria	4.4
Romania	4.4
Hungary	4.3
Northern Macedonia	4.3
Albania	4
Croatia	3.8
Bosnia and Herzegovina	3.4

According to the category Safety and security, Serbia ranks 6th among the countries of the region. This category of competitiveness indicators generally observes the security situation in a country, which is also important for attracting tourists and investors to the tourism sector (police reliability, crime costs on business, homicide rates, etc.). According to the Health and hygiene category, which monitors the number of

beds in hospitals, the availability of drinking water and sewage, the number of doctors per thousand inhabitants, etc., Serbia is ranked 4th in relation to the observed countries of the region, but also 26th in relation to all observed countries. This result is above the average of all observed countries, but also above the average of European countries only.

Table 7.3. Safety and security

Romania	6
Croatia	5.9
Hungary	5.8
Albania	5.8
Montenegro	5.6
Serbia	5.5
Bosnia and Herzegovina	5.4
Bulgaria	5.2
Northern Macedonia	5.2

Table 7.4. Health and hygiene

Bulgaria	6.7
Hungary	6.6
Croatia	6.3
Serbia	6.3
Romania	6.1
Northern Macedonia	6
Montenegro	5.8
Bosnia and Herzegovina	5.6
Albania	5.3

Within the Human resources and the labor market category, Serbia ranks second in the region and 58th in the overall list. This result is above the overall average, and below the average of European countries. Within the ICT Readiness category, Serbia ranks sixth out of the observed nine countries in the region, and 56th if we look at all 140 countries covered by the index, which is a result that places it above the average of all observed countries and below the average of European countries.

Table 7.5. Human resources and the labor market

Albania	5.1
Montenegro	4.8
Serbia	4.7
Bulgaria	4.6
Hungary	4.6
Romania	4.5
Croatia	4.1
Northern Macedonia	4.1
Bosnia and Herzegovina	4.1

Table 7.6. ICT readiness

Hungary	5.3
Croatia	5.2
Bulgaria	5.2
Romania	5.2
Montenegro	5.2
Serbia	5.1
Northern Macedonia	4.7
Albania	4.7
Bosnia and Herzegovina	4.5

According to the Prioritization of the tourism sector category, Serbia ranks second to last in the 9 observed countries of the region and even 109th out of 140 observed countries. This ranking in the region and globally indicates a significant problem in this competitiveness category of the tourism sector. Two of the worst results of the competitiveness indicators, in the overall rank, Serbia has achieved within this competitiveness category. As stated in the previous section, these are indicator of the share of travel and tourism expenditures in the total state budget, that is, spending for the tourism sector by the state (137th position) and an indicator of the quality of the strategy of the National Tourism Organization for promoting

the country brand (133rd place). Particular attention should be paid to this category of competitiveness, given that there is a significant possibility of achieving better results and contributing to a better overall competitiveness ranking, and the fact that the indicators that make up this group are mainly administrative in nature and do not require significant investments (some of them will be discussed in the text below).

Table 7.7. Prioritization of the tourism sector

Hungary	5.1
Montenegro	5
Albania	5
Croatia	4.9
Bulgaria	4.7
Romania	4.1
Bosnia and Herzegovina	4.1
Serbia	3.9
Northern Macedonia	3.7

According to the International Openness category, Serbia ranks 5th among the 9 observed countries in the region. As we have already stated, Serbia within this category has recorded the second-best improvement compared to the previous year, which should be continued in the next period. The achieved progress can also be seen as a result of the changes that are taking place in the process of Serbia's accession to the EU, as indicated by the data in the table that only EU Member States (Croatia, Hungary, Bulgaria and Romania) have achieved better results in this category. Most of the observed countries in the region are ranked in the top 50% of all countries in the report according to the Price Competitiveness category, which represents one of the significant factors of these countries' competitiveness in attracting tourists and foreign investments in the tourism sector. Serbia ranks fifth in the observed group, while Northern Macedonia recorded the best result, ranking 26th among all observed countries.

Table 7.8. International openness

Croatia	4.2
Hungary	4.2
Bulgaria	3.9
Romania	3.9
Serbia	3.2
Montenegro	2.4
Albania	2.4
Bosnia and Herzegovina	2.4
Northern Macedonia	2.3

Table 7.9. Price competitiveness

Northern Macedonia	5.8
Bulgaria	5.7
Romania	5.6
Montenegro	5.6
Serbia	5.5
Bosnia and Herzegovina	5.5
Hungary	5.3
Albania	5.3
Croatia	5

Environmental Sustainability should indicate the consumption of the country's natural environment and the ability to adopt and enforce environmental

regulations. Achieving poor performance within this category indicates an over-utilization of natural resources, which reduces the competitiveness of the tourism sector. Serbia ranks fifth among the nine observed countries in the region, but almost all of the observed countries in the region are performing well within this category, and thus achieving good results on the global list. Serbia thus ranks in the top third of all countries observed in the report and ranks 40th on the list.

Table 7.10. Environmental sustainability

Croatia	5.1
Bulgaria	4.8
Hungary	4.8
Montenegro	4.7
Serbia	4.5
Romania	4.4
Albania	4.3
Bosnia and Herzegovina	4.3
Northern Macedonia	3.6

Table 7.11. Tourist service infrastructure

Croatia	6.5
Bulgaria	6
Montenegro	5.5
Hungary	4.8
Romania	4.6
Albania	4
Serbia	3.9
Bosnia and Herzegovina	3.9
Northern Macedonia	3.9

According to the group of indicators that assess the overall infrastructure needed for the development of the tourism sector, Air transport infrastructure, Ground and port infrastructure and Tourism services infrastructure, Serbia ranks sixth, seventh and seventh among countries in the region, respectively. These results indicate that infrastructure in Serbia is underdeveloped, given that comparisons are made with countries in the region. However, it should be borne in mind that progress can be expected in the next report due to the opening of another international airport, Morava Kraljevo, a new sections of the highway, and significant investments in hotel accommodation in Serbia, in the period after the data for these competitive categories were collected.

Table 7.12. Air transport infrastructure

Croatia	3.6
Hungary	3.4
Montenegro	3.2
Bulgaria	2.7
Romania	2.7
Serbia	2.6
Northern Macedonia	2.4
Albania	2.1
Bosnia and Herzegovina	2

Table 7.13. Ground and port infrastructure

Hungary	4.2
Croatia	3.9
Montenegro	3.3
Bulgaria	3.2
Romania	3.1
Albania	3.1
Serbia	3
Northern Macedonia	2.6
Bosnia and Herzegovina	2.4

Natural and cultural resources observe existing resources, but for certain indicators the mere existence of these resources it is not sufficient, as they should also be registered on relevant international lists. According to the Natural resources category Serbia is in the penultimate place compared to countries in the region,

and 127th of all 140 observed countries. Within the Cultural resources and business travel category Serbia is ranked 5th in the region and 67th in the overall list. Both categories have very poor results in indicators that in some sense relate to digitization in tourism sector. As a result of such bad results in these two categories, and especially in the first, in the text below we will list some indicators in these groups and indicated to the possibilities to improve their result by stronger engagement of relevant institutions in Serbia.

Table 7.14. Natural resources

Croatia	4.4
Bulgaria	3.7
Romania	3.2
Albania	2.9
Hungary	2.7
Montenegro	2.7
Northern Macedonia	2.2
Serbia	2.1
Bosnia and Herzegovina	1.9

Table 7.15. Cultural resources and business travel

Croatia	2.8
Romania	2.3
Hungary	2.3
Bulgaria	2.1
Serbia	1.7
Bosnia and Herzegovina	1.5
Northern Macedonia	1.4
Albania	1.2
Montenegro	1.1

If we look at all these countries as one region, we can see that the region's competitiveness derives from price competitiveness, according to which most of the countries in the region are achieving good results, as well as the sustainability of natural resources, while there is a noticeable lack of air connections and insufficient number of natural and cultural resources.

Possibilities for improving the results

The methodology behind the index shows that some indicators depend on the perception of managers giving answers in the questionnaire, some hard data are simply not easily changeable and cannot be influenced by the state in the short term, but there are a number of indicators that could be on a higher level for Serbia, but so far for different reasons they are not. As the report is published every two years, the next report will be published in 2021, which gives enough time for some indicators to change and to ensure a better ranking of Serbia in the next report. Examples of some of these are presented below.

As already mentioned, according to the data from the Prioritization of the tourism sector category, Serbia is ranked 109th out of 140 countries observed. One of the six indicators of this competitiveness category is the indicator "Comprehensiveness of annual travel and tourism data", which ranges from 0 to 120 (best), according to which Serbia ranks 65th. The indicator monitors how many annual data administrations of all observed countries submit to the World Tourism Organization for the purpose of producing a report on

tourism statistics. The country can achieve the maximum result if, for all 4 previous years, has submitted to the WTO all 30 annual data¹². The fact that Serbia has submitted only 66 data in the last 4 years indicates that on average, on an annual basis, Serbia submits just over half of the requested data. Achieving better results within this indicator depends solely on the effort of the national administration responsible for providing this information.

The same is the case with the indicator measuring the number of hospital beds per 10,000 inhabitants. The source for this indicator is the World Bank's World Development Indicators Database. The latest data for Serbia in this database is for 2012 when that number was 5.7, while according to the report of the Institute of Public Health Milan Jovanovic Batut that number stands at 5.9 in 2017¹³. Just submitting new data to the World Bank would move Serbia from 20th to 17th place, or three places up, according to this indicator.

With three Oral and intangible cultural heritage (slava, kolo, and gusle), Serbia ranks 52nd in the list of 140 countries observed according to this indicator. This is an improvement from the 71st place on the previous list, which was achieved by including gusle and kolo on the list. Croatia is ranked 5th with as many as 17 UNESCO listings, and many similar cultural forms can be found in Serbia. Serbia has such a low ranking only because of the lack of desire and willingness of the relevant institutions to list additional oral and intangible cultural heritage.

According to the indicator "Number of Natural World Heritage Sites", Serbia, without the World Heritage Sites, ranks 91st, which is a 5 places fall compared to the previous year. However, on the UNESCO provisional list Serbia has 5 natural sites (Đerdap National Park, Deliblatska peščara, Đavolja Varoš, Tara National Park with the Drina River Canyon and Saraj National Park). In order for one of these 5 natural sites to be listed, Serbia must designate them in the World Heritage Center, which will decide on the nomination through its Advisory Committees and the World Heritage Committee. In this case, one listing would change the ranking of this indicator from 91st to 50th place, 2 to 30th, 3 to 19th, etc.

According to the indicator "Number of cultural world heritage sites" Serbia ranks 49th. According to this indicator, Serbia has 5 localities¹⁴. In addition to 5 localities in the list, Serbia has 7 cultural sites on the

temporary list¹⁵ (Caricin Grad - Iustiniana Prima, Monastery Manassia, Negotinska Pivnica, Smederevo Fortress, Borders of the Roman Empire, Ancient and original beech forests of the Carpathians and other regions of Europe and Cultural landscape of Bac and Surroundings). The inclusion of one additional cultural site would move Serbia to 38th place, according to this indicator, of two to 36th, of three to 29th, etc.

As noted above, in the following reports improvements can be expected in the categories that observe the competitiveness of tourism infrastructure due to the opening of new sections of international ground corridors passing through Serbia, the planned construction of new sections of the highway infrastructure, the opening of a new airport near Kraljevo, and more. It should be noted that even with these developments, Serbia's competitiveness may decline if other countries progress faster in developing infrastructure than Serbia.

These are just some indications of the potential to influence individual competitiveness indicators that can produce results in the short term and are predominantly administrative in nature. Progress in the list of competitiveness of travel and tourism can be achieved by analyzing the remaining indicators, analyzing the situation in these indicators in countries better ranked in the list than Serbia and defining the necessary activities to achieve progress in individual groups in the short, medium and long term.

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