



BULLETIN

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**Ministry of tourism of the Republic of Montenegro
and the Tourism Organisation of Montenegro**

High-quality product, primarily targeting West and North European markets, should gradually replace cheap offers and eventually become the only one to present Montenegro's tourism offer. In order for this product to survive, it has to be oriented towards the demanding travellers from Western and Northern Europe, to follow market trends promising success, inasmuch as allowed by natural resources of Montenegro.

(Master plan for the development of tourism by the year 2020)

PRESENTATION OF MONTENEGRIN TOURISM IN LJUBLJANA

FROM 29TH MARCH TO 2ND APRIL, THE MINISTRY OF TOURISM, THE NATIONAL TOURISM ORGANISATION AND REPRESENTATIVES OF TOURISM BUSINESSES PRESENTED THE TOURISM OFFER OF MONTENEGRO FOR THE COMING SEASON 2005 AT THE TOURISM FAIR IN LJUBLJANA.

DURING THE FAIR, GREAT INTEREST WAS SHOWN FROM THE SLOVENIAN MARKET FOR THE COMING TOURISM SEASON, PARTICULARLY FOR THE PROGRAMMES OF ACTIVE HOLIDAYS, EXTREME SPORTS, RAFTING ON TARA RIVER AND OTHER TYPES OF VACATION IN MONTENEGRO.

THE MINISTER OF TOURISM, MR PREDRAG NENEZIC AND THE DIRECTOR OF NTO, MR VOJIN VLAHOVIC, HOSTED THE RECEPTION ORGANISED IN COOPERATION WITH THE NOVA LJUBLJANSKA BANKA ON 31.03 THIS YEAR.



THE PRIME MINISTER OF MONTENEGRIN GOVERNMENT, MR MILO DUKANOVIC, DEPUTY PRIME MINISTER BRANIMIR GVOZDENOVIC, AMBASSADOR OF SERBIA AND MONTENEGRO IN SLOVENIA, MR RANKO MARIC, THE HEAD OF MONTENEGRIN MISSION TO SLOVENIA, MR BRANKO PEROVIC, AS WELL AS 300 MORE GUESTS FROM THE POLITICAL, ECONOMIC, CULTURAL AND PUBLIC LIFE OF THE REPUBLIC OF SLOVENIA AND SLOVENIAN MEDIA WERE PRESENT AT THE RECEPTION.

THE MINISTER OF TOURISM, PREDRAG NENEZIC PRESENTED MONTENEGRO TOURIST OFFER, INVESTMENT POSSIBILITIES AND FUTURE DEVELOPMENT PLANS.

IT IS EXPECTED THAT THIS YEAR THERE WILL BE AN INCREASE IN THE NUMBER OF ARRIVALS FROM SLOVENIA FOR APPROXIMATELY 30% COMPARED TO THE PREVIOUS YEAR.

INTERNATIONAL TRAVEL AND TOURISM FAIR 2005

MITT 2005



Montenegrin delegation, headed by the Minister of Tourism Predrag Nenezic and the director of National Tourism Organisation Vojin Vlahovic participated at the International Travel and Tourism Fair MITT 2005, held in Moscow from 23rd to 26th March.

At one of the largest travel and tourism events, where 2500 exhibitors from 110 countries were present, Montenegrin offer was presented for the tenth time in a row at this source market accounting for a large share of our tourism demand.

During the press conference, with many Russian travel and tourism sector representatives present, the Minister of Tourism Predrag Nenezic presented tourism offer of Montenegro for this year, as well as the investment opportunities and current projects.

Compared to the previous year, it is expected that the number of arrivals from the Russian market will increase for some 30 % in 2005.

Some additional charter flights have been announced, and in late April a regular line Moscow – Podgorica is expected to be opened.

"ITB 2005"

The International Tourism Exchange ITB Berlin 2005 was held from 11th to 15th March. This-year fair gathered 10,023 exhibitors from 181 countries. National Tourism Organisation of Montenegro and tourism businesses for the ninth time in a row presented Montenegrin tourism offer at this largest and most influential tourism event in Europe.

As part of this year tourism fair in Berlin ITB 2005, on Saturday, 12th March the Minister of Tourism Predrag Nenezic and Parliamentary Secretary of State of the Ministry of Economy and Labour Ditmar Staffelt hosted the press conference.

The interest shown by the media for the presentation and press conference of

Montenegro was great; over 120 journalists were present there from the most renowned media in Germany. Reporting from the fair, a daily called "Berliner Morgenpost", published a special feature on Montenegro as an attractive destination.

Minister Nenezic presented tourism offer of Montenegro, possibilities for investments in Montenegro, announced the expected increase of tourism revenues from the German market for over 30% compared to the previous year, and a new charter line from Germany to Montenegro that will be operational from May to October.

A visit by a group of German investor was agreed with German Federal Ministry of Economy and Labour for May this year.

After the press conference, German Ministry of Economy and Labour, Montenegrin Ministry of Tourism and National Tourism Organisation of Montenegro organised a reception at the restaurant of the Congress Centre in Berlin. At the invitation of ministers Nenezic and Staffelt, there were 230 guests at the reception from government agencies of Germany, diplomatic bodies and German media.

FREE STYLE snowboard kup

Under the auspices of the Ministry of Tourism of Montenegro and organised by the NGO "Dormitores" Freestyle Snowboard Cup was held at Zabljak from 18th to 20th March 2005.

The competition events held were Snowboard Cross and Big Air Contest, while Backcountry Free Ride was out of competition.

All the events were held at the tracks of the Ski centre "Durmitor" on a specially designed track, well secured and marked. Free style Snowboard Cup gathered the best snowboarders from Serbia and Montenegro, but also the competitors from Slovenia, Republika Srpska and Austria.



NIRNBERG

The Ministry of Tourism and the National Tourism Organisation, together with the municipality of Bar, presented tourism offer for 2005 at the tourism fair held in Nirnberg from 05 to 13 March.

During their stay in Nirnberg, the Deputy Minister of Tourism Nebojsa Popovic had talks with the highest officials of Bavaria, the first Minister of Bavaria dr Beckschtein, the Mayor of Nirnberg Forster, the president of Franc-Montenegrin Association Mr Scholz and others.

During the meeting they talked about the cooperation between Montenegro and Bavaria, preparations for the coming tourism season, privatisation and investment opportunities in Montenegro, as well as joint future projects.

WELLNESS TOURISM DEVELOPMENT STRATEGY FOR MONTENEGRO



As part of its mandate to foster the development of a high quality, sustainable tourism industry, the Ministry of Tourism has pursued a focused competitive business strategy to identify new tourist products that are consistent with emerging market trends.

One of the central strategies pursued by the Ministry of Tourism is not only to promote the modernization of hotels, but also to foster the development of market-competitive hotels with extended services infrastructure. This strategy supports the alignment of the product portfolio towards new markets, new products, and new clients which is necessary to achieve sustainable growth and central to the goals of prolonging the tourist season, increasing the daily spending per tourist, and to encourage repeat business.

Based on current market trends analysis which shows a growing popularity in Western and Northern European for spa health and wellness vacations, the Ministry of Tourism collaborated with Tourism & Leisure (Europraxis Co.) financially supported by FIAPP and the Spanish Agency for International Cooperation to develop strategies and guidelines for the development of Wellness products in Hotels and their associated facilities.

On 09.03.2005 "Wellness Strategy for Montenegro" was presented in Podgorica. The presentation was delivered by Mr. Lluís Valdes from Tourism &



Leisure, Europraxis Co., Mr. Andre – Serge Piard, Commercial Director of UNIQUE Spa company, representatives of the Agency for International Cooperation, Mr Albert Muntane from the Embassy of Spain in Sarajevo, Mr Bojan Zecevic, professor of the Faculty of Economy from Belgrade and Mr Predrag Nenezic, Minister of Tourism of Montenegro.

Our vision for the tourism industry is to be an industry known for high quality, market-competitiveness and multidimensionality in order to attract tourists with various pursuits and interests and to satisfy customer expectations for comfort and services, said Minister Nenezic on the occasion.

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ADRIATIC-IONIAN INITIATIVE

DELEGATES AND REPRESENTATIVES OF THE STATES GATHERED AROUND ADRIATIC-IONIAN INITIATIVE CONVENED THE SECOND MEETING OF THE ROUND TABLE FOR "ECONOMY, TOURISM AND COOPERATION WITHIN SMALL AND MEDIUM-SIZE ENTERPRISES" DURING THE PRESIDENCY OF MONTENEGRO, ON BEHALF OF THE STATE UNION OF SERBIA AND MONTENEGRO, IN PRZNO, REPUBLIC OF MONTENEGRO ON 14TH AND 15TH APRIL 2005.

SEEING THE ADRIATIC-IONIAN INITIATIVE AS A FRAMEWORK FOR IMPLEMENTATION OF ACTION PLANS DEFINED IN A WIDER MEDITERRANEAN REGION, WE ENDEAVOURED TO GAIN SUPPORT OF THE INSTITUTIONS AT THE NATIONAL LEVELS AND ESTABLISH CLOSER COOPERATION WITH THEM IN ORDER TO ACHIEVE OUR PRIORITY OBJECTIVES. WITHIN THE JOINT SESSION AT THE ROUND TABLES FOR ENVIRONMENTAL PROTECTION AND SUSTAINABLE DEVELOPMENT AND COOPERATION IN TRANSPORT AND MARITIME AFFAIRS, THERE CAME THE INITIATIVE TO ENHANCE COOPERATION AT ALL FIELDS THROUGH PROJECTS OF INTEGRAL MANAGEMENT OF THE COASTAL ZONE, DEVELOPMENT OF NAUTICAL TOURISM, SEARCH AND RESCUE AT SEA, AS WELL AS PROTECTION AND RESPONSE IN CASES OF SEA POLLUTION INCIDENTS. THEY EXPRESSED THEIR PLEASURE WITH ALREADY IMPLEMENTED ACTIVITIES WITHIN THE PROJECT OF DEVELOPMENT OF NAUTICAL TOURISM IN MONTENEGRO. IN COOPERATION OF NATIONAL AND INTERNATIONAL CONSULTANTS, THE STRATEGY FOR THE DEVELOPMENT OF NAUTICAL TOURISM IS BEING DEVELOPED THAT IS TO OFFER GUIDELINES FOR THE DEVELOPMENT OF THIS ATTRACTIVE AND EFFECTIVE TYPE OF TOURISM IN TERMS WITH INTERNATIONAL STANDARDS AND RESPECTING THE PRINCIPLES OF SUSTAINABLE DEVELOPMENT.

RECOGNISING THE IMPORTANCE OF INTEGRAL DEVELOPMENT OF SUSTAINABLE TOURISM, BOTH FOR MONTENEGRO AND THE WHOLE REGION, SPECIAL ATTENTION WAS PAID TO CULTURAL AND ECO-TOURISM PROJECTS AND ENCOURAGING ENTREPRENEURSHIP. IT IS BELIEVED THAT THE IMPLEMENTATION OF THESE PROJECTS WILL CONTRIBUTE TO THE DEVELOPMENT AND COMPETITIVENESS OF SMALL AND MEDIUM SIZE ENTERPRISES AND THE OVERALL TOURISM OFFER OF MONTENEGRO AT THE INTERNATIONAL MARKET.

WITHIN THE WORKING GROUP OF THE SUB-TABLE FOR ECONOMY AND TOURISM IT WAS AGREED TO CONTINUE COOPERATION WITH THE GREEK INSTITUTE FOR EDUCATION AND TRAINING IN TOURISM AND HOSPITALITY THAT WILL BE REALISED THROUGH PRACTICAL TRAINING OF STUDENTS FROM THE REGION IN GREEK HIGH-CATEGORY HOTELS. ALSO, COOPERATION OF THIS INSTITUTE AND MONTENEGRIN EMPLOYMENT BUREAU WAS AGREED; NAMELY, SEVERAL UNEMPLOYED PEOPLE REGISTERED WITH THE EMPLOYMENT BUREAU, WILL BE INCLUDED IN THIS TRAINING PROGRAMME.

COMMITMENT OF ALL THE MEMBERS OF THE SUB-TABLE FOR TOURISM TO THE IMPLEMENTATION OF PROJECTS OF JOINT INTEREST WAS CONFIRMED PROPOSING THE DECLARATION OF COOPERATION IN TOURISM AMONG THE COUNTRIES OF ADRIATIC-IONIAN INITIATIVE. THE DECLARATION WILL BE SIGNED AT THE MEETING OF THE COUNCIL OF MINISTERS OF FOREIGN AFFAIRS OF THE ADRIATIC-IONIAN INITIATIVE TO BE HELD AT CETINJE IN JUNE THIS YEAR.

ENHANCING COOPERATION BETWEEN ADRIATIC-IONIAN INITIATIVE AND CENTRAL-EUROPEAN INITIATIVE.

The 2005 Travel and Tourism Economic Research

Solid statistical basis is a prerequisite for realistic projections of economic policy objectives, making good business decisions and objective information of the results achieved.

Therefore, in 2003, the Ministry of Tourism started cooperating with the World Travel and Tourism Council and Oxford Forecasting Ltd – Institute for Forecasting and Prognosis on preparing TSA reports for Montenegro (Tourism Satellite Accounting).

The application of TSA programme provides standard framework for organising statistical data on Montenegrin tourism as well as credible data on the impact of tourism to national economy.

Montenegrin Ministry of Tourism was directly involved in preparing this year report "Montenegro – impact of travel and tourism to employment and economy".



According to 2005 report, Montenegro Travel & Tourism is expected to generate EUR361.8 mn of economic activity which is an increase of 8.5% compared to the previous year. When this amount is decreased for travel and tourism imports, the estimates are that direct and indirect travel and tourism economy GDP will amount to 14.8%, i.e. that travel and tourism economy GDP will generate EUR 231.9 mn.

Total tourism demand will increase to EUR1,244.1 mil by 2015, while the travel and tourism GDP will increase from 14.8% in 2005 to 21.1% (EUR655.6 mil) by 2015.

Montenegro's travel and tourism is expected to achieve annualized real growth of 9.9% from 2006 to 2015, which makes it the country with the fastest growth of travel and tourism economy in the world.

As one of the leading branches of economy, tourism may affect the economic growth by reducing unemployment. The results obtained by tourism satellite accounting model show that Montenegro's travel and tourism economy directly and indirectly accounts for 22,644 jobs or 15.8% of total employment or 1 in 6.3 jobs. By 2015 it is forecasted to achieve the growth to 35,126 jobs or 22.5% of total employment or 1 in 4.4 jobs.

Montenegro's travel and tourism capital investments in 2005 are estimated at €33.9 million or 16.2% of total investments. By 2015 it is expected to achieve €84.2 million (US\$88.4 million) or 20.2% of total investments.

In order to provide greater support and commitment of all stakeholders, the Government will continue to endeavour towards the cooperative approach to long-term tourism planning and development, including all levels of government, private sector and local communities.

Minister of Tourism of Montenegro Predrag Nenezic and the director of the National Tourism Organisation of Montenegro Mr Vojin Vlahovic hosted the reception held at "Hayat" hotel in Belgrade on 12th April 2005, on the occasion of the International Tourism Fair held in Belgrade from 13 to 16 April this year. There were some 500 guests at the reception from political, cultural and public life of Serbia and representatives of many media.

The "Mimosa Festivities" caravan visited Belgrade and Novi Sad on 12th and 13th April announcing summer tourism season in Montenegro.

There were some 500 exhibitors from over 30 countries at the tourism fair, which started on 13th April this year. Travel agencies, tour operators and visitors showed great interest in the vacation packages for Montenegro, primarily active holiday, extreme sports and events to be held in Montenegro in the following months, especially the ones which combine traditional and modern elements.



At the press conference

held on 13th April, Montenegrin Minister of Tourism Predrag Nenezic and the president of the National Tourism Organisation Vojin Vlahovic, together with the director of Marine Zone Management company Rajko Barovic, talked about the coming tourism season in Montenegro.

The campaign promoted under the slogan **"Discover, Experience, Enjoy"**, which was launched at this year's Fair also caused a great interest of visitors. The stand of the Ministry of Tourism and the National Tourism Organisation of Montenegro, presenting the offer of the coastal, continental and mountain regions of Montenegro, was declared one of the best designed stands.



TOURISM FAIR IN BUDVA

From 28 to 30 April this year the XV International Tourism Exchange was held at the Adriatic Fairground in Budva with the participation of 46 exhibitors from Montenegro, Serbia, Bosnia and Herzegovina and Austria.

At the stand of the National Tourism Organisation and other exhibitors, the visitors had a chance to be informed about the offers and the conditions for travel and holiday in Montenegro for the coming summer season.

The Ministry of Tourism held a press conference on Thursday, 28.04. Minister of Tourism, Predrag Nenezic, director of National Tourism Organisation, Vojin Vlahovic and the director of "Marine Zone Management" Rajko Barovic talked at the conference. The activities undertaken in the preparation for the summer tourism season were presented and the new campaigns "Discover, Experience, Enjoy": Summer in Action, Summer for Rest and Summer to Remember were promoted.



Judging by the activities undertaken in the preparation for the coming season and the announcements of hotel and tour operators, we can expect to have yet another successful summer tourism season.