

Environmental Sustainability as a Driver of Tourism Performance: Evidence from the Western Balkans

Danijela Pantović

University of Kragujevac, Faculty of Hotel Management and Tourism in Vrnjacka Banja Vojvođanska street no. 5a 36210 Vrnjacka Banja, Serbia
danijela.durkalic@kg.ac.rs

Isidora Milošević

University of Belgrade, Technical faculty in Bor, Serbia
imilosevic@tfbor.bg.ac.rs

Anđelka Stojanović

University of Belgrade, Technical faculty in Bor, Serbia
anstojanovic@tfbor.bg.ac.rs

Abstract

The relationship between tourism development, environmental sustainability and climate change has become an increasingly important topic in both academic research and policy discussions. This paper examines the role of environmental sustainability in shaping tourism performance in the Western Balkan countries, a region characterized by significant natural and cultural tourism potential, but also by ongoing structural and environmental challenges. Using panel data for Serbia, Montenegro, Albania, North Macedonia and Bosnia and Herzegovina over the period 2019–2024, the study applies a econometric model to analyze the impact of environmental sustainability on international tourist arrivals and tourism receipts. The analysis of the final model focuses on sustainability as the key explanatory variable. The results indicate that environmental sustainability has a positive and statistically significant effect on tourist arrivals, suggesting that more sustainable destinations tend to attract a higher number of visitors. In contrast, the effect of sustainability on tourism receipts is positive but not statistically significant, pointing to a divergence between tourism volume and economic outcomes. These findings imply that while sustainability enhances destination attractiveness, it does not necessarily translate into increased tourism revenues. The paper contributes to the literature by providing empirical evidence from an WB region and by highlighting the importance of sustainability as a driver of tourism competitiveness in emerging destinations. The findings have important policy implications, suggesting that Western Balkan countries should further integrate sustainability principles into their tourism development strategies to strengthen long-term competitiveness and resilience.

Keywords: Sustainable tourism; Environmental sustainability; Tourism performance; Western Balkans