BRIEF ON THE WORK OF THE MINISTRY IN THE DEPARTMENT FOR ENVIRONMENTAL PROTECTION

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The Department for Environmental Protection is one of the three organizational wholes of the Ministry of Tourism and Environmental Protection and it comprises the following: the Section for Protection of Atmosphere and Ionizing Radiation, the Section for Control of Industrial Pollution, Waste and Waste Water Management, the Section for Nature Protection and the Section for Integration and Strategic Processes.

The competences of the Departments with respect to performance of administrative activities are also determined in accordance with the mentioned structure, and include but are not limited to: the system for environmental protection and improvement; drafting and implementation of strategic and integration documents, plans and programs in the area of environmental protection, sustainable development and sustainable use of natural resources; conservation of quality of air, protection of climate and ozone layer; analyzing, reviewing and assessing the condition of environmental protection and sustainable development; waste management, with the exception of that used for medical purposes and enforcement of measures for waste treatment; enforcement of impact assessment; enforcement of strategic environmental impact assessment; integrated prevention and control of pollution; protection of nature and conservation of biodiversity; protection of national parks and protected natural resources; protection of unprotected wild animal species with the exception of hunting game, marine and river organisms; protection of soil from pollution; protection from radioactive substances; protection
from dangerous and hazardous substances in production, turnover, warehousing and disposal; protection from non-ionizing and ionizing radiation; waste water management; system of utility-related activities; coordination of regional water-supply systems; economic instruments and eco-management; monitoring of environmental condition; IT system for environment; cadastre of polluters; defining of environmental protection standards; rehabilitation programs in environmental protection; drafting laws, secondary legislation acts and other regulations; monitoring and enforcement of regulations from respective areas, as well as international contracts and agreements; implementation of activities in the process of approximation and joining the European Union; monitoring of the process of harmonization of the legal system in the area of environmental protection and sustainable development with the legal system of the European Union; cooperation with nongovernmental organizations from respective area; international cooperation; preparation and enforcement of international bilateral contracts and agreements; administrative supervision from the area of environmental protection, as well as other corresponding activities under the scope of the Department.

Within the Department, the mentioned activities are performed by 25 employees and two trainees, while the activities of the inspection supervision are performed by five environmental inspectors within the Department for Legal and Inspection Affairs.

The objective of this report is to inform the public about the results achieved by the Ministry of Tourism and Environmental Protection within its competences for the area of environment during 2008. Specific segments of this area, such as protection of waters from pollution, genetically modified organisms and a part of issues related to marine protection are under the competence of other ministries (areas related to chemicals and noise have become a part of the competence of the Ministry of Tourism and Environmental Protection), and therefore this report does not provide the complete overview of achieved results in the area of environment.
POLICIES, STRATEGIC AND OTHER PLANNING DOCUMENTS
At the end of 2008, the Government of Montenegro adopted the National Environmental Policy for Montenegro. This document was initiated due to the recognition that the current framework of relations in environment is becoming too narrow for more efficient and better quality undertaking of activities, primarily due to the obligations that Montenegro has as an independent and internationally recognized country. For higher scale and qualitatively different environmental behavior particularly significant are the Stabilization and Association Agreement concluded with the European Commission and the adopted National Program of Integration, as well as global problems of climate changes and endangerment of biodiversity, which require the defining of a joint plan of activities by all international community members. Therefore, the document defined the key directions of environment-related activities of Montenegro in all ministries and the priorities: water supply, waste water treatment, waste management, protection of the sea, waterfront area and other land ecosystems, conservation/protection of nature and biodiversity, increase of energy efficacy and adjustment and reduction of negative effects caused by climate changes.

Also, the national policy in this area points out the need for responsibilities in the area of environment to be gradually unified under one line ministry by 2012, as well as for financial allocations for projects in the area of environment to increase to 1.5% GDP.

The Government of Montenegro adopted the National Program for elimination from use the mattes damaging the ozone layer and the Plan for final elimination of chlorofluorocarbon hydrate (CFC) in Montenegro.
In the area of waste management, the Government of Montenegro in February 2008 adopted the State Plan for Waste Management and thereby created the assumptions for adoption of municipal plans and plans for waste management of large economic entities, that is large producers of waste. This plan defines the goals and provides the conditions for rational and sustainable waste management for the period of 5 years.

During this year, significant steps were made in the preparation of the Biodiversity Strategy with the Action Plan. The drafting of the Biodiversity Strategy with the Action Plan is an initial step in fulfillment of the obligations from the Convention on biodiversity which Montenegro took over in the process of succession.

Within the cooperation with the Ministry for Environment, Land and Sea of the Republic of Italy, the activities are undertaken for preparation of the Master Plan for Development of Sustainable Tourism in the Municipality of Kolašin.

In 2008, the activities continued with regard to carrying out of previously adopted strategic planning documents, the National Strategy of Sustainable Development, strategic planning documents in the area of water supply, waste water and waste management, etc.
LEGISLATION
The most important normative activities realized in Montenegro in 2008 in the area of environment are related to the process of joining the European Union, that is, the harmonization of legislation with Acquis Communautaire of the European Union. These activities are undertaken through the insertion of the provisions of European Directives and Regulations into our laws and secondary legislation acts through 11 different sections: horizontal legislation, air quality and climate changes, removal of waste, water management, protection of nature, control of industrial pollution and risk management, genetically modified organisms, chemicals, protection from noise, forestry and sea and waterfront, while a separate section includes Energy covering the issues of nuclear safety and radiation protection.

According to the assessment of the European Commission given in the Progress Report in the Environmental Sector in Montenegro, in 2007 and in the first half of 2008 significant results were achieved in harmonizing our regulations with the legal system of the EU.

The area of horizontal legislation comprises the Law on Environment, the Law on Strategic Environmental Impact Assessment and the Law on Environmental Impact Assessment.

More comprehensive and better quality establishment of relations in the environmental area was achieved through the Law on Environment that the Parliament of Montenegro adopted in July 2008. This law establishes legal and strategic mechanisms and institutional framework for environment in Montenegro. The Law, inter alia, establishes the responsibilities for the damage caused to environment, the manner of reporting on the condition of the environment in accordance with the standard methodology of the European Agency for Environment through the obligation of establishing the national lists of environmental indicators, etc. Also, the Law envisages the obligation of establishment and development of the environment-related information system in accordance with the European standards.

The Law on Strategic Environmental Impact Assessment and the Law on Environmental Impact Assessment were adopted at the end of 2005, and their implementation commenced on 1st January 2008. The period from their adoption to their implementation was used for establishment of institutional capacities, on the state and local level. During the first 11 months of 2008, over 75 applications were processed for the decisions to be made with regard to the requirement of environmental impact assessment, out which about 20 were completed in the first phase, that is, the decision was made that the environmental impact assessment was not required. About 30 decisions were made to approve environmental impact assessment for projects.
The area of the protection of the air quality is regulated by the Law on Air Quality, which by its structure is a general law for ambient air, and it regulates the issues of limit values of air quality, monitoring of air quality, safeguards, assessment and improvement of air quality, as well as planning and managing air quality. During 2008, the preparation activities for several secondary legislation acts related to the control of products, emission from stationary sources, emissions from mobile sources, quality standards of ambient air and monitoring, reporting and exchange of information were undertaken. The Decree on establishment of the types of pollutants, limit values and other air quality standards was adopted for determination of the types of pollutants, limit values and other air quality standards, assessment thresholds, target values, alert thresholds and required measures for protection of health of people, deadlines for gradual reaching of the limit and target values of air quality and long-term goals for ozone, as well as the Decree on substances damaging the ozone layer which clearly defines the gradual reduction in the consumption of substances hazardous for the ozone layer.

The Law on Air Quality incorporates the basic provisions of the EU Directives regulating the area of climate changes and protection of the ozone layer.

The normative framework in the area of waste management is governed by the Law on Waste Management. The Law was adopted in 2005, and its full application should have commenced on 1st November 2008. The reason for delaying the commencement of the application was the need for building the infrastructural assumptions, such as landfills, recycling centers, transfer stations, etc. However, the restrictions that existed on the state and local level in financial resources and in personnel capacities disabled the commencement of full application of this Law. Therefore, the Law on Amendments to the Law on Waste Management was prepared and adopted by the Parliament of Montenegro according to which the commencement of application of specific provisions was postponed to 1st January 2010. This Law incorporates the provisions of EU Directives which were in mean time adopted or amended, thereby creating better quality base for preparation and adoption of secondary legislation acts and regulation of this area with a high level of compliance with EU directives and standards. In 2008, 10 secondary legislation acts were prepared, which regulate the following issues in more details: amount of the fee and manner of payment for waste management; construction and operation of landfills and types and conditions for acceptance of waste on the landfill; type and method of examining the waste, as well as sorting of waste; conditions in respect of equipment and personnel for performing the waste processing activities; manner of filling in the records on waste and maintenance of the register of data related to waste management; take over, collecting and processing waste vehicles; taking over, collecting and processing waste from electrical and electronic products; taking over, collecting and processing of waste batteries and accumulators; burning of waste; waste oil management and PCB management.

In the area of water supply and waste management the activities on the preparation of the Law on Water Supply and Waste Water Management were finalized in 2008.
More comprehensive and better quality establishment of relations in the area of protection of nature was achieved through the Law on Protection of Nature adopted by the Parliament of Montenegro in 2008. The incorporation of the provisions of several Directives into this Law, particularly of which it is important to point out the Directive on Protection of Natural and Semi-natural Habitats of Flora and Fauna and the Directive on Wild Birds, contributed to the process of harmonization of our legislation with the EU legislation system. Based on this Law, the preparation is in process of the Rulebook on the sorts of habitat types, map of habitats, endangered and rare habitat types and on measures for conservation of habitat types and the Rulebook on transboundary turnover and trade in protected species.

The basic instrument for transposition in the sector of control of industrial pollution and risk management is the Law on Integrated Pollution Prevention and Control, which is harmonized with the Directive concerning the integrated pollution prevention and control. Based on this law, six secondary legislation acts were adopted to regulate the following issues in more details: content, manner of keeping the register of issued integrated licenses, content and manner of filling in the request for issuance of the integrated license, program of measures of adjusting the plants or activities prescribed by conditions, criteria for determination of best accessible techniques, standards and determination of limit values of emissions, as well as types of activities and plants for which integrated license is issued.

Together with the Ministry of Agriculture, Forestry and Water Management the Ministry worked on the Law on Genetically Modified Organisms in part of its competence related to the problem issue of deliberate introduction of GMO into environment.

With regard to the activities in the area of protection from ionizing radiation, that is nuclear safety and radiation protection, the Proposal Law on Protection from Ionizing Radiation and Radiation Safety which is harmonized with the corresponding EU legislation is in the process of development.
The Ministry undertakes a large number of activities related to the implementation of signed international agreements. During 2008, several laws were prepared and adopted by the Parliament of Montenegro to ratify (accept) important international conventions and agreements, such as: The Law on Ratification of the Convention on Conservation of European Wildlife and Natural Habitats (Bern Convention), The Law on Ratification of the Convention on Conservation of Migratory Species of Wild Animals – Bon Convention, The Law on Ratification of the Landscape Convention and The Law on Ratification of the Agreement on Protection of Cetaceans in the Black Sea, Mediterranean Sea and the contiguous Atlantic Area – ACCOBAMS.

The membership was renewed in respect of the succession with the Convention on Biodiversity, the Convention on Wetlands of International Importance (Ramsar Convention) and the Convention on International Trade in Endangered Species of Wild Flora and Fauna (CITES Convention).

INSTITUTIONAL CAPACITIES
The Agency for Environmental Protection was founded as an administrative authority for performance of professional and related administrative activities from the area of environmental protection. In institutional sense, the establishing of the Agency represents significant strengthening of capacities in the area of environmental protection and an important precondition for implementation of the legislation. The activities performed by the Agency include: issue of licenses, monitoring, analyses and reports, inspection operations and communication with relevant domestic and international bodies and organizations, as well as with the public.

The limited liability company “Procon” has been established to perform operations of the project implementation unit in the area of environment and utility infrastructure, which are implemented with the support of international institutions (the World Bank, the European Investment Bank, EBRD, etc.), as well as EU funds for assistance to countries with the EU pre-accession membership status. The establishment of this unit has the objective to strengthen the institutional capacities of state authorities, local self-government units and municipal utility enterprises for realization of specific projects determined by strategic planning documents, particularly in the area of water-supply, waste waters and waste.
In the area of air quality, the Office for Ozone was established in Montenegro with the task to create institutional assumptions for implementation of Montreal protocol. Also, within the inclusion of Montenegro in efforts made by the international community for reduction of negative effects of climate changes, in February 2008 the Authorized National Body was established to approve CDM projects, which was the beginning of the implementation of Kyoto Protocol in Montenegro.

During this year, activities have commenced on preparation of the law according to which a fund for environmental project financing (Eco Fund) will be established. The legal grounds were established by the Law on Environment. The manner of organization and the scope of work of this Fund will be based on the indicators of the Feasibility Study for establishment of the environmental fund in Montenegro.
SPECIFIC ACTIVITIES
In the area of waste management, the Strategic Master Plan envisages the construction of seven regional sanitary landfills for the whole of area of Montenegro. Currently, only one sanitary landfill is operational, where the waste collected from the territories of local self-government units of Podgorica and Danilovgrad is deposited. The activities are in progress for construction of the regional recycle center in the landfill in Podgorica, of the capacity of 90,000 t/year of unsorted municipal waste. Being aware of personnel and financial restrictions in most of the local self-government units, the Government of Montenegro during 2008 provided for significant financial resources and coordinated activities for production of four feasibility studies and environmental impact assessment for the locations of landfills in Bar, Kotor, Pljevlja and Bijelo Polje. Also, with the financial support of the Government, these two required steps in the preparation phase for construction of the landfill in Bijelo Polje from IPA funds for 2009 in the value of EUR 4million.

Also, in 2008, the Government provided for financial funds for procurement of 600 refuse containers, and the brochure, as well as a TV video and radio jingle were produced for the purpose of raising awareness of the public about the need and the manner of sorting of disposed waste.
Within the cooperation with KfW Bank, the realization of the project Emergency Measures II and III intended for the reconstruction of the water supply network in Herceg Novi, Kotor and Bar, as well as the project for solving of the issue of waste waters in Tivat Municipality, as well as other municipalities of Montenegrin Coast with the exception of Ulcinj.

In 2008, the European Agency for Reconstruction completed the projects of financial support for reconstruction of parts of the network for collecting and draining waste waters in the coastal municipalities in the value of about EUR 1 100 000.

Within the Infrastructure Project Facility (IPF) which is supporting the production of the feasibility studies and environmental impact assessments, the funds were approved for production of the feasibility study and the environmental impact assessment for the new plant for purification of waste waters and improvement of the condition of water supply infrastructure in Podgorica.

Within the preparations for realization of cross-border component of IPA instrument, cross-border programs for cooperation with Albania, Bosnia and Herzegovina, Croatia and Serbia have been prepared.

The Department for Environmental Protection was also involved to a great extent in monitoring and partly in coordinating the realization of one of the largest investment projects in the region – construction of the regional water supply system for the Montenegrin Littoral. The construction of this structure is supported in a form of a credit by the World Bank and EBRD, while the majority of the funds will be provided from the Capital Budget of Montenegro and own-source revenues of the Public Utility Enterprise “Regional Water Supply System Montenegrin Littoral”.

In cooperation with the World Bank the Project “Lake Skadar - Shkoder Integrated Ecosystem Management” is being implemented. The aim of the Project is to establish institutional and legal premises for protection and sustainable development of this ecosystem in Montenegro and Albania and to strengthen capacities for management of protected areas in both countries. This Project will also co-finance activities for the construction of wastewaters treatment plant in Vranjina and project for permanent remediation of the hazardous waste from the Aluminum Plant. Total amount of the donation for this Project is USD 4.55 million (USD 2.56 million for Montenegro). The World Bank is the implementing agency.
The first phase of the Project “Remediation and Reclamation of the Lead and Zinc Mine Tailings Impoundment in Mojkovac” was completed, and the implementation of the second phase started in October 2008. Around EUR 4.47 million was invested in this capital environmental project for Montenegro in the period from 2003 until December 2008. Funds were partly provided by the Government of the Kingdom of the Netherlands in the form of support through the Regional Programme for Remediation of Industrial Pollution “Hot Spots” in the South East Europe Region, which is being carried out with the UNDP support, as well through bilateral cooperation with the Government of the Czech Republic, while the larger share is provided from the Budget of Montenegro.

The cooperation with the International Atomic Energy Agency is being implemented through technical cooperation projects (regional, sub-regional and national), which represents a part of the cooperation which the most important for Montenegro (seven sub-regional and 35 regional programs). Through the realization of the Multi-Beneficiary IPA Programme which supports regional projects, with the support of the International Atomic Energy Agency for Montenegro, the project “Enhancement of Technical Capacities of Nuclear Regulatory Bodies in the Western Balkan Countries through Sub-regional Support” was approved and the beginning of its implementation is expected in the first half of 2009.

The Ministry of Tourism and Environmental Protection received approval for funds in the value of one million euro from the IPA Programme for the Project “Capacity Building for Environmental Management” for the activities of the Department for Environmental Protection in 2008, and the documentation was prepared for approximately same amount for the support through IPA 2009 to further strengthen institutional capacities in the area of biodiversity preservation.
Several significant projects are being implemented as part of the cooperation with the Ministry for the Environment, Land and Sea of the Italian Republic, and those primarily refer to the field of climate changes: development of feasibility studies for CDM projects, creation of spatial-planning preconditions and development of project documentation for construction of the energy efficient building with office premises for the Ministry of Tourism and Environmental Protection.

Aimed to increase citizens’ environmental awareness, the Regional Environmental Center for Central and Eastern Europe (REC) in cooperation with the Ministry of Tourism and Environmental Protection and the Ministry of Education and Science with the support of the Ministry of Foreign Affairs of the Government of the Netherlands is implementing the Project “Green Pack” aimed primarily for the school-age children from 10 to 16 years of age. Education represents an essential and key factor both of the economic development and of the social, ecological, cultural and ethical vision of the sustainable development of Montenegro. Any economic growth in the future must be based on knowledge and be in harmony with the “sustainable development” of the society.
INTERNATIONAL COOPERATION IN THE FIELD OF ENVIRONMENTAL PROTECTION IN 2008
The Ministry of Tourism and Environmental Protection is conducting numerous activities at the international level with regard to the:

- Cooperation established with relevant international organizations in the field of the environment;
- Activities in the process of accession of Montenegro to the European Union;
- Activities with regard to the ratification and implementation of international and regional conventions and treaties;
- Activities within the bilateral level cooperation;
- Projects financed from credit funds (projects in the field of communal services).

Even though many of the activities realized as a result of international cooperation were already described in previous chapters of this Brief, cooperation with relevant international organization in the field of environmental protection was elaborated with particular regard in this segment, first and foremost with the Global Environmental Facility (GEF). The most significant projects aimed to build national capacity for implementation of strategic and global multilateral treaties on the environment are being realized through the cooperation with GEF – UN Convention on Biological Diversity, UN Framework Convention on Climate Change, as well as projects having as an objective a higher quality of application of the Stockholm Convention on Persistent Organic Pollutants (POPs substances).

In cooperation with the UNDP office in Montenegro, the Ministry has initiated implementation of the project “Enabling Activities for the Preparation of Montenegro’s Initial National Communication to the UN Framework Convention on Climate Change”.

Montenegro is continuously cooperating with the United Nations Educational, Scientific and Cultural Organization – UNESCO, precisely with relevant bodies of this international institution: the World Heritage Center in Paris and UNESCO-BRESCE Office in Venice. Montenegro has received financing for the Project “Recovery and Rehabilitation of Areas Engulfed by Fire in the National Park Durmitor” through the UNSECO’s urgent Participation Programme Projects.

Cooperation in the field of energy and environmental protection is carried out as part of the cooperation with the United Nations Industrial Development Organization (UNIDO). With regard to the field of environmental protection, the cooperation is significant in terms of introduction of clean development programs and technologies and implementation of multilateral agreements in the environmental protection area, first and foremost the implementation of the Vienna Convention for the Protection of the Ozone Layer and the Montreal Protocol on Substances that Deplete the Ozone Layer.

The cooperation with the United Nations Commission on Sustainable Development (UN CSD) is conducted in the form of participation of the delegation of the Government of Montenegro at the 16th Session of the UN CSD, where the National Sustainable Development Strategy (NSDS) was presented and series of very important bilateral meetings with highest UN officials and relevant UN agencies held.
At the event of the 52nd Regular Session of the International Atomic Energy Agency (IAEA) General Conference, the Framework Country Program was also signed between the Government of Montenegro and the International Atomic Energy Agency. Furthermore, the Safeguards Agreement and Additional Protocol were concluded with the IAEA, which represent an integral part of the legal framework established under the Treaty on the Non-Proliferation of Nuclear Weapons.

The most significant activity in 2008 in the Mediterranean Action Plan – program of the UNEP for the protection of the Mediterranean Sea (UNEP/MAP) was the 15th Meeting of the Contracting Parties to the Convention for the Protection of the Marine Environment and the Coastal Region of the Mediterranean – the Barcelona Convention, held in Almería, Spain. The most significant result of this meeting was the adoption of the decision on the Protocol for the Integrated Coastal Zone Management in the Mediterranean. Signing of the Agreement on the bilateral cooperation in the field of environmental protection was agreed during the conference between line ministries of Montenegro and Spain. Moreover, development of the Feasibility Study for the Program CAMP Montenegro – Coastal Area Management Programme Montenegro is being implemented in cooperation with the UNEP-MAP, as well as projects for the establishment of protected marine zones.

The Second Environmental Performance Review of Montenegro was developed in cooperation with the United Nations Economic Commission for Europe (UNECE), which has 56 country members also including Canada and USA. In this respect, an inter-sectoral working group was established, being coordinated by the Ministry of Tourism and Environmental Protection. The task of this group is to prepare a progress report on the implementation of the Second Environmental Performance Review of Montenegro. Furthermore, it is important to emphasize participation of Montenegro in the reform of the “Environment for Europe” – EfE process.
During 2008 the cooperation with the International Union for Conservation of Nature (IUCN) continued, and the most significant activity was a well noted presentation of Montenegro on the IUCN World Conservation Congress and contribution provided for the realization of the event “Sailing to Barcelona”. The main objective of this initiative was the adoption of the common platform for the protection of marine and coastal biodiversity. The Navy of Montenegro with its tall ship “Jadran” has led the Adriatic fleet in front of the region on its way to Barcelona.

Second year in the implementation of the Project “Progress Monitoring in the Environmental Sector in Montenegro”, initiated and financed by the Environment Directorate-General of the European Commission (DG Environment), is currently ongoing. The Project covers analysis of the harmonization degree of the national legislation with 70 EU environmental directives. The DG Environment has contracted the Regional Environmental Center (REC) to provide expert assistance for the implementation of the Project.

The Regional Environmental Reconstruction Programme (REReP) represented an important mechanism in the field of the regional cooperation. Progress report developed as part of the REReP indicates that 24 projects were successfully implemented, 16 are ongoing and 14 were initiated. Main activity fields for said projects are: institutional capacity building, civil society strengthening, strengthening of cross-border and regional cooperation and reduction of environmental pollution and loss of biodiversity. Starting from this year the Regional Environmental Network for Accession (RENA) represents a new regional cooperation mechanism.

During 2008 Montenegro has achieved cooperation and contributed in the work of the Regional Cooperation Council (RCC), which is the legal successor of the Stability Pact for South Eastern Europe, and in the Adriatic-Ionian Initiative where so called Trilateral Commission is operating, even though not being a member of this Commission. We expect that measures needed for the regulation of Montenegro’s full membership in this Commission will be accomplished over the coming period.

The bilateral level cooperation represents one of the most important components of international activities of this Ministry. During 2008 cooperation was established with the Italian Republic, Kingdom of the Netherlands, United States of America, Republic of Slovenia, Czech Republic, Republic of Croatia, Republic of Austria, Kingdom of Norway, Kingdom of Spain, Republic of Albania, etc. The bilateral cooperation is carried out through realization of set of projects and initiatives. Cooperation with the Ministry for the Environment, Land and Sea of the Italian Republic should be particularly emphasized, which is developed through the established Environmental Montenegrin-Italian Facility (EMIF), with several significant projects are being implemented: construction of the energy efficient building for the Ministry of Tourism and Environmental Protection; the Master Plan for Development of Sustainable Tourism in the Municipality Kolašin, feasibility studies for CDM projects, etc.
The Ministry of Tourism and Environmental Protection has participated in numerous conferences during this year, and those to be singled out include the First Ministerial Thematic Conference on Combating Climate Change in South-East Europe, held on 14th November 2008 in Sarajevo (as part of the Regional Cooperation Council – RCC), whereat South-East Europe Climate Change Framework Action Plan for Adaptation was adopted and the Ministerial Statement on the adoption of this Plan. Thence, the Conference of the Parties (COP-9) to the Convention on Biological Diversity (held in Bonn in May 2008) should be also emphasized, whereupon ministries of countries encompassed by the Dinaric Arc Initiative (Albania, Bosnia and Herzegovina, Croatia, Montenegro, Serbia and Slovenia) have signed the Joint Statement of the Dinaric Arc Countries with regard to the implementation of set objectives, with the specific emphasis on the establishment of transboundary protected areas.

Significant financial support (donations and loans) was effectuated through various forms and facilities of the international cooperation for the realization of environmental projects. Videlicit, the Ministry of Tourism and Environmental Protection is implementing and coordinating realization of project having total value in excess of 250 million euro, out of which donor funds in value of approximately 30 million euro. The most important donors are the Global Environment Facility (GEF), EU countries and USA for bilateral cooperation projects, as well as IPA fund of the European Union. In the field of waste management and regional water supply the most significant creditors are: European Investment Bank, World Bank, European Bank for Reconstruction and Development and German KfW Bank.
PUBLIC RELATIONS
In terms of public relations related activities we would like to place the emphasis on:

- Regular information for the public on the status and realization of environmental projects in a form of weekly press briefings: 12 press briefings held;
- Organization of press conferences aimed to present current projects to the media: 9 press conferences held;
- Regular press releases on all important meetings held in the Ministry of Tourism and Environmental Protection: 42 press releases published.

The Bulletin of the Ministry of Tourism and Environmental Protection and the National Tourism Organization is distributed monthly to more than 3,000 addresses in country and abroad.

The 15th Ecology Fair was held in April 2008 in Budva, under the auspices of the Ministry of Tourism and Environmental Protection and organized by the Adriatic Fair from Budva. Numerous institutions, non-governmental organization, eco-healthy food producers, elementary schools, kindergartens, associations, unions, enterprises and organizations from Montenegro and abroad, having as their competence environmental protection activities, have participated in the Ecology Fair this year, and they have contributed through active participation to the better presentation of achievements in this area aimed to promote natural values and overall system of environmental protection.

Alongside of numerous institutions, enterprises and non-governmental organizations from Montenegro, the following have also presented their projects at the 15th Ecology Fair: the Ministry for the Environment, Land and Sea of the Italian Republic, USAID, USTDA, UNDP, Environmental Protection and Energy Efficiency Fund of the Republic of Croatia, “Starbag” - Austria, “Gintas Construction Contracting Trade” - Turkey, “Integral Inžinjering” – Bosnia and Herzegovina, as well as remarkable number of non-governmental organizations and producers of “healthy” food from Montenegro. During the Fair several round table discussions, presentations, exhibitions and other activities were held having as an objective to bring closer, in an appropriate manner, issues regarding the environment and its preservation to the participants of the Fair and all interested parties, as well as on the use of natural potentials for the sustainable development purpose.
At the end of the current year, the Ministry of Tourism and Environmental Protection has initiated development of an agreement on cooperation with the Rector’s office of the University of Montenegro as it has recognized the need to include all expert and scientific capacities in order to resolve issues and to carry out the environment-related activities. We expect that the agreement between the Ministry and the University will be concluded soon.

While taking into account that some 4,000 non-governmental organizations are registered in Montenegro, and with the objective to find and establish the best cooperation model, the Agreement on Cooperation was signed in July of this year with 21 non-governmental organizations involved in environmental protection issues. Additionally, the Ministry of Tourism and Environmental Protection has launched the Competition for allocation of funds to non-governmental organizations on 20th March 2008 whereupon 150 non-governmental organizations presented 160 projects. In line with the set procedure the Commission has analyzed and evaluated submitted proposals and made the decision on allocation of funds for financial support to 89 projects.
The work of the Environmental Inspection, which operates in line with legislation in force, represent significant share of activities carried out as part of the competence of the Department for Environmental Protection. During 2008 the Environmental Inspection has conducted 772 inspection supervisions (verbal warning for minor work-related irregularities, preventive instructing with regard to the waste disposal and other); adopted 445 decisions regarding measures and actions to be undertake in order to remove established irregularities, monitoring (measurement) of emissions, industrial waste disposal, aberration from the prescribed production process and obtaining environmental consent for the structure. Furthermore, 69 notifications were submitted to other inspection authorities in order for them to undertake measures within their competence and 22 misdemeanor citations were also submitted.

The Environmental Inspection has conducted an inventory and assessment of quantities of persistent organic pollutants (POPs) in Montenegro for sectors of industry, agriculture, military warehouses and the like, in order to support development of the National Plan for Implementation of the Stockholm Convention on Persistent Organic Pollutants.

An inventory was taken of existing plants and activities which are necessary to issue integrated permit for 12 legal entities, and also the Inspection has provided data (based on the monitoring) for calculation of Eco-fee for polluters (waste, air, substances that deplete the ozone layer).

The Environmental Inspection has conducted 37,755 controls of commodities, in cooperation with the Public Institution “Center for Ecotoxicological Researches” and the “Institute for Ferrous Metallurgy” JSC Nikšić, on radioactivity at import and based on the report has approved the import of commodities.

Based on the permits issued by the Ministry of Tourism and Environmental Protection the Inspection examined 237 (63 imports, 54 exports, 120 transits) shipments of non-hazardous waste, as well as 36 shipments of transport of commodities containing ozone depleting substances. Additionally, it has controlled 30 shipments of transport of sources of ionizing radiation on border-crossing points and 208 imports of used/second-hand electrical and electronic devices.
This Brief has specified activities which were carried out by the Department for Environmental Protection in 2008, and which could be interesting, according to our estimate, for those that the Brief is intended to – the citizens of Montenegro. We should mention that in addition to indicated activities, the employees of the Department have carried out on a quotidian basis numerous so called current activities ranging from developing information and other materials for the Government, other ministries and institutions both on the state and local level; taking part in development of laws and secondary regulations which refer to the competence of other departments; contact with local self-government units; correspondence with international organizations and secretariats of conventions and international treaties; to the realization of cooperation with non-governmental organizations and contact with citizens.

We initiated this report, not with the intent to get compliments or high grades, but to objectively present to the public the activities done by the Department during 2008. Even though all employees have highly contributed to the realization of the said activities, we believe that more could have been done.

Over the upcoming period, which will predominantly be marked by the Euro-Atlantic integration processes as well as by the necessity to meet obligations to be set by the international community for all its members with regard to the climate change and biodiversity preservation, it will be required to complete a number of activities which will be increasing each year. The beginning of the operation of the Environmental Protection Agency, the Project Implementation Unit “Procon”, rationalization of existing institutions and strengthening human resources capacities of the Ministry, precisely of the Department for Environmental Protection, will altogether create higher quality and capacity-wise more adequate institutional framework for the environment area. This represents a necessary, but not sufficient assumption for successful responding to all forthcoming obligations.
Thus we will repeat what was and remains to be the dominant position of the Ministry of Tourism and Environmental Protection with regard to the possible ways on how to improve the environmental performance. Montenegro cannot be an ecological state if issues of the preservation and improvement of the environmental performance do not become part of quotidian habits and behaviors of all citizens, if we do not understand that Montenegro is our home, our piece of the Planet. There is no other way, because one can invest enormous resources, one can build optimal institutional capacities and procure the most modern equipment, if citizens do not recognize the need and do not get personally involved in activities for preservation of the space where they live, work and enjoy their leisure time, then the results will be disproportionate to the invested money and efforts of employees in authorities and institutions both on the state and local level.
Fully aware of the need of the present and having in mind the rights of future generations, the Ministry of Tourism and Environmental Protection is launching a new campaign under the slogan “This country is our home - Montenegro my piece of the Planet”.

Water, fire, earth and air – everything in this world is made of these four elements. So is our piece of the planet. The fifth element is our love for our home, mighty and lasting as are the centenary chestnut forests. And the home does not end at our doorstep, but the whole of Montenegro with everything it was given by Nature is our home too; thus we need to treat it in the way the good and proud householders would treat their houses. Montenegro is a country with long history and the pride of the land that we all descended from should also inspire our relationship towards the environment.

The campaign “This country is our home - Montenegro my piece of the Planet” by arousing positive feelings through a visual reminder on how the nature was generous to Montenegro, aims to change the behavior – so the citizens should treat the entire environment as they treat their homes and begin acting accordingly.
BRIEF ON THE WORK IN THE AREA OF TOURISM WITH TOURIST SEASON 2008 OUTCOME ANALYSIS

Podgorica, december 2008.
INTRODUCTION
Seen through the prism of aggregate financial and physical indicators, there is another successful tourist year behind us, with very good winter season, excellent pre-season, quite relaxed high season and a substantial number of arrivals in the post-season. The projections given in the Economic Policy of the Government for this year were exceeded. Since the beginning of the year, 1,171,340 registered tourists have stayed in Montenegro, which is by about 3.5 % higher than last year, with almost 6% more nights. Total revenues are by about 15% higher in comparison to last year, and amount to EUR 552 million. The growth of the number of foreign tourists (3.61%) and their nights (7.21%) is significant. The growth of turnover, according to the indicators provided by competent institutions, is noted with Airports of Montenegro (16% higher turnover of aircrafts and 8.4% of turnover of passengers), “Montenegroairlines”, with the growth of turnover of passengers by 17.2%, then the turnover of vehicles at border crossings is higher by 1.5%, and revenues of the “Sozina” Tunnel by 5.27%. Also, the growth by about 20 % is noted in the revenues of the Budget of Montenegro. The activities continued on categorization and re-categorization of hospitality industry facilities. Total 300 hotels were categorized, 33 of which were categorized in 2008 as new, where two are 5-star hotels, nineteen four-star hotels and twelve three-star hotels.

Also, water-supply for coastal municipalities was more regular in comparison to the previous year, and the activities related to the construction of the Regional Water Supply System were undertaken continuously during the season too.
Earlier beginning of the tourist season, as well as very dynamic overall economic activities, significantly contributed to higher demand for labor force. Therefore, positive growth trend in employment continued in this year. During the first eleven months 36,127 persons were employed.

The Montenegro Tourism Development Strategy through 2020 was prepared and the Tourism Master Plan was innovated with the support by the Government of FR Germany, in cooperation with German Development and Investment Fund DEG, German Society for Technical Cooperation GTZ and National Tourist Organization. The development vision through 2020 is: Montenegro the leader in the Mediterranean, a high-quality tourist destination, where tourism is the generator of business and revenues, with strictly protected natural and cultural features which guarantee the attractiveness of the country in the future and preservation of resources for future generations.

Montenegro clearly determined its strategy, which is a high-quality destination, financial indicators which grow faster than the physical, and the physical grow on the account of the extension of the season, as well as balanced regional development. The diversity of natural beauty, climate conditions, cultural-historical heritage should be translated into a tourist offer and the jeopardy of dependence on particular source markets, irrespective of how they are close or large should be avoided. And, this can be achieved neither over night nor by simple declaration of Montenegro as a high-quality tourist destination.

With a wise policy and great efforts invested by the private sector, local authorities and the Government itself, we managed through good governance and valid projections to achieve all that has been planned to date.
ACTIVITIES RELATED TO SEASON PREPARATION
Some 80% of the activities planned within the Action Plan for the preparation of the Season 2008 have been implemented.

Four meetings of the Coordination Body for Tourism Season Preparation and Monitoring were held.

Significant activities were undertaken in the direction of infrastructure enhancement:

The transport infrastructure was greatly enhanced by reconstruction of main roads, construction of slow lanes, remediation of tunnels and the like, with investments of about € 40 mil.

In regular road maintenance around €5 million were invested.

About €5 million was invested in the coastal municipalities to improve the quality and safety of electricity supply.

Service quality, security and safety at Montenegrin airports enhanced, with over € 800,000 invested.

Activities continued with regard to enhancement of legislative framework.

Eco-tax charging commenced on 15th June in order to reduce detrimental effects on environment quality.

Successful implementation of the project “Keep it clean” and the campaign “Register your accommodation”

Significant activities were successfully undertaken to create conditions for development of hiking and mountain biking as a segment of tourist offer and its promotion in the international market.

Montenegro Convention Bureau (MCB) was established.

New Frankfurt tourist representative offices were opened.

The growth in charter transport has been achieved, and two new lines to London and Milan were introduced.
LEGISLATIVE FRAMEWORK

The Law on Mountain Trails was adopted aiming to contribute to sustainable evaluation of potentials for development of nature-based tourism.

The Food Safety Law was adopted and the Rulebook which in details defines the type and quantity of food which may be introduced in Montenegro.

The new Rulebook was adopted on requirements that developed and artificial bathing areas must meet, which in details define the minimum technical requirements for bathing areas.

At the end of April, the Decree on Amendments to the Decree on the amount of fees, manner of calculation and payment of fees with respect to pollution of environment was adopted, which inter alia introduces the charging of eco fees due to pollution of environment.
The Decree on the amount of fees, manner of calculation and payment of fees due to pollution of environment has been implemented since 15th June 2008. More than 150 persons were engaged for activities of sale of eco-stickers on 21 border crossings, railway stations of Podgorica and Bar and in ports of Bar and Kotor since the beginning of implementation of the Decree. For the purpose of informing the public on Eco-tax 700,000 flyers and 350 promotional posters were printed and 50 mini billboards were posted on border crossings. The site www.ecotax-montenegro.gov.me was constructed where interested parties may get information on any data necessary for their collection, use of funds, etc.

In the Capital Budget 2009 the collected funds from Eco-tax are planned for implementation of the following projects:

- Remediation and Reclamation of the Lead and Zinc Mine Tailings Impoundment in Mojkovac – EUR 2.5 million;
- Construction of regional sanitary landfills for municipalities of Kotor, Bar, Pljevlja, Bijelo Polje and Berane – EUR 4.2 million;
- For production of main designs and commencement of works on installing the waste water purification plants in municipalities: Plav, Cetinje, Pljevlja and Ulcinj – EUR 3.3 million;
- Forestation and landscaping of public areas and contribution to the biggest challenge of the present - global fight with climate changes through reduction of the CO2 emission level,
- Sustainable valuation of potentials of national parks, protected areas, mountain ecosystem.

Having in mind all the mentioned, it may be concluded that the introduction of eco-tax in Montenegro, for the period of six months from the beginning of its implementation, was fully justified and that it has positive effects in generating revenues and earmarking and using them for environmental programs and projects.

In the period June – December 2008 the Budget of Montenegro, in that respect, generated revenues of over EUR 6.5 million.

2. ACTIVITIES RELATED TO IMPLEMENTATION OF THE DECREE ON ECO-TAX
3. ACTIVITIES ON IMPLEMENTATION OF THE PROJECT “KEEP IT CLEAN”

The Ministry of Tourism and Environmental Protection, the Employment Bureau of Montenegro and numerous partners have organized the public work “Keep it clean” for six years in a row. The subject of the public work “Keep it clean” is the cleaning of main and regional roadways in the length of over 1300 kilometers in all municipalities in Montenegro. 145 persons with employment difficulties registered with the Employment Bureau were employed with public utility enterprises for the period of 6 months. The carrying out of the Project in the Coastal municipalities commenced in the mid of March, and on 1st April 2008 in the northern municipalities. The budget of the Project amounts to €772,420 (65% of the budget is related to the salaries of employees). The carrying out of the project is in process and will be continually carried out during the whole year.

During this year, over 4000 m3 of waste and over 35,000 garbage bags were removed, 160 garbage bins, ten boards with the massage “Keep it clean” and billboards were posted in ten municipalities and criminal charges were filed against 14 persons.

Within the campaign “Keep it clean” the pilot project “Eco Patrol” was implemented in elementary schools. The Project “Eco Patrol” is directed to educating children from 10 to 15 years of age and is designed as an activity giving incentives to children to identify and recognize ecological problems in their environment, and also to actively get involved in their resolution. Thirty schools were involved in Montenegro. GTZ financed eco patrols in the municipalities of Cetinje and Plav.

Call Center Montenegro (CCM) which is within the National Tourist Organization, from the beginning of its work – 4th July to 15th September of the current year received total 134 calls which specifically related to the pollution of environment in numerous Montenegrin municipalities, and it makes 20% of total number of complaints that CCM received during this time period.
4. CAMPAIGN “REGISTER YOUR ACCOMMODATION”

The Ministry of Tourism and Environmental Protection in cooperation with the Tax Administration, coastal municipalities and municipalities of Žabljak, Bijelo Polje, Kolašin and Rožaje, have organized the campaign “Register your accommodation” for the fourth year in a row. For the purpose of informing the persons renting accommodation on simplified procedure for obtaining operating permits, reduction of obligations in respect of tax and other important issues, the representatives of the ministry, together with the local self-government, held several round tables with potential renting persons. Also, through local media the persons renting private accommodation had the opportunity to be informed on benefits and penalty measures.

Within the campaign in 2008 around 60,000 beds were registered, which makes the increase of 10.66% in comparison to last year. Also, 6,210 operating permits were issued, which represents growth of 17.68% in comparison to 2007.
5. IMPLEMENTATION OF THE PROJECT “HIKING AND BIKING”

The Project “Hiking and Biking” is a nationally coordinated project, which implementation commenced in last July when several initiatives, independently implemented until then, were unified in one project.

In cooperation with domestic and foreign experts the proposal was made for the national network of hiking and biking trails in the length of about 6000 km. The plan is for the subsequent period to post signalization on these trails. In 2008 the necessary documentation was prepared for posting the signalization along about 500 km.

Also, the preparatory activities are in process for reconstruction of two mountaineering huts and posting of shelters for bikers on one of the top quality biking trails.

The standards for signalization on the trail have been defined, and the defining of licensing of mountaineering guides is in its final stage.

The necessary activities were undertaken for introduction of “Bed & Bike” quality standard and services and its application is planned already for the beginning of 2009.

Promotional maps were produced, one for hiking and the other for mountain biking with top quality trails. At the beginning of the next year a book with 1700 km of trails for mountain biking will be published. The material for maps will receive new technical bases 1:50 000, which will be available for use in 2009.

In 2007, the first brochure “Wilderness Hiking & Biking Montenegro” was produced which incorporated the most important recommendations, contacts and facts interesting for the target group. The brochure has prepared in innovated and supplemented edition for this year too.

For the purpose of raising awareness on potentials of Hiking and Biking market, informing the private sector on characteristics and specifics of the market, as well as for strengthening institutions that are to carry out further development of this segment of tourist offer, several informative and educational events were organized:

• “Biking tourist product and marketing” Congress with round table;
• Round table in Nikšić Municipality, as a “Pilot Municipality”
• “Through natural beauties of Javorje” – Promotional educational event
• Workshops and study tours with Montenegrin Mountaineering Association and Biking Association of Montenegro (signalization, development of designs and business plan, marketing activities, etc.)
TOURIST SEASON SPECIFICS
Revenues increased by 15%,
Faster growth of financial in comparison to physical indicators,
Season extended – 8 months,
High season pressure relieved,
300 hotels categorized, (33 new),
Growth in the number of employees,
18 “Blue flag” beaches,
Growth in the number of tourists from EU market,
Growth of interest in the offer of Montenegro as USP
Good image of Montenegro in international market,
1. Review of quantity and quality effects of the tourist season

The results of this year summer tourist season, financial indicators increasing faster than the physical ones, and physical indicators increasing on the account of the season being extended confirm that Montenegro is on the right way to achieving strategic goals.

### Physical and financial indicators (January- December)

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<tr>
<th></th>
<th>Turnover</th>
<th>I-XII 2008/2007</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number of nights</strong> *</td>
<td>7.725.755</td>
<td>+5,91%</td>
</tr>
<tr>
<td>Foreign</td>
<td>6.908.454</td>
<td>+ 7,21%</td>
</tr>
<tr>
<td>Domestic</td>
<td>817.331</td>
<td>-3,97%</td>
</tr>
<tr>
<td><strong>Tourists</strong> *</td>
<td>1.171.340</td>
<td>+3,34%</td>
</tr>
<tr>
<td>Foreign</td>
<td>1.019.676</td>
<td>+3,61 %</td>
</tr>
<tr>
<td>Domestic</td>
<td>151.664</td>
<td>+1,59%</td>
</tr>
<tr>
<td><strong>Revenues</strong> **</td>
<td>552.000.000 €</td>
<td>+15%</td>
</tr>
</tbody>
</table>

*Official data of MONSTAT for eleven months and the estimate of tourist inspection for December.

** The estimated revenues in accordance with the methodology of the Central Bank
The revenues generated from tourism in the amount of €552 mil exceed the annual amount of revenues which was foreseen by the Report of the World Travel and Tourism Council (€357 mil).

In million €

- **Revenue from tourism**
  - Gen. revenues 2008: 552
  - Gen. revenues 2007: 480
  - Projections - WTTC: 357
  - Projections of Economic policy: 540

The generated revenues are higher in comparison to the same period of the previous year by 15%. This condition is the result of the growth of the number of foreign tourists of higher purchase power and also of the growth in number of nights of foreign and national tourists in the period of pre-season.
Revenues in the pre-season are characterized with significant growth in comparison to the previous year, which is illustrated by the following graph:

![Revenues from tourism - pre-season graph](image)
One of the most critical aspects of tourism development is the concentration on a relatively short period of the year. Successful and high quality tourism depends on the attractiveness of the destination whole year round. Of course, there will still be concentration of tourists in typical year periods such as summer and winter holidays, but Montenegro has to be recognizable as a destination worth of visiting during any time of year.

The results achieved in this year show that Montenegro is on the right way when it comes to achievement of the strategic goal – growth of turnover in pre-season and post-season, and stagnation or reduction in the months of high season.
This year season is characterized by significant growth in the number of tourists and nights in the period of pre-season, January – May. This points out the fact that in addition to significant growth of tourists from year to year, the main tourist season extends, too. Namely, for several years in a row, the summer tourist season has begun earlier and earlier, in the period March – April and has ended later and later (October – November).
During this year it is evident that the largest part of tourist turnover is realized in the Coast. Namely, the greatest number of nights was achieved in Budva - 41%, then Herceg Novi with 26% and Bar with 13% of total turnover on the state level, and Ulcinj with 10% and Kotor and Tivat with 4% respectively.
Positive characteristic of the structure of foreign tourists is reflected in the increasing share of tourists from the countries of the European Union – 21%, with still significant share of visitors coming from the territory of Russia and former member countries of USSR – 12%. Tourists from Serbia have the share of 37%, and tourists from the territory of the former Yugoslavia (not including Slovenia) 12%.
2. Employment

In accordance with the Report of the World Travel and Tourism Council (WTTC), in the following ten years it is foreseen that the number of employees in tourism will increase by about 10,000 persons, i.e. in average, about 1000 new workplaces will be opened a year in the sector of tourism.

In the first eleven months of 2008, 36.127 persons or 1.76% more in comparison to the same period last year were employed through the Bureau.

To-date 7,097 nonresidents have been engaged in seasonal jobs, out of which 4,970 persons are employed in the tourism and hospitality sector.

According to the analyses of the Bureau, the needs for seasonal work force in tourism and hospitality correspond to about 15,000 workers, out of which 77 % on the Coast.

According to the records of the Bureau, 1,600 chefs, 4,700 waiters, 1,000 room maids and receptionists, 300 bartenders etc. were in deficit in this year, therefore the need for additional 9,000 work places was compensated by nonresidents.

- The key relations of this year results in comparison to the previous year are as follows:
  - Increase in the amount of gross operational revenues per room by 33% in 2007 in comparison to 2006. Further increase by 76% is foreseen for 2008 in comparison to 2007.
  - Increase of achieved room prices from €43 to €55 or by 28.5%. It is foreseen that in 2008 the room prices will increase by 36.1% in comparison to 2007.
  - Increase of room occupancy from 30% to 38% in 2007. The anticipated growth for 2008 amounts to 2.4%.
  - The reduction of the share of group visitors, and growth of business visitors who are business individual visitors.
  - Profit prior depreciation and taxation per room increased by 6% in 2007 (€1,992). It is foreseen that this indicator will be doubled in 2008.

4. Survey of the market in the country – “Guest Survey 2008”

The National Tourist Organization of Montenegro in cooperation with the Institute for Economic Research in Tourism from Munich and the Faculty for Tourism and Hotel Industry from Kotor organized the first representative research on hotel guests in Montenegro in the period from May to October 2008. The main aim of this research was obtaining of an objective and representative picture with respect to the content of tourists during their stay in Montenegro.

The results of this project responded to important questions such as: age of tourists visiting Montenegro, their gender, monthly income, nationality etc. Special item is related to questions about the stay of tourists in Montenegro: revisiting Montenegro, most significant activities during their stay, tourist places visited in Montenegro, day trips in the region, as well as the most significant activities during the stay depending on the nationality of tourists and the like.

Also, deficiencies were pointed out: too much waste, poor transport conditions, long time of traveling to Montenegro, language barriers in communication with the employees of hotels, but also advantages like low rate of crime, good hotels, stunning nature, high personal security in traveling throughout the country and diversification of the offer. Also, important is the data that almost 90% of 3861 of the questioned persons is taking Montenegro into consideration when choosing the next holiday destination. The visitors from Russia, South East Europe and Great Britain evaluated their stay in Montenegro with highest rates, while the Italians were the most critical. The visitors who stayed in Montenegro in the pre-season and the post-season evaluated their stay as significantly more pleasant than those who stayed here during the high tourist season.

The final version of complete results of the survey will be completed in January 2009.
5. Activities of Inspection Authorities and the Police Administration

In accordance with the Action Plan, the inspection authorities adopted plans of activities to be undertaken during the tourist season. Information about the results is given below.

Tourist Inspection

In the period from 2004 to 2008 the number of conducted audits has continuously grown, while the number of found irregularities is falling, after the growth in the period from 2004 to 2007. In the period from 1st January – 30th November 2008 there were 15,215 audits, with 11,692 irregularities found which is less in comparison to the same period of the previous year by about 1.8%. Due to the found irregularities 3,976 decisions on the elimination of irregularities were passed, which is less in comparison to the same period of the previous year by about 6.1%. 45 facilities were sealed and 966 fines amounting to €145,639.5 were imposed.

Labor Inspection

In the period from 1st June 2006 – 30th September 2008 there were 8,243 audits conducted, with 6,693 irregularities found which is less in comparison to the same period of the previous year by about 3%. Due to the found irregularities 2,072 decisions were adopted for elimination of irregularities, which is less in comparison to the same period of the previous year by about 10%. 31 facilities were sealed and 966 fines amounting to €231,750 were imposed.

In the period from 15th June to 1st December 2008, the labor inspectors conducted 4,929 audits and found 2,660 irregularities. Illegal work as a form of gray economy hasn’t ceased to exist but it has been brought to the level of its presence in the countries of developed Europe. It means that in less than 10% of audited entities the presence of persons without labor contracts concluded with employers or registration for mandatory social security has been found. 1,727 of pecuniary fines in the total amount of €284,955.00 were imposed and collected.
**Tax Administration**

Aggregate data of seasons 2007/2008 show the increase of the number of taxpayers with respect to renting bed, which confirms that the goal of the Government measures of strategic policy in the area of tourism has been achieved. Namely, with the adoption of new legal regulations in this area, it has been enabled with significant engagement of the Tax Administration and the Ministry of Tourism and Environmental Protection for taxpayers in respect of renting beds to be encouraged to register their businesses, which according to their number in the season 2008 was fully achieved.

Increase of the number of taxpayers in respect of renting beds, is illustrated with the ratio of the number of taxpayers in seasons 2006, 2007 and 2008 as follows:

- Number of taxpayers in respect of renting beds, in the season 2006 - 2.147
- Number of taxpayers in respect of renting beds, in the season 2007 - 2.957
- Number of taxpayers in respect of renting beds, in the season 2008 - 3.319

Notwithstanding the reduction of the base for calculation of liabilities, which results with the reduction of the amount of debt, in comparison to the previous year, the collection of liabilities in the lump sum amount, in case of the persons renting beds, was generated in the same percentage as in 2007.

Moreover, in the period 1st January – 30th November 2008, the income tax from self-employment activities was collected (which structure includes the revenue from self-employment activities generated in the lump sum amount – renting beds), with the index of realization of 143.19. Namely, data show that for eleven months of 2007 the collection of income tax from self-employment activities, generated in the amount of €2,323,571.04, while the collection in this respect, for eleven months of 2008 amounted to €3,327,159.39. The mentioned indicates that the strategy of the Government of Montenegro in the area of tourism – increase of the number of taxpayers in respect renting beds and their introduction in legal flows, was realized without financial losses, that is, without losses of budget revenues.
Police Administration Activities

Having in mind the significance of road safety, at the beginning of this year the Police Administration planned and organized a range of activities for improvement of the condition in this area. The Plan of measures and activities of traffic police for the tourist season was adopted, which specifically identified the activities of traffic police, particularly on major and regional roadways. These activities are directed on discovering and penalizing serious breaches, which gave positive results in comparison to the tourist season 2007. In the tourist season 2008 (June, July and August), on the roads in Montenegro there was the total of 2,986 (2,691) traffic accidents, which is by 11% more than at the same period in 2007. The number of traffic accidents with killed and injured persons reduced on the roads in Montenegro by 6.4%, and in coastal municipalities by 7.5%, and the number of persons killed in traffic accidents decreased by 32.1%. The number of orders for pecuniary fines (minor misdemeanors) decreased by 35.7%, and by 23.8% in the coastal municipalities.

During the tourist season, 12,742 visas were issued on boarder crossings to foreign citizens, for entering Montenegro, while in regional units and offices of border police another 1,984 visas were issued (total: 14,726 visas).

1507 vessels and 4247 persons were controlled, eight search and rescue actions were undertaken where help was provided to 23 persons. Assistance was provided to the officials of Port Authorities at 40 occasions that collected 81 pecuniary fines at those occasions.
6. Effects of the season on economy and the budget of MNE

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<tr>
<td>Treasury Revenues</td>
<td>713.090.000</td>
<td>855.000.000</td>
<td>119,9</td>
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<td>VAT Revenues</td>
<td>356.340.000</td>
<td>405.430.000</td>
<td>113,78</td>
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<td>Income tax</td>
<td>93.546.021,73</td>
<td>122.028.684,57</td>
<td>130,45</td>
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<td>Profit tax</td>
<td>36.717.016,13</td>
<td>58.622.214,17</td>
<td>159,66</td>
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<tr>
<td>VAT – domestic market</td>
<td>91.693.066,22</td>
<td>118.983.400,73</td>
<td>129,76</td>
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<tr>
<td>Sales tax</td>
<td>42.153.484,85</td>
<td>42.143.682,61</td>
<td>99,98</td>
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<tr>
<td>Total tax</td>
<td>370.939.327,79</td>
<td>467.082.397,22</td>
<td>125,92</td>
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<tr>
<td>Total contributions</td>
<td>80.041</td>
<td>96.279</td>
<td>120</td>
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<td>Calculation of VAT</td>
<td>5.776.864</td>
<td>16.067.006</td>
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<tr>
<td>Contributions</td>
<td>9.728.444</td>
<td>11.160.827</td>
<td>11 4.7</td>
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<tr>
<td>Number of vehicles</td>
<td>2 072.923</td>
<td>2 172 392</td>
<td>104.78</td>
</tr>
<tr>
<td>Revenues</td>
<td>7.425.854.50€</td>
<td>7. 817.553.50 €</td>
<td>105,27</td>
</tr>
<tr>
<td>------------------</td>
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</tr>
<tr>
<td>Turnover of vehicles</td>
<td>2.821.891</td>
<td>2.866.097</td>
<td>101,5</td>
</tr>
<tr>
<td>Turnover of passengers</td>
<td>10.072.032</td>
<td>10.661.493</td>
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<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Number of vessels</td>
<td>6.696</td>
<td>6.787</td>
<td>99,8</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Turnover of aircrafts</td>
<td>8 429</td>
<td>9754</td>
<td>116</td>
</tr>
<tr>
<td>Turnover of passengers</td>
<td>982638</td>
<td>1 062 660</td>
<td>108</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Turnover of passengers</td>
<td>394.617</td>
<td>462.191</td>
<td>117,1</td>
</tr>
<tr>
<td>Number of flights</td>
<td>6481</td>
<td>7423</td>
<td>114,5</td>
</tr>
<tr>
<td>Number of flight hours</td>
<td>5350</td>
<td>7196</td>
<td>134,5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover of passengers</td>
<td>1.188.203</td>
<td>1.004.592</td>
<td>84,54</td>
</tr>
<tr>
<td>-----------------------------------------------</td>
<td>------------</td>
<td>------------</td>
<td>--------</td>
</tr>
<tr>
<td><strong>NP Skadarsko jezero (Skadar Lake)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tourists</td>
<td>26.422</td>
<td>41.838</td>
<td>158.34</td>
</tr>
<tr>
<td>Revenues</td>
<td>28.222</td>
<td>151.219</td>
<td>535.81</td>
</tr>
<tr>
<td><strong>NP Durmitor</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tourists</td>
<td>40.748</td>
<td>41.932</td>
<td>103</td>
</tr>
<tr>
<td>Revenues</td>
<td>195.342</td>
<td>241.259</td>
<td>123.5</td>
</tr>
<tr>
<td><strong>NP Biogradska gora</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tourists</td>
<td>34.537</td>
<td>30.743</td>
<td>83</td>
</tr>
<tr>
<td>Revenues</td>
<td>42.416</td>
<td>71.424</td>
<td>168</td>
</tr>
<tr>
<td><strong>NP Lovćen</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tourists</td>
<td>25.157</td>
<td>24.079</td>
<td>95.7</td>
</tr>
<tr>
<td>Revenues</td>
<td>28.842</td>
<td>49.714</td>
<td>172</td>
</tr>
<tr>
<td><strong>TOTAL Tourists</strong></td>
<td>126.864</td>
<td>127.409</td>
<td>100.5</td>
</tr>
<tr>
<td><strong>TOTAL Revenues</strong></td>
<td>294.822 €</td>
<td>499.707</td>
<td>169</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>15th June - 15th December Foreigners</th>
<th>January – 15th December MNE citizens</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues from eco-tax</td>
<td>4.937.695,00</td>
<td>1.565.708,00</td>
<td>6.503.403,00 €</td>
</tr>
</tbody>
</table>
PROBLEMS THAT HAVE MARKED THE SEASON

ACTIVITIES AIMED TO REDUCE NEGATIVE EFFECTS OF THE GLOBAL ECONOMIC CRISIS
Uncleanliness: city areas, beaches, roads, shortage of dumpsters;
Sewage system, wastewaters;
Water supply;
Shortage of parking space in tourism resorts;
Noise;
Irregularities in operation of developed and artificial bathing areas;
Temporary structures (travel agencies);
Camping sites;
Collection of temporary residence and tourist fee;
Unstandardized private accommodation, unlicensed carriers and excursion organizers;
Lack of qualified human resources;
Wildfires.
The Government of Montenegro has defined the set of measures, aimed at reducing negative effects of the global economic crisis, which among other things include reduction of taxes, including both local taxes and social contributions; subsidies for electricity costs; implementation of the projects on incentives for entrepreneurship – The Job for You; and like.

The Ministry of Tourism and Environmental Protection, the National Tourism Organization of Montenegro, in cooperation with the PSE “Airports of Montenegro” and company “Montenegro Airlines” and tourism industry, aware of the size of the global economic crisis, have undertook a series of measures aimed to reduce negative effects.

Two operational teams were established. The first operation team tasked to perform permanent communication with the Government of Montenegro, governments of the neighboring countries, the World Travel and Tourism Council, the World Tourism Organization, the European Travel Council and other relevant players in the tourism business.

The operational teams have held series of meetings in order to define prices and to effectuate agreements about the opening of new charter flight lines. The last session of the Team recommended to the National airlines to redirect traffic towards the neighboring countries, in particular to Sarajevo, Skopje, Zagreb and cities in Slovenia and Hungary. Members of the operational team will intensify activities with regard to the establishing contacts with media, business community and politicians in neighboring countries.

The second operation team considers the situation in airline and source markets and defines action models and principles for the coming period.

Having in mind current global economic and financial trends, the National Tourism Organization of Montenegro, in cooperation with the Ministry, local tourism organizations and tourism industry, has prepared the Overview of Promotional Activities in 2009. Additional finances are provided to achieve all these activities. Special emphasis will be placed on the markets from the Region. This purports a careful analysis and diversification of markets of Serbia, Slovenia, Croatia, Bosnia and Herzegovina, Macedonia, Kosovo and Albania, as well as implementation of special campaigns in those markets. The plan is for the tourism offer to be presented with all promotional means available.

The objective of stated activities is to impart a characteristic target group for every individual market (business community; high purchase power visitors; broad class of citizens – families; population oriented towards sports, nautical tourism, recreational, nature, culture and similar) and to elucidate specific tourism product both of the Littoral and Mountain area of Montenegro, during winter and summer (hiking & biking, MICE, spa & wellness, eco, active & extreme, nautical and like) in the best possible manner.

Teams will be established by mid January 2009 to monitor realization of planned activities, having as members the representatives of the National Tourism Organization, the Ministry, diplomatic and consular representative offices, local tourism organizations and other relevant entities, while taking into account that number of team members must not exceed the level to prevent their efficient work.
PR AND PROMOTIONAL ACTIVITIES
1. PRESENTATIONS ON INTERNATIONAL TRADE FAIRS

The Ministry of Tourism and Environmental Protection, in cooperation with the National Tourism Organization, has carried out numerous PR and promotional activities aimed to position, promote and establish a good image of Montenegro on the global, regional and national market.

<table>
<thead>
<tr>
<th>Market</th>
<th>Trade Fair Presentations</th>
<th>Time of the Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Europe</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ferien – Beč</td>
<td>17(^{\text{th}}) – 20(^{\text{th}}) January</td>
</tr>
<tr>
<td></td>
<td>Brussels Holiday Show - Brisel</td>
<td>7(^{\text{th}}) – 11(^{\text{th}}) February</td>
</tr>
<tr>
<td></td>
<td>ITB – Berlin</td>
<td>5(^{\text{th}}) – 9(^{\text{th}}) March</td>
</tr>
<tr>
<td></td>
<td>IMEX - Frankfurt</td>
<td>22(^{\text{nd}}) – 24(^{\text{th}}) April</td>
</tr>
<tr>
<td></td>
<td>RDA - Keln</td>
<td>5(^{\text{th}}) – 7(^{\text{th}}) August</td>
</tr>
<tr>
<td></td>
<td>Eurobike - Fridrichshafen</td>
<td>4(^{\text{th}}) – 7(^{\text{th}}) September</td>
</tr>
<tr>
<td></td>
<td>Top Resa - Pariz</td>
<td>16(^{\text{th}}) – 19(^{\text{th}}) September</td>
</tr>
<tr>
<td></td>
<td>WTM - London</td>
<td>10(^{\text{th}}) – 13(^{\text{th}}) November</td>
</tr>
<tr>
<td></td>
<td>EIBTM - Barselona</td>
<td>2(^{\text{nd}}) – 4(^{\text{th}}) December</td>
</tr>
<tr>
<td>Easter Europe</td>
<td>Holiday World – Prag</td>
<td>14(^{\text{th}}) – 17(^{\text{th}}) February (press conf)</td>
</tr>
<tr>
<td></td>
<td>MITT – Moskva</td>
<td>19(^{\text{th}}) – 22(^{\text{nd}}) March</td>
</tr>
<tr>
<td>Region</td>
<td>Ohrid</td>
<td>17(^{\text{th}}) - 20(^{\text{th}}) January</td>
</tr>
<tr>
<td></td>
<td>IFT – Beograd</td>
<td>28(^{\text{th}}) February – 2(^{\text{nd}}) March</td>
</tr>
<tr>
<td>National Market</td>
<td>Metubes-Budva</td>
<td>7(^{\text{th}}) – 9(^{\text{th}}) February</td>
</tr>
</tbody>
</table>
Presentations
Serbia and the Region

Promotion of the tourism offer of Montenegro in major towns in Serbia “The Roadshow 2008”:
• Čačak, Kraljevo, Niš, Kragujevac, Subotica, Sombor, Zrenjanin, Novi Sad;
and in
• Banja Luka, Sarajevo.

The tourism offer of Montenegro was presented in Beijing during 2008 Summer Olympic Games.

The National Tourism Organization of Montenegro, the Ministry of Tourism and Environmental Protection, and the Montenegrin Olympic Committee, in cooperation with the PR firm Travel World from China have presented the tourism offer of Montenegro in the Jinqiao Apartment Hotel, having a 10sqm stand in the attractive location of the reception hall. In addition to the promotion of our tourism offer, this presentation was also aimed to provide support to the Montenegrin Olympic Team.

In order to have the best presentation possible the NTO has translated into Chinese and printed the brochure “Welcome”, as well as the promotional film “Welcome”.

This was not the first presentation of Montenegro in China. In fact, NTO of Montenegro in cooperation with the PR firm the Travel World has organized, in the period from December 2008 to March 2009, presentation of our offer during three most important tourism trade fairs in China, in Hong Kong, Beijing and Shanghai.

Surveys of eminent and notable experts for tourism marketing are showing that China will be one of the most significant source markets over the coming period.
2. PRESENTATION IN THE MEDIA OUTLETS

Excerpts from international printed media outlets analysis

According to data from PR agencies that NTO of Montenegro cooperates with for foreign markets, there were 360 articles that were published in foreign press in the period from 1st January to 1st December 2008. Articles were published in the press of following countries: Austria, Germany, UK, Slovenia, Belgium, USA, Australia, Russia, etc, as presented in the table to follow.

<table>
<thead>
<tr>
<th>Country</th>
<th>Total number of articles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>195</td>
</tr>
<tr>
<td>Austria</td>
<td>122</td>
</tr>
<tr>
<td>UK</td>
<td>19</td>
</tr>
<tr>
<td>Belgium</td>
<td>13</td>
</tr>
<tr>
<td>France</td>
<td>5</td>
</tr>
<tr>
<td>Russia</td>
<td>3</td>
</tr>
<tr>
<td>USA</td>
<td>2</td>
</tr>
<tr>
<td>Australia</td>
<td>1</td>
</tr>
<tr>
<td>TOTAL</td>
<td>360</td>
</tr>
</tbody>
</table>

Even this year, the prestigious foreign tourism-related media outlets have classified Montenegro as top destination to be visited in the coming period; for example: German magazine Abenteuer und Reisen that has classified Montenegro as top 10 destinations for 2009, agency Shermans Travel, and the prestigious Lonely Planet Blue List for 2008.
INTERNATIONAL PRESS – AN OVERVIEW
Excerpts from the Serbian printed media outlets – analysis

In the period from 1st January to 15th December 3,875 articles were published in printed media outlets in Serbia. The greatest number of articles were published in blic: Blic, Glas javnosti, Politika, Pregled, Press, Kurir I Ekonomist.

<table>
<thead>
<tr>
<th>Serbia</th>
<th>Total number of articles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affirmative</td>
<td>1884</td>
</tr>
<tr>
<td>Negative</td>
<td>152</td>
</tr>
<tr>
<td>Neutral</td>
<td>1608</td>
</tr>
<tr>
<td>Undecided</td>
<td>231</td>
</tr>
<tr>
<td>TOTAL:</td>
<td>3875</td>
</tr>
</tbody>
</table>

Source: Agency Luna/SVA
GLOBAL TV NETWORKS – CAMPAIGNS
Campaign “Experience Wild Beauty”

CNN

CNN – the Campaign “Experience Wild Beauty” at CNN channel begun in March of this year, and TV spot about Montenegro will be aired more than 1,300 times. Over 18 million viewers or 39.3% of the total number of 45.8 million viewers covered by survey have seen the TV spot of Montenegro. Every viewer has seen the spot 5 times in average, or the TV spot has been seen more than 88 million times.
GLOBAL TV NETWORKS – CAMPAIGNS
“Experience Wild Beauty”

TRAVEL CHANNEL

Travel Channel – the Campaign “Experience Wild Beauty” at the Travel Channel, one of the most popular programs, begun in March and ended on 7th December. TV sport “Experience Wild Beauty” was aired more than 1,500 times. The National Tourism Organization of Montenegro, in cooperation with the Montenegro Airlines and the Hotel “Bianca Resort & Spa”, has also organized the prize contest on this channel during November. The 30 sec TV spot was produced for that purpose, which was aired more than 200 times during November, inviting viewers to visit the Travel Channel website www.travelchannel.co.uk whereat a special web page about Montenegro was designed providing more details on the very prize.

According to EMS (The European Media & Marketing Survey) Report, the Travel Channel is one the most popular and most successful international TV channels in Europe having focus on travels. People in 73.9 million homes are currently watching the Travel Channel in more than 116 countries in Europe, the Middle East and Africa, with more than 6.7 million viewers a month. Approximately 9 million viewers have seen the TV spot of Montenegro; precisely the TV spot was seen around 58.6 million times. Taking into account a good cooperation with this channel, their film crew stayed in Montenegro from 15th to 18th July and thereat filmed feature stories for the program Travel 2008. The first feature story called “Green Montenegro”, also containing an interview of Predrag Nenezić, the Minister of Tourism and Environmental Protection, was aired on the Travel Channel during September. The next feature story will be aired early next year.
Eurosport – for the first time this year the TV spot about Montenegro was also aired on the Eurosport. The TV spot was produced by this TV network and aired from 22nd April to 9th June this year. The TV sport was about the prize contest called “Win a Trip to the “Wild Beauty” of Montenegro”, and special mini website about Montenegro was designed at the event of the campaign at the website www.eurosport.com. The TV spot was aired 115 times, and over 39 million viewers saw it according to the Eurosport data. With regard to the internet campaign, the Web site of Montenegro registered 24,692 visits, which is even 9 times more than the average number of visits to the mini websites of the Eurosport. Out of this number, more than 14,000 visitors participated in the prize contents. Highest number of visits was registered from markets of Spain (40%), France (25%), Italy (5%), Great Britain (4%), etc.
GLOBAL TV NETWORKS – CAMPAIGNS
“Experience Wild Beauty”

Euronews

Euronews – the cooperation with the TV channel Euronews continued this year as well. The campaign lasted from 7th April to 6th July. The TV spot about Montenegro was aired more than 280 times, and we were at the same time sponsor of the weather forecast. The 10 sec TV spot which was produced for the weather forecast was aired around 2,650 times.
GLOBAL TV NETWORKS – CAMPAIGNS
“Experience Wild Beauty”

TV Spot “Experience Wild Beauty” won four international awards

The TV Spot “Experience Wild Beauty” won four international awards in 2007 and 2008 the Promotional TV spot of the National Tourism Organization of Montenegro “Experience Wild Beauty” won the first prize at the international film competition Das golden Stadttor in Berlin for the category TV Spot, at the event of the World’s leading travel trade fair ITB - Berlin 2008. The promotional TV spot of the city of Dublin won the second place prize, while the third place was awarded to the promotional TV spot of Thailand.

This was the fourth award won by this TV spot at the European tourism films festivals over the last six months period (during 2007 this TV spot won three awards). Andrej Korovljev, based on the script of Stevan Koprivica, directed the TV spot “Experience Wild Beauty”, produced by AMC Communications.

Das Golden Stadttor Festival – Berlin – I prize
International Tourism Film Festival SW ITF - Split – I prize
Tour Film – Poland – Main prize
Tourfilm – Prague – III prize
The “Blizu Bliže” spot aired over 500 times from April to September
Foreign representative offices

FRANKFURT

The Frankfurt office opened
The London office soon to be opened
NEW PROMOTIONAL MATERIAL

The NTO of Montenegro has developed reprint, postproduction as well as new promotional material during 2008, based on the guidelines of the amended Master Plan, the Marketing Concept for Montenegro, as well as based on the new Book of Standards for Use of the Logo and Slogan “Montenegro - Wild Beauty”.

Accomodation directory 2008
Welcome
Hiking&Biking
Montenegro- The Next Place to Meet
Montenegro Explorer
VISITOR INFORMATION

Call center 1300
July – December
1256 - Calls

New Web portal
www.montenegro.travel

The Ministry of Tourism and Environmental Protection and the National Tourism Organization of Montenegro, in cooperation with the Austrian company “Tiscover AG”, have initiated the project for the development of the web portal www.montenegro.travel, which represents a high-end tourism portal for marketing, sale and destination management in Montenegro, all aimed to have a high quality presentation of Montenegro as tourism and business destination.

The new Montenegrin web portal www.montenegro.travel was inaugurated and launched on 6th March 2008 at the event of the travel trade fair in Berlin. This portal represents a unique possibility for business entities to be presented to the worldwide internet users directly under the umbrella brand of Montenegro.

January - December 380,000 hits

Monthly increase in the number of hits between 7 and 17%
Providing for the needs of tourists to have information of higher quality and higher level of details on arrival in our country, the Ministry of Tourism and Environmental Protection and the National Tourism Organization of Montenegro have planned the procurement and installation of the network of tourism public access points (digital info booths) in all municipalities in Montenegro. The Digital Info Booths would have the internet connection which would access our new web portal www.montenegro.travel.

The Info Booths were installed even this year in airports in Podgorica and Tivat. The Info Booths were operating in the period from 15th June to 1st October.
E – LEARNING MONTENEGRO
TRAINING FOR TOURISM
PROFESSIONALS

German version of this program was launched on 1st December 2008, while English, Italian and French versions are expected at the beginning of next year.

This Project announces the year of 2009 to be the year of e-marketing for the National Tourism Organization of Montenegro.
JOURNALISTS’ AND TOUR OPERATORS’ STUDY GROUPS TO MONTENEGRO

- Study group of British journalists
- Study group of German journalists (Wellness, spa focus)
- RTV Slovenia
- Study group of tour operators from Germany
- Study group of biking tour operators from Germany and Austria
- UK, promotional flight of the Montenegro Airlines
- UK, Globe Trekker
- Study group of German journalists (Active vacation)
- Dutch magazine ANWB REIZEN
- BBC 4 – Coach trip
- NHK – Japan’s Public Broadcaster
- Dutch magazine ANWB Op Pad
- Study group of Scandinavian journalists
- Radtouren – magazine specialized in biking
- Study group of journalists and tour operators
EVENT THAT MARKED THE SEASON

Madonna Concert

- Season extended
- Revenues of 6.5 million euro
- Over 80,000 nights
- Good occupancy rates in all types of accommodation
- 60,000 visitors
- Montenegro promoted in all global media
Season extended

Revenues of 6.5 million euro

Over 80,000 nights

Good occupancy rates in all types of accommodation

60,000 visitors

Montenegro promoted in all global media
WBA “WILD BEAUTY AWARDS” 2008.
“Wild Beauty Awards”, the annual awards presentation for contribution to the quality, renown and promotion of the tourism offer of Montenegro took place on Saturday, 13th December, in the hall of the Center for Culture in Žabljak.
NOMINATIONS AND WINNERS BY CATEGORIES

I Hotels

• In the category The best hotel in Montenegro the only nominated, also winner of the award:
  Splendid Conference & Spa
  GRAN PRIX WINNER

• In the category The best hotel in the coastal part nominees were:
  Maestral
  Belvi Iberostar
  Queen of Montenegro

In this category “Queen of Montenegro” – Becici won the award.

• In the category The best hotel in the continental part the only nominated, also winner of the award:
  Bianca Resort & Spa - Kolasin

• In the category The best small hotel in the coastal part (up to 25 rooms) nominees were:
  Amfora
  Astoria
  Montebay – Buljarica
  Cataro

In this category hotel CATTARO Kotor won the award.

• In the category The best small hotel in the continental part (up to 25 rooms) nominees were:
  Enigma Zabljak
  Brile Kolasin
  Bjelobor Zabljak

In this category hotel Enigma – Zabljak won the award.

• In the category The best new hotel (including those reconstructed more than 70%) nominees were:
  Forza Mare
  City/Podgorica
  Otrant
  Philia
  Il sole
  Vila Duomo
  Kula Damjanova

In this category hotel Forza Mare – Dobrota, Kotor won the award.

• In the category The best hotel which by its particularities contributes in improving of tourism offer nominees were:
  Meastral
  Queen of Montenegro
  Mediteran Wellness & Spa Congress Centre, Budva (Council suggestion)

In this category hotel Mediteran – Becici won the award.

• In the category The best city hotel (situated in the very heart of the town) nominees were:
  Princess
  Vardar
  Lipka

In this category hotel Princess Bar won the award.
II Company

In the category Company with the best results in hotel-tourism industry nominees were:
- HIT Montenegro (Council suggestion)
- HTP Budvanska Rivijera
- Montenegro Stars

In this category company HIT Montenegro won the award.

In the category Company with the biggest contribution to tourism development in the field of transport and transportation nominees were:
- Monteline
- Blue Line
- Olimpia Express

In this category company Blue Line – Herceg Novi won the award.

In the category Company with the best results in the field MICE tourism the award won:
- Jadrancki sajam Budva

In the category The tourist agency with the best results, nominees were the following tourist agencies:
- Adriatic express - Budva
- Alfa tours - Budva
- Globtour – Budva

In this category TA Globtour – Budva won the award.

In the category Company with the biggest contribution and results in the field of tourism oriented on nature nominees were:
- MMK Standard
- Antira Agency – Tara’s Camp Grab
- Tara tours – owner Mico Grubac

In this category company Tara Tours won the award.

In the category Company with the best results in hotel-tourism industry nominees were:
- HIT Montenegro (Council suggestion)
- HTP Budvanska Rivijera
- Montenegro Stars

In this category company HIT Montenegro won the award.
III Campaigns

• In the category Campaign which contributed to the promotion and improvement of image of Montenegro as a tourist nominees were following campaigns:
  - Hiking and Biking
  - Experience Wild Beauty

In this category campaign Hiking & Biking won the award which was handed to Mountaineer Association of Montenegro.

• In category: Campaign that contributed in raising of quality of touristic offer, nominees were:
  - Blue flag
  - Let it be clean

In this category champagne Let it be clean won the prize

IV Manifestation

• In category: Best touristic manifestation in Montenegro nominees were:
  - Bokeška noć
  - Dani Borovnice
  - Barsko kulturno ljeto

In this category manifestation Bokeljška noć won the first prize

• In category : Event of the year – event with biggest promotion effect for Montenegro, nominees were:
  - Concert of Madonna
    (suggestion of Council)
  - Powerboat race
  - International fashion festival
  - Kotor

In this category Concert of Madonna (organized by municipality of Budva and LTO Budva) won the prize

VI Touristic site/ place

• In category: Best touristic site, nominees were:
  - Pržno
  - Nevidio
  - Eko katun Vranjak

In this category touristic site Pržno won the prize.

• In category best beach, nominees were:
  - Dobreč
  - Drobni pijesak
  - Mirište

In this category winner is beach Dobreč (owner: Zoran Branićević).
VII Website

• In category : Best touristic website, nominees were:
  www.montenegro.travel
  www.inmontenegro.com
  www.avalaresort.com
  www.maestral.info

In this category website : www.montenegro.travel won the prize.

VIII Media author work, author

• In the category Media (letter-press, electronic) which contributed to the popularization and creation of awareness on tourism importance in Montenegro nominees were:
  Zapis – TVCG, Miomir Maros
  Wild Beauty Alive – TV Atlas, Miroslav Dragicevic
  Supplement on tourism in daily newspaper “Vijesti”
  “Putovanja” magazine

In this category two awards were assigned:
• The winner amongst electronic media is TV show Zapis – editor Miomir Maros
• The winner amongst letter-press media is supplement Ljeto of the daily newspaper Vijesti

IX Projects in the field of tourism

• In the category The best project in the field of tourism oriented on nature nominees were:
  Project NP “Biogradska gora” – Marking of the path from Biogradsko lake up to katun Goles
  Vucje, Niksic
  Eco village Podgora - Žabljak
  Komnenovo ethno village – Plav

The award in this category was assigned to the project of the National park Biogradska gora

• In the category The best project in the field of tourism education – nominees were:
  Training of Gastro Club in hotel management
  Project of the faculty for tourism and hotel management / Bar – Future in tourism in the municipality of Bar

The award in this category was assigned to both of the projects.

MONTENEGRIN CITIZEN, for contribution to the development of tourism during the active years of service – Mr. Milenko Stijepović - Žabljak.

The winners were presented with sculpture “Lovćen”, created by Nenad Soškić, Docent at the Faculty of Fine Arts in Cetinje, and for some categories the plaque was awarded, created by Ana Matić, Docent of graphic design at the Faculty of Fine Arts in Cetinje.

The ceremony in Žabljak was attended by numerous invitees of the political, cultural, economic, and public life of Montenegro and the region, diplomatic chorus representatives, guests from abroad, representatives of international organizations having representative office in Montenegro and other.
PUBLIC PRIVATE PARTNERSHIP
Strategic Partners

Public-Private Partnership – Strategic Partners

This year as well, all promotional activities were also carried out in cooperation with strategic partners. The strategic partnership is a form of the public-private partnership (PPP) between the Ministry of Tourism and Environmental Protection and the National Tourism Organization of Montenegro as one party and business entities on the other side.

THE STRATEGIC PARTNERS FOR 2008 SEASON ARE:

Porto Montenegro
Beppler & Jacobson
Crnogorska Komerčijalna Bank
Hotel “The Queen of Montenegro”
HTP “Budvanska Rivijera”
Vektra Boka
HTP “Primorje”
Public Services Enterprise for Costal Commons Manageme
Montenegro Airlines
T- Mobile
R-Tours