



# BULLETIN

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

## ***AN EXCERPT FROM THE MASTER PLAN***

*A holiday-maker is most afraid of boredom, even if not following some specific wish for an experience, if we put aside the focused tourists (yachtsmen, divers, mountain-bikers, lovers of nature and culture). The promise of an experience is, therefore, an attraction that cannot be resisted. Experiences stimulate the appetite for more. This growing demand for experiences is met by suppliers who offer diverse products. Except for the diversity of offer which is implied, a tourism product that is to come and stay in the front lines must have the components that may not be copied, which are timeless and authentic. They include:*

- visual integration of the environment (looking glasses for viewing the panorama, eye-catching things, open-plan room, the use of outdoor spaces of resorts).*
- development of exotic gardens, pleasant interior and harmonious appearance of the facility,*
- use of stylistic elements typical of the country, alien to visitors and reflecting their dreams,*
- service as an important advertising elements, service here meaning more than just being professional, meaning time for the guest and their individual wishes.*

***(An excerpt from the Master plan of the development of tourism in Montenegro by 2020)***

# NATIONAL COUNCIL FOR SUSTAINABLE DEVELOPMENT

The seventh session of the National Council for Sustainable Development was held on 06.03.2006 in Podgorica, chaired by the Prime Minister of the Government of Montenegro Milo Djukanovic, acting as the President of the Council.

On the occasion, the Council considered the process of drafting the national sustainable development strategy, then the preparations for the tourism development programme for central and northern regions of Montenegro and the agenda of the Council and the newly established Office for Sustainable Development in 2006.

At this session, at the proposal of the Ministry of Tourism, the National Council for Sustainable Development discussed and adopted the UNWTO (United Nations agency – World Tourism Organisation) – "Sustainable Development Principles" and "Guidelines for managing the limit carrying capacity of an area".

The proposed and adopted principles and guidelines of UNWTO will be useful for the review of the study entitled "Program of Mountain Tourism Development in Montenegro" developed by the International Institute for Tourism from Ljubljana focusing on tourism development in the northern and central region of Montenegro. From 12.03.–23.05.2005 this document was on public discussion in which a large number of international and non-governmental organisations, institutions, domestic and foreign experts took part.

In order to finalize the document, to harmonize the opposing comments received from the public discussion and, finally, adopt solutions that will provide for a balanced economic, social and environmental development of the region covered by the study, the Ministry of Tourism prepared and proposed the adoption of the UNWTO document. The proposed documents are highly significant for planning sustainable development of tourism development as well as assessing the limit carrying capacity of an area. Its development is envisaged by the Mediterranean Sustainable Development Strategy, as well as by the National Sustainable Development Strategy, whose draft was adopted at



yesterday's session of the National Council for Sustainable Development.

In terms with the conclusions from the session, the Ministry of Tourism, in agreement with the authors and in cooperation with the partner international organisations, will

engage experts in the field of mountain tourism development, to accord this document with best world practices, respecting sustainable development standards.

The application of the UNWTO principles and guidelines in developing strategic tourism documents and plans is a reflection of the constitutional orientation and the declaration of Montenegro as an ecological state, as well as the orientation towards developing tourism as a strategic sector.

## Proposed UNWTO sustainable development principles for which the Ministry of Tourism asks for the approval of the Council

1. OPTIMAL USE OF ENVIRONMENTAL RESOURCES, WHICH ARE A KEY ELEMENT IN TOURISM DEVELOPMENT, PRESERVATION OF MOST IMPORTANT ECOLOGICAL PROCESSES, NATURAL HERITAGE AND BIODIVERSITY.

NOTE: TOURISM DEVELOPMENT IN THE DURMITOR NATIONAL PARK MUST BE COMPATIBLE WITH THE SEVEN IUCN PROTECTED AREAS MANAGEMENT CATEGORIES, AS WELL AS WITH THE STANDARDS NEEDED TO CONTINUE TO BE RECOGNISED BY UNESCO AS A WORLD HERITAGE SITE, AND THE TARA RIVER BASIN AS THE BIOSPHERE RESERVE.

2. RESPECT FOR SOCIAL AND CULTURAL AUTHENTICITY OF VILLAGES/MOUNTAIN PASTURE VILLAGES, PRESERVATION OF THEIR HERITAGE, TRADITIONAL VALUES, CULTURE OF HOUSING AND LIVING, CONTRIBUTING TO UNDERSTANDING AND TOLERANCE AMONG DIFFERENT CULTURES.

NOTE: TO MAKE IT CLEARER, MOUNTAIN PASTURE VILLAGES ARE CONSIDERED TO BE PROTECTED AREAS OF NATIONAL HERITAGE.

3. PROVISION OF REALISTIC LONG-TERM ECONOMIC DEVELOPMENT THAT WILL BRING ABOUT BOTH SOCIAL AND ECONOMIC BENEFITS EQUALLY DISTRIBUTED TO ALL STAKEHOLDERS, INCLUDING FULL TIME JOBS AND OPPORTUNITIES FOR INCOME GENERATION, AS WELL AS THE ACCESS FOR THE POPULATION TO SOCIAL SERVICES (HOSPITALS, TRAINING CENTRES, ETC), AIMING AT POVERTY REDUCTION.

4. MAINTAINING A HIGH LEVEL OF PROVISION FOR VISITOR NEEDS, AS WELL AS PROVIDING A SUBSTANTIAL EXPERIENCE FOR VISITORS, RAISING THEIR AWARENESS REGARDING THE ISSUES OF SUSTAINABILITY AND FORMING HABITS AMONG THEM WHICH ARE IN ACCORDANCE WITH THE PRINCIPLES OF SUSTAINABILITY.

5. HARMONISATION OF THE PROGRAMME FOR MOUNTAIN TOURISM DEVELOPMENT WITH THE NATIONAL SUSTAINABLE DEVELOPMENT STRATEGY (CURRENTLY BEING DEVELOPED).

# GENERAL UNWTO GUIDELINES FOR ASSESSMENT AND MANAGEMENT OF LIMIT CARRYING CAPACITY OF AN AREA

The concept of limit carrying capacity of an area, proposed by the UN World Tourism Organisation (UNWTO), may relate to planning standards for provision of statistical data for the assessment of the number of visitors in relation to the desired image, level of economic development, land area, infrastructural needs, required service support for the resident population and the capacity of existing and development sites in accordance with the above goals for the preservation of the environment, taking into account the specific circumstances of particular locations during the finalisation of the "Programme for Mountain Tourism Development in Montenegro".

It is important to highlight this having in mind that the market itself may not control the potential overload of the area.

The concept of limit carrying capacity of an area is an attempt to identify, in measurable terms, the number of visitors and the level of development that may take place, with effective management, in order to reduce the harmful effects to natural resources and resident population.

These guidelines will take into account the principles of "limit carrying capacity of an area" for the mountain regions of central and northern Montenegro, where the development of facilities is in its initial or expansion stage in order to prevent future problems in visitor arrival areas, transit areas and destinations.

The guidelines should also enable the central and local governments to plan ahead to avoid future problems of overload of an area, especially in the peak summer and winter season.

## Principles and guidelines for assessing the occupancy threshold

1. THE BASIC PRESUMPTION IS THAT THE LIMIT CARRYING CAPACITY FOR TOURIST DESTINATIONS WILL BE EFFECTIVE AT THE LEVEL OF THE THRESHOLD WHEN, STATISTICALLY SPEAKING, A CERTAIN NUMBER OF VISITORS MAY VISIT ONE SITE AT ANY POINT DURING THE PEAK SEASON OR THROUGHOUT THE YEAR, WITHOUT PUTTING IN JEOPARDY THE IMAGE AND ATTRACTIVENESS OR CAUSING DAMAGE TO THE ENVIRONMENT.
2. THE BALANCE OF TOTAL CAPACITY OF STATISTICALLY MEASURABLE (ACCOMMODATION, INFRASTRUCTURE, ECONOMIC BENEFIT, ENVIRONMENT STATISTICAL DATA) AND IMMEASURABLE IMPACTS (CULTURAL TRADITION, PSYCHOLOGICAL IMPACT ON VISITORS) WILL BE ASSESSED AND MAINTAINED IN PRACTICE, IN TERMS WITH LOCAL CONDITIONS, TYPE AND HABITS OF VISITORS AND LIMITATION OF THE ACTUAL ANNUAL UTILISATION.
3. THE NEW DEVELOPMENTS AND REVIEW OF URBAN PLANS AT THE LOCAL AND NATIONAL LEVEL WILL BE REQUIRED TO DEFINE MORE PRECISELY AND CONFIRM THE LIMIT CARRYING CAPACITY OF A CERTAIN AREA, TAKING INTO ACCOUNT THE REDUCED POSSIBILITIES FOR UNSUSTAINABLE AND OVER-INTENSIVE UTILISATION.
4. IMMEASURABLE CRITERIA:

IN TERMS WITH THE UNWTO ANALYSIS, THE ENVIRONMENTAL AND CULTURAL IMPACTS OR PSYCHOLOGICAL EFFECT ON VISITORS ARE PRACTICALLY IMMEASURABLE AND ARE SUBJECT TO FURTHER RESEARCH, BUT MAY BE USED AS A SIGNIFICANT VALUE IN THE ANALYSIS OF COST EFFECTIVENESS NECESSARY TO ESTABLISH FINANCIAL AND ECONOMIC CONDITIONS OF COSTS AND BENEFITS FOR VISITORS, INVESTOR AND THE COMMUNITY.

## PUBLIC ANNOUNCEMENT for allocation of funds for NGO projects in 2006

The Announcement relates to the allocation of funds for non-governmental organisations for the projects aimed at creating a sustainable tourism product of Montenegro through diversification of offer, i.e. for projects relating to:

- promotion and valorisation of tourism and environmental resources of Montenegro;
- development of rural, mountain, hunting, sport (extreme), excursion, cultural and eco-tourism;
- cooperation and preservation of natural and cultural and historic heritage in the function of tourism;
- joint educational programs;
- designing and undertaking promotion of Montenegrin tourism, etc.

The eligible nongovernmental organisations are those who were registered in the Republic of Montenegro by the day of the public announcement.

The allocation of funds will be

done by a Commission for the cooperation with NGOs, established by the Ministry of Tourism.

NGOs submit applications. The documentation that should be enclosed with the application:

- certificate of registration in the Republic of Montenegro
- brief description of the organisation with the data on prior projects
- the project proposal with which the organisation applies for the allocation of funds
- recommendations of experts in the relevant field (if available)
- a guarantee (a written statement) by the authorised person that they have not received funds from other donors for the given project proposal, and which contains a clause on undertaking responsibility pursuant to Article 129 of the Criminal Code of Montenegro.

The project proposal should contain the following:

- project title
- name of the organisation (address and contact details)
- the description of the specific issue to be resolved by the proposed project
- project goals
- detailed description of the project
- the project budget
- the manner of monitoring (evaluation)
- responsible person for the project implementation
- transfer account number.

The NGO whose project receives support will be obliged to conclude an agreement with the Ministry of Tourism to define mutual obligations. The competition is open 30 days from the day of its announcement. The commission is obliged to pass a decision on the allocation of funds within 30 days from the day of the deadline expiry.

# MONTENEGRO PRESENTED AT THE "ITB 2006" FAIR IN BERLIN

Within the international travel fair "ITB 2006" held from 10th to 12th March in Berlin, for the tenth time in a row Montenegro presented its tourism offer for the season 2006.

This year's event gathered the record number of 10,000 exhibitors from 180 countries.

On Friday, March 10, the Ministry of Tourism and the National Tourism Organisation held a press conference generating great interest of the media, well illustrated by the attendance of over 100 journalists from the most renowned media in Germany.

The press conference was attended by the journalists from renowned German media, such as Stern, Inmedia-tv, Touristik aktuell, VIA, EVENTS-a,T.A.I., as well as numerous business people and investors.

The press conference was opened by Jean-Claude Baumgarten, President of the World Travel & Tourism Council, Predrag Nenezic, Minister of Tourism of Montenegro and Branko Kazanegra, president of the Association of Travel Agencies of Montenegro.

The journalists were shown a 10-minute film, the presentation of the developments so far and the potentials for future development of



Montenegrin tourism product, while Minister Nenezic presented the plans for diversification of offer based on linking the sea and the mountains in an integral tourist offer.

The opportunities for investments into Montenegrin tourism were

also presented, as well as current issues in present and future development of Montenegrin tourism.



After the press conference, the Ministry of Tourism and the NTO held a reception at the restaurant of the Congress centre in Berlin attended by over 200 invitees including guests from international tourism organisations, figures of political and economic life of Germany, representatives of major tour operators featuring Montenegro in their offers, travel agencies and representatives of diplomatic missions and Association of Montenegrins from the diaspora.

Mr Francesco Frangialli, WTO Secretary General and Ditmar Staffelt, former Parliamentary Secretary of the Federal Government of Germany also attended the reception.

The importance of German market for Montenegro is enormous since the demand from this market for spending summer holiday in Montenegro, judging by current bookings, exceeds the last year one's and gives rise to expectations that this year the arrivals from this market will increase for some 30%.



# [www.mturizma.cg.yu](http://www.mturizma.cg.yu)

## "MAKE IT CLEAN"

The press conference on the occasion of commencement of this year "Make It Clean" campaign, hosted by the independent advisor at the Ministry of Tourism Goranka Lazovic and the Director of the Employment Office Herceg Novi and the project coordinator Stevo Lazarevic, was held at the Republic Press Centre in Podgorica on 14.03.2006.

Last year's achievements of the campaign were positively assessed both by the visitors to Montenegro and the local population. "Make It Clean" campaign conducted in the form of public works is turning into a state program to be undertaken throughout the year.

A large number of entities, both at the national and at the local level, and nongovernmental organisations are involved in the implementation of this project, which also received support from the international donors.

The campaign has several objectives: quality preparations for the tourism season, employment of poorly employable persons from the register of the unemployed, raising environmental awareness, development of partnerships. The campaign so far has involved more than 50 social partners. Through this program waste will be removed, the roadside area will be kept clean and well-kempt in the total length of more than 1000 kilometres while the program also envisages planting trees and shrubs in the roadside areas in coastal municipalities, the replacement and painting of roadside protective structures.

Alike the previous year, there is great interest shown on the part of the unemployed for participating in public works. This project will involve the engagement of 170 workers. They will be employed by the municipal public utilities companies, since the works are to be undertaken in all Montenegrin municipalities.

In the coastal region, the campaign started on the 1st of March, and in the northern region it is to start in April. The budgetary allocation for these works for this year amounts to €458,560, 65% of which goes for salaries.

## BUDAPEST

MINISTER of TOURISM PREDRAG NENEZIC HEADED THE DELEGATION OF THE REPRESENTATIVES OF TOURISM INDUSTRY, STRATEGIC PARTNERS AND THE MEDIA AT THE TRAVEL FAIR UTAZAS HELD IN BUDAPEST FROM 16TH TO 19TH MARCH THIS YEAR.

THE MINISTRY OF TOURISM, THE NATIONAL TOURISM ORGANISATION AND THE AIRLINE COMPANY MONTENEGRO AIRLINES, IN COOPERATION WITH HUNQUEST HOTELS FROM HUNGARY, PRESENTED THE TOURISM OFFER OF MONTENEGRO AT THE FAIR.



AT THE PRESS CONFERENCE HELD ON 17.03.2006, MINISTER NENEZIC PRESENTED MONTENEGROIN TOURISM OFFER FOR THE SEASON 2006 AS WELL AS THE INVESTMENT OPPORTUNITIES, HIGHLIGHTING THE GOOD COOPERATION AND EXPERIENCES OF MONTENEGRO WITH THE HUNGARIAN COMPANY.

AT THE JOINT PRESS CONFERENCE, THE JOURNALISTS PRESENT WERE ADDRESSED ALSO BY THE GENERAL MANAGER OF THE HUNQUEST HOTELS, ISTVAN

HULVELI, PRESIDENT OF MONTENEGRO AIRLINES ZORAN DJURISIC AND MINISTER ADVISOR AT THE EMBASSY OF SERBIA AND MONTENEGRO IN BUDAPEST VANJA BRAILO.

THE PRESS CONFERENCE AND THE RECEPTION ARRANGED BY THE HUNQUEST HOTELS ON THE OCCASION OF PRESENTATION OF MONTENEGRO AT UTAZAS, WAS ATTENDED BY OVER 60 JOURNALISTS AND TOUR OPERATORS FROM HUNGARY.

IT IS EXPECTED TO HAVE A 35 TO 40% INCREASE IN ARRIVALS FROM THIS MARKET FOR THE SUMMER SEASON 2006.

## MOSCOW

THE INTERNATIONAL TRAVEL FAIR "MITT 2006" WAS HELD IN MOSCOW FROM 22ND TO 25TH MARCH 2006. THIS YEAR EVENT, THIRTEENTH IN A ROW, GATHERED 110 COUNTRIES AND OVER 2,500 EXHIBITORS.

TOURISM OFFER OF MONTENEGRO WAS PRESENTED AT THIS EVENT BY THE MINISTRY OF TOURISM AND THE NATIONAL TOURISM ORGANISATION OF MONTENEGRO AT A 66 M2 STAND. WITHIN THE GENERAL PRESENTATION, THE FOLLOWING TOUR OPERATORS FOR THE RUSSIAN MARKET, PARTNERS OF THE BEPLER & JACOBSON AND MONTENEGRO STARS, PRESENTED THEIR OFFER: R-TOURS, TALAS-M, TRAVEL CENTAR, BREZNA TOURS, CERNOGORIA TOURS, AS WELL AS HTP MILOCEK, HTP KORALI, HTP ONOQOST.

ON THE SECOND DAY OF THE FAIR, ON 23RD MARCH, THE DIRECTOR OF NTO VOJIN VLAHOVIC HELD A PRESS CONFERENCE, ATTENDED BY JOURNALISTS FROM A LARGE NUMBER OF MEDIA FROM THE RUSSIAN FEDERATION.

ACCORDING TO OFFICIAL STATISTICS FOR 2005, MONTENEGRO HAD 41,011 RUSSIAN VISITORS ACCOUNTING FOR 253,178 NIGHTS, OR 97% MORE COMPARED TO THE SEASON 2004. THE DATA SHOW THAT RUSSIAN VISITORS COME SECOND IN NUMBER IN THE OVERALL TOURISM DEMAND OF MONTENEGRO (16%).

JUDGING BY THE ANNOUNCEMENTS, THIS SEASON WILL SEE AN INCREASE IN ARRIVALS FROM THIS MARKET OF SOME 30%.

[www.visit-montenegro.org](http://www.visit-montenegro.org)

# Montenegro included in the offer of many renowned tour operators and travel agencies

The fact that Montenegro as a tourism destination is becoming in more demand and increasingly more attractive is well illustrated by the information that many world renowned tour operators and travel agencies have included Montenegro in their packages for the summer 2006.

Japanese travel agencies Eurasia and Jalpak offer 13-day packages for Montenegro with departures in April and May.

Moreover, the Sunday issue of the Japanese travel magazine entitled "Weekly Travel Journal" featured a four-page article on Montenegro describing it as the most beautiful Mediterranean country, whose very name is a promise of attractive and diverse types of leisure and entertainment activities.

French tour operators also included Montenegro in their programmes as a new tourism destination. Eight and twelve-day packages of French agencies with organised visits start as of 22nd April this year.

The French travel agency Montagne-Evasion in its catalogues, apart from the coast, put special emphasis on the national parks, Durmitor, as a UNESCO World Heritage Site, Biogradska gora, and the Tara River Gorge pointing out that it is a canyon of exceptional natural beauties, the second largest in the world, after the Grand Canyon of Colorado.

"In its exotic, impressively beautiful environment, Montenegro offers sandy beaches, clean and unpolluted sea, beautiful scenery, moderate climate, sunshine and warmth. From late April to early November the climate at the coast is identical to the one in Mallorca, with extra advantages: when it gets too hot down on the coast the tourists may in no time reach the much colder areas." (A quote from the Japanese Weekly Travel Journal)

These articles on Montenegro are followed by numerous photographs featuring the beauty of Montenegrin landscapes.

After the positive articles in which the American media included Montenegro among top destinations this year, Montenegro is now included in many catalogues of Japanese and French travel agencies.



This is surely a result of the promotion of Montenegrin tourism product within the International Travel and Business gathering TOP RESA held from 22-24 September last year in Deauville, France and the study visits of Japanese journalists to Montenegro arranged last year by the Ministry of Tourism and the National Tourism Organisation, as well as the intensive promotional campaigns on the global TV networks CNN and Euronews.

The promotion of Montenegrin tourism product at the French market is extremely important bearing in mind the fact that France is the largest visitor but also the largest source market. Last year we had positive trends from this market that are, as announced, to continue in 2006 as well. Last year Montenegro had 11,300 French visitors accounting for 64,000 nights, or an increase of 678% compared to the season 2004, while the Japanese visitors accounted for 50% more nights compared to the season 2004.

During this summer season an increase of 30% is expected from these markets.

## Categorisation of hospitality establishments

Deputy Minister Nebojsa Popovic and the head of the Tourism Inspection, Bozo Vucekovic held a press conference on 09.03.2006 to present the categorisation process and inspection checks of hospitality establishments and accommodation services.

The Commission of the Ministry of Tourism for categorisation and classification of hospitality establishments is successfully finalising the categorisation of hospitality establishments within its competences.

So far 217 hotels have been categorised, and currently only five more are waiting to be awarded the star category.

For the accommodation establishments being categorised, the providers of services are obliged by the 1st May of the current year to certify and publish the maximum rates they intend to apply in the coming six months. If they fail to notify of the change in rates in the time envisaged, it is implied that they remain with previously publicised prices. And for those who do not do so in the envisaged period monetary sanctions have been envisaged.

Within the scope of its competences, the Tourism Inspection will launch special campaigns aimed at checking the opera-

tion of tourism and hospitality establishments. Special attention will be paid to categorised establishments to check whether they correspond to the actual quality of services and offer.

Last year Tourism Inspection performed the total of 14,298 inspection checks of the lodging and catering establishments.



Nebojsa Popovic,  
deputy minister

# MINISTERIAL CONFERENCE - VIENNA

At the invitation of the Federal Minister for Economic Affairs and Labour of Austria, Martin Bartenstein, the Minister of Tourism of Montenegro Predrag Nenezic and his deputy Nebojsa Popovic participated at the European Union conference the dedicated to redefinition of European tourism policy.



The host to the conference, which gathered the ministers of tourism from 35 countries and over 300 participants from the private and public sectors, were the countries - current and future chairs of the EU - Austria and Finland.

At the end of the two-day work of the gathering, a platform was adopted for the development of the new tourism policy of EU based on the Lisbon Strategy, adopted in 2005, whose focus is on job generation and stronger sustainable growth of the tourism sector now accounting for close to 11% of GDP in EU.

Consequently, the European Commission shall commence work on the so-called "European Agenda 21 for Tourism" that is to rely on the principles of economic, social and environmental sustainability with the aim of the new tourism policy to be adopted in 2007.

It is highly significant for Montenegro that it was involved from the very beginning of the work on the strategy, especially since the principles of tourism development adopted in Montenegro in 2001 are fully compatible with the proposals of the new guidelines of European tourism policy.

During the conference, Nenezic and Popovic had a number of bilateral meetings with high officials and prospective investors.

## WORKING VISIT TO ROZAJE

The delegation of the Ministry of Tourism composed of the Minister of Tourism Predrag Nenezic, deputy minister Nebojsa Popovic and senior adviser at the Ministry of Tourism Marija Rajkovic went to the Municipality of Rozaje on 18.03. 2006 on a working visit.

Within their same-day visit the delegation of the Ministry of Tourism had meetings with the Mayor of Rozaje, Nusret Kalac, representatives of HTP "Turjak" and the Tourism Organisation of Rozaje.

The delegation concluded that Rozaje is certainly developing as a new tourism centre in Montenegro. It is primarily due to the

new accommodation facilities, new hotels and a new tourism concept becoming increasingly more interesting and significant worldwide, namely the ULNS concept, the concept of stay in the nature, something sought by numerous visitors from all over the globe.

With the infrastructure investments and the establishment of the Local Tourism Organisation last year, the municipality of Rozaje and the local economy are creating the preconditions for tourism development in this area.

After last-year's privatisation of the HTP "Turjak", the new owner, the "M petrol"

company, commenced the reconstruction and restoration works on these facilities. The efforts undertaken so far already show visible results creating the new image of this resort. The emphasis is placed primarily on improving the comfort of guests, new amenities, the appearance of the facilities, etc.

HTP "Turjak" includes two hotels: "Rozaje" and "Turjak". Both hotels are currently being reconstructed and modernised. "Rozaje" will start operation in June this year, while the completion of reconstruction and extension works on "Turjak" are expected next year.



# DEVELOPMENT OF NAUTICAL TOURISM IN MONTENEGRO

The Ministry of Tourism has recognised the importance of nautical tourism development providing significant potential for generating revenues and which may contribute to positioning Montenegro as an up-scale market destination, which is our strategic orientation in terms with the Tourism Master Plan.

This Ministry, in cooperation with the Ministry for Environmental Protection and Physical Planning, the public company for Marine Zone

Management, and with the support of the German Society for Technical Cooperation – GTZ, initiated the activities on developing the strategy for nautical tourism development within the Integral Coastal Zone Management project.

At the press conference held on 15.03.2006, Dusanka Pavicevic, head of the Economic Sector at the Ministry of Tourism of Montenegro presented these activities. The activities on the development of nautical tourism are undertaken in two stages. Stage one refers to setting the guidelines for the development of nautical tourism through the identification of prospective sites for marina development. The starting criteria are: ensuring sustainable development and preservation of environmental balance; avoiding beaches and other significant tourism resources; and estimated economic justification. After the definition of prospective sites for marina development, the second stage followed the result of which was the report entitled "Market Positioning and Amenities of Marinas regarding the services to be provided".

The marina network in Montenegro should consist of 9 marinas with the total capacity of some 2,150 berths. The largest, with the capacity of 450 berths, are intended for Bar and Tivat, and somewhat smaller ones, the so-called standard marinas, are envisaged for Rt Kobilja, Bigova, Liman in Ulcinj, and Kumbor. Three specialised marinas are envisaged for Kotor, 80 to 150 berths,

Buljarica with 50–100 berths and Ada Bojana 20–50 berths. In accordance with the intended services a marina should offer, and using the comparative data from the region, it is forecasted that the proposed marina system should generate the total turnover of some €37 mil.

Compared to the visitor expenditures in 2005 of some €290 mil. (according to WTTC report), it is to be expected that the development of 9 marinas has the potential to increase domestic and international visitor spending in Montenegro for some 13%.

Having in mind the features of the site – good traffic connections, both land and sea ones, and large undeveloped space, Bar Marina should be positioned as a marina specialised for mega yachts, with high-quality service and large capacity of dry-stacks and winter storage. When planning marinas, special attention was paid to certain environmental restrictions, which particularly hold true for the sites of Ada Bojana and Buljarica. Due to the closeness of the Bay and its designation as an UNESCO World Heritage Site, Kotor is also extremely sensitive. Nevertheless, this fact may be used as an advantage itself, since a smaller marina than the one originally intended located next to the historic town of Kotor would be one of rare marinas in Montenegro having possibilities to target the exclusive nautical demand. When it comes to the interest of developers to invest in marinas at the Montenegrin coast, it is increasing. The tender for the development of the Tivat marina was closed and currently negotiations are in progress with the prospective investor. For the development of a marina at the site of Rt Kobilja the developer has already acquired the necessary documentation, and considerable interest is generated by other projects such as the establishment of a charter fleet, particularly significant for the development of elite nautical tourism.

In the coming period the Ministry of Tourism will initiate activities to enhance cooperation with education and training institutions to define human resources potentials as a precondition for the success of these projects.



## MOUNTAIN TOURISM DEVELOPMENT PROGRAM

THE MINISTRY OF TOURISM, IN COOPERATION WITH FOREIGN CONSULTANTS, WILL COMPLETE THE REVIEW OF THE MOUNTAIN TOURISM DEVELOPMENT PROGRAMME, I.E. DEVELOP ITS FINAL DRAFT BY AUTUMN THIS YEAR.

IN THE DEVELOPMENT OF THIS DRAFT THE COMMENTS AND SUGGESTIONS OBTAINED FROM PUBLIC DISCUSSION WILL BE TAKEN INTO ACCOUNT AND WILL BE HARMONISED WITH THE SUSTAINABLE DEVELOPMENT PRINCIPLES AND GUIDELINES OF THE WORLD TOURISM ORGANISATION (UNWTO).

DEPUTY MINISTER OF TOURISM, ZORAN DULETIC HELD ON 15.03.2006 A PRESS CONFERENCE AND POINTED OUT THAT THE MINISTRY OF TOURISM HAD ALREADY ENGAGED THE INTERNATIONAL INSTITUTE FOR TOURISM FROM LJUBLJANA TO DEVELOP THE STUDY FOR THE PROGRAMME. THE STUDY WILL PROVIDE FULL ANALYSIS AND THE CURRENT STATE OF AFFAIRS IN MOUNTAIN TOURISM RESORTS OF MONTENEGRO.

THE DEVELOPMENT OF MONTENEGRIN MOUNTAIN TOURISM RESORTS WILL ALSO FOCUS ON STIMULATING THE SUMMER TOURISM, MODERNISATION OF WINTER AND SUMMER TOURISM CENTRES – THE USE OF LIFTS (ALL YEAR ROUND), SKI TRACKS, HOUSEHOLDS TO OFFER HOME-MADE FOOD, MOUNTAINEERING AND ALPINISM, SKIING, SNOWBOARDING, RAFTING, CANYONING, ORGANISATION OF DIVERSE COMPETITIONS. THE PROGRAMME WILL BE DEVELOPED RESPECTING THE PRINCIPLES OF SUSTAINABLE DEVELOPMENT.

CONSIDERING THE NATURAL RESOURCES AVAILABLE AT THE CENTRAL AND NORTHERN REGIONS OF MONTENEGRO, DEVELOPING AND CREATING CONDITIONS FOR DEFINITION OF THE TOURISM OFFER AT THE NORTH WILL ALL BE AIMED AT ESTABLISHING A UNIQUE TOURISM OFFER TO LINK THE NORTHERN AND COASTAL REGIONS.

# ECONOMIC IMPACT OF TRAVEL AND TOURISM FOR 2006

In cooperation with MONSTAT, the Ministry of Tourism has initiated certain activities on enhancing the statistical methodology, particularly referring to monitoring the impact of tourism, primarily having in mind the fact that good statistical base is a precondition for objective analyses of achievements, making the right business decisions and realistic establishment and projecting of the economic policy goals.

In addition, for proper establishment of the position of Montenegro as a tourism destination

in the international environment, it is necessary to have the data comparable with the countries in the region and elsewhere.

In that sense, the Ministry of Tourism initiated the cooperation with the World Travel and Tourism Council and the Oxford Economic Forecasting in 2003 on the development of the first Tourism Satellite Accounting report for Montenegro.

The tourism satellite accounting methodology is applied in 174 countries including the countries from our region, thus enabling the comparison of Montenegrin tourism product with that of its competitors, providing a standard framework for organising tourism data, of other countries as well as of Montenegro.

The head of the Economic Sector at the Ministry of Tourism, Duska Pavicevic and the independent advisor at the Ministry of Tourism Goranka Lazovic, held a press conference at the national Press Centre on 31st March talking about the "Economic Research of Travel and Tourism for 2006", done in cooper-

ation with the World Travel and Tourism Council (WTTC).

In 2006 it is expected that travel and tourism will generate € 418.9 mil (€366.3 mil in 2005) of economic activity, which is the total tourism demand (an increase of 14.4% compared to last year),

When this amount is decreased by the total travel and tourism imports, it is estimated that the GDP generated by travel and

tourism amounts to €266.7 mil, meaning that the contribution of tourism, direct and indirect, to the total GDP in 2006 will amount to 15.7% (in 2005 it was 15.1%).

Total employment in tourism economy (direct and indirect) in 2006 is estimated at 24,200 jobs, or 16.8% of total employment (in 2005 - 16.2%).

The 14,000 travel and tourism industry (direct) jobs account for 10.0% of total employment in 2006.

The growth trends, according to the report of the World Council for Travel and Tourism, are expected in the coming years as well. The forecasts have it that the total economic activity generated by tourism will grow by 10.6% in 2006 and by approximately 10% per annum between 2007 and 2016, which places Montenegro first among 174 countries where tourism is a strategic industry, i.e. it will make an increase of some €1.5 billion.

Also, according to forecasts of this renowned institution, the tourism economy will make an increase to some €770 mil until 2016, which means that the expected growth between 2007 and 2016 will amount to 8% annually, and that the contribution to GDP will amount to 23%. Direct impact of tourism will achieve the value of some €500 mil or 15% and between 2007 and 2016 it will grow with the annual rate of some 9%.

The forecasts are that the tourism economy employment (direct and indirect) in 2016 will amount to some 40,000 jobs or 25% of total employment, or 1 in every 4 jobs. The annualised growth between 2007 and 2016 will be some 5%.

The total of 25,000 in travel and tourism industry, as forecasted, will make some 16% of total employment in 2016, meaning that between 2007 and 2016, an annualised growth rate of 6% is expected.

In order to achieve the forecasted results, the activities of the Ministry of Tourism on

achievement of goals set by the Tourism Master Plan will continue as well as the privatisation of tourism industry, enhancement and expansion of facilities, creating an environment conducive to investments and enhancing competitiveness of human resources in tourism.

