

**THE ROLE OF PROJECTS IN TOURISM DEVELOPMENT. STUDY CASE  
MATKA CANYON, FORMER YUGOSLAV REPUBLIC OF MACEDONIA**

**AMIR XHELILI<sup>1</sup>, COSMINA-SIMONA TOADER<sup>2</sup>**

*<sup>1</sup>University of Tetova, Faculty of Economic, Tetovo, Macedonia*

*<sup>2</sup>Banat's University of Agricultural Sciences and Veterinary Medicine  
"King Michael I of Romania", Faculty of Agricultural Management, Timisoara,  
e-mail: amirxhelili@hotmail.com*

**Abstract:** *In a world of constant change, projects are the way society responds and adapts to the changing contexts. In general, the role of project is to solve a clearly defined problem in a predetermined period.*

*The aim of the article is to identify the level of tourism development and highlight the need of projects in tourism development. In this article authors have chosen Matka Canyon from Former Yugoslav Republic of Macedonia as research area because in present this touristic attraction does not completely fulfill needs and wants of tourists even its unique landscapes, natural enchanting and underwater caves.*

**Key words:** *projects, tourism, development, Matka Canyon*

**INTRODUCTION**

In the past decades, tourism industry has experienced a continued growth, being one of the fastest growing sectors in the world. Tourism is an industry where mostly is being invested by governments. A growing tourism sector can contribute effectively to employment, increase national income and can also make a decisive mark on the balance of payments. Thus, tourism can be an important driving force for growth and prosperity, especially in emerging economies, being a key element in reducing poverty and regional disparities. We should mention also that competitiveness plays a big role in the tourism development. For example: nowadays, almost in every country we have touristic agencies and organizations that offer the same products or services but with different characteristics, differing in prices, commodities, time of having the product or service etc., which makes companies to "fight" with each other [1].

Like other countries, Macedonia has also its touristic destinations and tourism industry that plays a big role in country's economy. Beside this, tourism industry still needs a good development and implementation of projects.



**Figure 1** Lake's Ohrid coast



**Figure 2** Bay of Bones Museum

Some of its touristic destinations include: Ohrid lake, which is a UNESCO world heritage site, Mavrovo national park, Lake Matka, Old Bazaar Skopje, St. Jovan Kaneo Ohrid, The stone Bridge Skopje etc. There are approximately 50 large and small lakes, from them Ohrid, Prespa and Dojran are the biggest. Because of its natural beauties and rarities, many have named it as "the pearl of Balkans" and "the land of lakes".

Skopje, is the capital city of Macedonia, located in the northern part of the country. It is the biggest one with around 600.000 inhabitants. This city is known for its ancient history and archeological sites such as Scupi and Skopje Aqueduct. It is home of many different cultures and nationalities, like: Albanians, Macedonians, Turks, Romans, Bosnians, Serbians etc. Among them always thrives a peaceful traditional daily life since many centuries ago.



**Figure 3 Stone bridge, Skopje**



**Figure 4 Square Macedonia, Skopje**

Old Bazaar, known as "Stara Carsija" in Macedonian, and "Carshija e Vjetër" in Albanian, is a presenter of beautiful Ottoman architecture and Byzantine empire remnants partially. It includes nearly 30 mosques with breathtaking paintings, two churches and a clocktower. During Ottoman empire rule in the Balkans, this part of the city used to be a center of commerce and a "connecting bridge" between European and Asian cities.



**Figure 5 and 6 Old Bazaar, Skopje**

## MATERIALS AND METHODS

In this paper authors present a point of view regarding the role of projects in tourism development. In order to do that, they used different publications from the specialized literature, sources which were mentioned in the biography section and as research method – observation.

As research area authors choosed Lake Matka or Canyon Matka form Former Yugoslav Republic of Macedonia, which is one of the most visited touristic sites.

The realization stages in this article were: setting the purpose of the article, studying the specialized literature, observation of the studied area and conclusion stating.

## RESEARCH RESULTS

Matka Canyon is a lake and touristic attraction that covers an area of around 5.000 ha, is located 15 km south-west of Skopje. By its morphogenetic characteristic, it is a breakthrough gorge. Krastic form deserve particular attention here-ten caves with their length ranging between 20 and 176 meters and two vertical chasms with a depth up to 35 meters. Matka was one of the largest refugee centers during the glacial period resulting in the presence of high number of relic and endemic plants, 20% are endemic or relic spices.



Figure 7 and 8: Matka canyon

Beside its natural and unique landscape tourists can admire around many churches, monasteries and remnants as an important part of Macedonian history and culture. There are dozens of caves and underwater caves where one of them called “Vrello”, is believed to be the deepest one in the world. It is home of many sports and activities, such as: hiking, climbing, kayaking, fishing, hunting, and swimming.

According to the data from Macedonian State Statistical Office [8], the number of tourists who visited Skopje and it's region, in August 2016 was 156,763, and the number of nights spent by tourists was 694,641. The number of tourists in August 2016, compared to August 2015, is decreased by 7.2%, and the number of nights spent decreased by 3.9%. This reduction of the number of tourists is because of the recent political crisis in Macedonia. This is the main reason of this decrease and also has led to the reduction of other industries (food, construction, electronic industry etc.).

In table 1 are presented statistics in different type of touristic resorts.

Table 1

**Number of tourists and nights spent by types of tourist resorts and by types of accommodation establishments in Macedonia, from January to August 2016**

	Tourists			Nights spent		
	total	domestic	foreign	total	domestic	foreign
<b>Total</b>	<b>156 763</b>	<b>95 025</b>	<b>61 738</b>	<b>694 641</b>	<b>543 133</b>	<b>151 508</b>
<b>Types of tourist resorts</b>						
Skopje	21 888	2 073	19 815	36 682	3 080	33 602
Spa resorts	3 181	2 838	343	23 079	20 980	2 099
Mountain resorts	7 775	5 976	1 799	19 557	14 992	4 565
Lake Matka	20 817	13 256	7 561	114 956	89 321	25 635
Lake resorts	84 822	66 622	18 200	470 072	407 960	62 112
Other resorts	18 280	4 260	14 020	30 295	6 800	23 495

Source: www.stat.gov.mk

As we can see from the statistics, the total number of both foreign and domestic tourists in Macedonia, includes 156,763 and the total number of tourists who spent at least one night in the touristic attractions of Macedonia, includes 694,641. In the lake resorts there is a large number of tourists who visited and stayed in these attractions. This is because in these numbers are included the biggest and natural lakes in Macedonia (Ohrid, Prespa and Dojran lake). These three natural lakes have had an increasing number of tourists every year.

The lake Matka has a total (foreign and domestic) of 20,817 tourists from January to august 2016, and a total of 114,956 tourists who spent at least one night in this resort. Compared to 2015, there is a decrease of 7.2% of the number of tourists who visited this attraction, and 3.9% of the number of tourists who spent a night in this resort, respectively, 1,498 and 4,483. According to the analysis from different publications from analysts in economic fields, this decrease comes directly from political crisis that happened recently in Macedonia.

Table 2

**Number of tourists and nights spent by countries of origin in Macedonia  
(foreign tourists)**

	Tourists (august 2016)		Nights spent (august 2016)	
	no	%	no	%
<b>Foreign tourists - total</b>	<b>61 738</b>	<b>100.0</b>	<b>151 508</b>	<b>100.0</b>
Austria	921	1.5	2 199	1.4
Albania	1 685	2.7	4 536	3.0
Belgium	1 183	1.9	5 802	3.8
Belarus	47	0.1	131	0.1
Bosnia and Herzegovina	786	1.3	1 847	1.2
Bulgaria	2 876	4.7	5 602	3.7
Great Britain	917	1.5	2 280	1.5
Germany	2 154	3.5	5 878	3.9
Greece	3 269	5.3	5 389	3.6
Denmark	303	0.5	782	0.5
Estonia	95	0.2	322	0.2
Ireland	108	0.2	307	0.2
Iceland	61	0.1	293	0.2
Italy	1 769	2.9	3 554	2.3
Cyprus	180	0.3	264	0.2
Kosovo	1 176	1.9	3 128	2.1
Latvia	103	0.2	323	0.2
Lithuania	18	0.0	38	0.0
Luxembourg	47	0.1	201	0.1

Malta	7	0.0	20	0.0
Norway	206	0.3	532	0.4
	<b>Tourists (august 2016)</b>		<b>Nights spent (august 2016)</b>	
	no	%	no	%
Poland	3 026	4.9	7 705	5.1
Portugal	135	0.2	339	0.2
Romania	2 332	3.8	3 665	2.4
Russian Federation	551	0.9	1 972	1.3
Slovakia	218	0.3	496	0.3
Slovenia	1 181	1.9	2 746	1.8
Serbia	6 766	11.0	11 633	7.7
Turkey	11 016	17.8	16 303	10.8
Ukraine	596	1.0	840	0.6
Hungary	410	0.7	679	0.4
Finland	114	0.2	170	0.1
France	973	1.6	2 450	1.6
The Netherlands	5 654	9.2	32 934	21.7
Croatia	1 103	1.8	2 224	1.5
Montenegro	328	0.5	642	0.4
Czech Republic	379	0.6	854	0.6
Switzerland	585	0.9	1 189	0.8
Sweden	669	1.1	1 939	1.3
Spain	729	1.2	1 214	0.8
Other European countries	459	0.7	1 069	0.7
South Africa	5	0.0	8	0.0
Other African countries	48	0.1	157	0.1
Canada	210	0.3	412	0.3
USA	1 076	1.7	2 360	1.6
Other North-American countries	48	0.1	111	0.1
Brazil	67	0.1	137	0.1
Other countries of South and Middle America	350	0.6	520	0.3
Israel	1 685	2.7	6 928	4.6
Japan	216	0.2	280	0.2
China	582	0.9	756	0.5
Korea (Republic of)	180	0.3	191	0.1
Other Asian countries	456	0.7	1 482	1.0
Australia	1 393	2.3	3 262	2.2
New Zealand	37	0.1	65	0.0
Other countries of Oceania	250	0.4	348	0.2

*Source:* [www.stat.gov.mk](http://www.stat.gov.mk)

From this table, we can see that 17.8% of the tourists come from Turkey respectively, 11,016 and the biggest number of tourists who have spent one or more nights in Macedonian attractions, are The Netherlands tourists with 21.7% respectively, 32,934.

The tourists of Turkey are followed by Serbian tourists with 11% , then Dutch tourists with 9.2%, Greek 5.3%, Polish 4.9%, Bulgarian 4.7%, German 3.5%, Italian 2.9%, Israel and Albania 2.7% etc.

After The Netherlands tourists, the tourists who have spent one or more nights in Macedonian attractions are from Turkey with 10.8%, then Serbian 7.7%, Polish 5.1%, Israelian 4.6%, German 3.9%, Belgian 3.8%, Bulgarian 3.7% etc.

In the global economy, tourism is one of the leading providers of jobs as it creates more than 75 million jobs worldwide. International tourism provides employment especially to the young people and women in both urban and rural areas. According to estimates of the World Tourism Organization (WTO UNWTO), the share of tourism in the global GDP is 9.4%, taking into account the multiplier effect.

Specific touristic infrastructure includes all accommodation, recreation, cleaning, catering and special transport tourism which aim to satisfy the tourist demand. All of this plays an important role in tourism, in general, because polarizes tourist flows.

In Matka Canyon there is a few number of restaurants and acommodation places for tourists. From the tourist reviews and reports, services provided here are very poor. Also, the streets to get at the canyon are not very modern, so, touristic infrastructure it not very developed.

From the collected datas and sources, authors compiled a SWOT analysis of the researched area. For a better understanding of researched area and its needs the analysis was made from the tourists point of view.

**Table 3**

**SWOT Analysis of Matka Canyon**

<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Advantageous geographical positioning (close to capital of the country);</li> <li>• Existence of natural and cultural resources;</li> <li>• One of the most popular destinations in Macedonia;</li> <li>• A large number of tourists who visit this attraction every year;</li> <li>• A lot of caves and places to visit around;</li> <li>• Wonderful flora and fauna;</li> <li>• A place of sports and activitites (climbing, kayaking, hiking, fishing).</li> <li>• Vrelo Cave in Matka, was listed as one of the top 77 natural sites in the world in the New7wonders of Nature project.</li> </ul>	<p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>• A small number of restaurants and hotels to rest;</li> <li>• Not a very good service offered to the tourists by these restaurants and hotels;</li> <li>• Public transport is not available regularly;</li> <li>• Low support offered by the government.</li> </ul>
<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• One of the most visited touristic attractions in the region;</li> <li>• Development of projects with neighbor countries in tourism field;</li> <li>• More promotion in the foreign medias, different advertisement and internet websites;</li> <li>• Involvement of the local community;</li> <li>• Accessing of european founds for pre emergents countries (egg IPA funds);</li> <li>• Development of different types of tourism (adventure tourism, scientific tourism, itinerant tourism, trip making, educational tourism).</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>• Political crisis in Macedonia;</li> <li>• Continued carelessness by the government in the future;</li> <li>• Natural risks as fires, earthquakes, floods.</li> </ul>

Projects are instruments of changing, according to literature they are defined as “temporary endeavor undertaken to achieve a particular aim” [3]. Any project presents specific particularities such as: scope and objective clear defined and formulated, realism, time and space limitation, complexity, collective character, unity, risk, evaluate, multiple phase structure, needed resources, funders and beneficiaries [2,3].

Small or huge, in general, projects are a chance for development of different areas, even if they have a specific objective which aim is to solve a problem, almost all of them have a multiplier effect and even if projects are finished, they continue to ”live” and produce effects on people, organizations, communities etc. [2]

In general, the entities who initiate projects are authorities, specialized organizations, research institutes, economic agents.

In Matka Canyon there are not many projects implemented by the government or any organization. One of the realized project's objective has been "Ensuring environmental sustainability in Matka Canyon in accordance with the percepts of sustainable development". The project was financed by a foreign organization. There are two other projects with not much different aims but accomplished in different times. Collected data and information show us that these projects have achieved an average accomplishment level of their stated objectives.

According to these information we can conclude that in this attraction is not invested in projects either by government or another organization.

So, this area has a real need to develop from touristic point of view, more precise, touristic infrastructure of this area is unproper developed.

Seeing the level of development, problems, conditions in this region and the number of projects realized, authors believe that future projects implemented for development of researched area must follow directions as:

- Investing more in the infrastructure of this region and tourist facilities;
- Promotion of the region and it's natural beauties - including national and international promotion;
- An invention by the government to the restaurants, hotels and companies in the tourism industry to invest more in this region, either to those national or international. Giving them facilities to invest, for example: low taxes, free land for construction, financial support etc.
- Motivate local community in order to be more active in promoting cultures (values, norms, traditional clothes, music, traditional foods) of the region, which includes Albanian culture, Macedonian, Turkish etc.
- Give special attention to tourists from Turkey and Serbia (as principal emitters of tourists) by opening restaurants with a Turkish or Serbian cuisine. This, would attract other tourists from these two groups, give some benefits and gain more loyalty.

Authors have made analysis and evaluation of mentioned directions and proposed that the 3-rd would be more effective and benefic to the tourism industry. All projects implemented will develop more this touristic region but in the same time, would create new jobs to the locals and prospect workers. It would decrease unemployment rate, which recently has arrived it's highest levels. According to the official state statistical agency, there are approximately 45% of the population unemployed, which comparing to the other Balkan and European countries, is an enormous rate. Authors believe that projects implemented in touristic infrastructure would make a step forward to this region, but also would give some other benefits.

The ability of the national economy to benefit from tourism depends on the availability of investment to develop the necessary infrastructure and on its ability to supply the needs of tourists. Macedonia has a great potential to develop it's tourism industry. But, as long as Macedonian government is indifferent to this touristic region, it will leave the gates closed to the future tourism development.

## CONCLUSIONS

As one of the most dynamic world industries, tourism is facing numerous challenges which affect its development. In times when competition between countries in the tourism industry is getting stronger, in order to attract as many tourists as possible, they improve their brand through new innovative tourist attractions.

Tourism in the Republic of Macedonia has never been treated as a priority economic activity, nor the state and the government have never placed tourism in its focus of interest.

Because of this, Republic of Macedonia as a tourist destination has been a less known, or not perceived by many foreign tourists.

Different countries use many of the techniques and activities to promote and develop their touristic attractions. Good implemented projects are one of these activities.

Seeing and analyzing projects in other countries in the tourism industry, there is a huge development and improvement in the tourism rates. Due to its negligence and carelessness of the Macedonian government, the same has not happened in Macedonia (Matka). This region needs a strong support from the government in order to give its benefits and results.

The researched area (Matka Canyon), has a real need of development, especially in the touristic infrastructure. In this case, good projects implemented are a solution.

Projects fitted in the development of researched area, are mainly projects for specific touristic infrastructure (public catering, accommodation, recreation, transport).

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