



UN Tourism

TOURISM DOING BUSINESS
INVESTING IN



Montenegro
Ministry of Tourism





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Tourism Doing Business – Investing in Montenegro

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TOURISM DOING BUSINESS

INVESTING IN



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MSc Simonida Kordić

MINISTER OF TOURISM
MONTENEGRO



With four UNESCO World Heritage Sites in Montenegro, five national parks, and cultural heritage spanning from the Neolithic period, antiquity and the medieval period to modern times, Montenegro is a country where extraordinary diversity can be experienced. It is a place where mountains meet the sea, where centuries of history coexist with modern luxury, and where untouched nature, authentic culture and hospitality create experiences that remain with visitors long after their journey ends.

Situated on the Adriatic coast, in the heart of Southeast Europe, Montenegro is increasingly recognised as one of the most dynamic tourism and investment destinations in the region. Today's travellers seek authenticity, local experiences, gastronomy, active lifestyles and meaningful connections with the places they visit. Montenegro responds naturally to these expectations. Within a single trip, visitors can cruise through the Bay of Kotor, explore medieval towns, enjoy luxury resorts on the Adriatic coast, raft through the Tara River canyon, hike across mountain peaks, or discover traditional rural households where local culture remains deeply rooted in everyday life.

At the same time, Montenegro is positioning itself as a destination of sustainable and high-quality tourism development. Our vision is not based on mass tourism, but on creating a modern, competitive and responsible tourism model that preserves the country's most valuable assets – its nature, culture and identity.

Investments play a crucial role in this new phase of tourism development. Our priority is not simply increasing accommodation capacities, but building a sustainable tourism ecosystem capable of meeting the demands of the global market. For this reason,

Montenegro is focused on improving transport connectivity, modernising airports and communal infrastructure, accelerating digital transformation and enhancing the quality of tourism services throughout the country.

However, sustainability remains the guiding principle of every development project. Montenegro's landscapes, biodiversity and cultural heritage are not only symbols of the country, but also its most valuable tourism resources. We therefore encourage investments that create long-term value while preserving the authenticity and integrity of the destination.

As the most advanced candidate country for membership in the European Union, Montenegro continues to strengthen its investment environment through clearer regulations, more efficient procedures and a strong partnership approach with credible international investors.

Our commitment to sustainable tourism development and multilateral cooperation has been recognised globally through Montenegro's election as Chair of the UN Tourism Commission for Europe for the 2025–2027 period. Small in size and rich in beauty, Montenegro offers an extraordinary range of opportunities, experiences and possibilities. We warmly invite you to discover Montenegro – a country of wild beauty, authentic experiences and sustainable opportunities.

MSc Simonida Kordić
Minister of Tourism
Montenegro





H.E. Shaikha **Al Nuwais**

SECRETARY- GENERAL,
UN TOURISM



Montenegro is a country of extraordinary contrasts. Along its Adriatic coast, centuries of history sit alongside some of the Mediterranean's leading hotels. Travel inland and the landscape changes quickly: mountains, forests, lakes and communities that remain deeply connected to their traditions.

And all of this is found within one of Europe's most compact countries.

For Montenegro, tourism matters. It brings investment into the country, supports businesses and livelihoods, and creates opportunities for communities across its regions.

But growth alone is not enough.

The real opportunity is to grow tourism while protecting the very things that make people want to visit in the first place. Montenegro's focus on quality, year-round tourism and the protection of its natural and cultural heritage shows that it understands this.

And the conditions for investment are strong. Montenegro uses the euro, offers a competitive fiscal environment and continues its progress towards European Union membership.

This Tourism Doing Business guide, prepared by UN Tourism together with the Ministry of Tourism of Montenegro, is about turning opportunity into action. It gives investors the information they need, highlights where investment can make the greatest difference, and provides a practical path from interest to investment.

It is also part of a growing partnership between UN Tourism and Montenegro. The country's election, for the first time, as Chair of the UN Tourism Commission for Europe marks another important step in that relationship.

For investors, my message is simple: take a closer look at Montenegro.

Because the best investment in tourism does more than deliver a return. It creates jobs. It gives local businesses room to grow. And it creates opportunities that can stay within communities for generations.

That is the kind of investment UN Tourism wants to see - and the kind we are proud to support.

H. E. Shaikha Al Nuwais
Secretary-General,
UN Tourism





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ACRONYMS, ABBREVIATIONS AND SPECIAL NOTES

AD – Akcionarsko Društvo (Joint Stock Company)

ADR – Average Daily Rate

AIM – Accelerating Investment in Montenegro

BOT – Build-Operate-Transfer

CAPEX – Capital Expenditure

CBCG – Central Bank of Montenegro

CEFTA – Central European Free Trade Agreement

CIT – Corporate Income Tax

DOO – Društvo sa Ograničenom Odgovornošću (Limited Liability Company)

DTA – Double Taxation Agreement

DUP – Detailed Urban Plan

EBITDA – Earnings before interest, taxes, depreciation and amortisation

EBRD – European Bank for Reconstruction and Development

EFTA – European Free Trade Association

ETC – European Travel Commission

EU – European Union

FDI – Foreign Direct Investment

GDFA – Gross Developed Floor Area

GDP – Gross Domestic Product

GFA – Gross Floor Area

GII – Global Innovation Index

ICD – Investment Corporation of Dubai

IMF – International Monetary Fund

IRR – Internal Rate of Return

ITU – International Telecommunication Union

JV – Joint Venture

MIA – Montenegrin Investment Agency

MICE – Meetings, Incentives, Conferences and Exhibitions

MONSTAT – Statistical Office of Montenegro

MSME – Micro, Small and Medium-sized Enterprise

NATO – North Atlantic Treaty Organization

NECP – National Energy and Climate Plan

NTO – National Tourism Organisation of Montenegro

PIT – Personal Income Tax

PPP – Public-Private Partnership

RevPAR – Revenue per Available Room

S3 – Smart Specialisation Strategy 2026–2031

TDB – Tourism Doing Business (UN Tourism series)

UNCTAD – United Nations Conference on Trade and Development

UN Tourism – United Nations World Tourism Organization

UNESCO – United Nations Educational, Scientific and Cultural Organization

VAT – Value Added Tax

WBIF – Western Balkans Investment Framework

WEO – World Economic Outlook (IMF)

WIPO – World Intellectual Property Organization

WTO – World Trade Organization

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Durmitor, Zabljak Municipality



Mamula island, Herceg Novi Municipality

EXECUTIVE SUMMARY

Montenegro is a small open economy on the Adriatic coast whose recent trajectory has confirmed tourism as the primary engine of growth and the principal magnet for foreign investment. Between 2021 and 2024, real GDP grew at an average annual rate of approximately 7.6%, outpacing the majority of peers in the Western Balkans. Growth moderated to 3.2% in 2024 and is projected to settle just below 3% over the medium term as the exceptional rebound of earlier years normalises and fiscal consolidation proceeds.

The tourism sector recorded 2.73 million international tourist arrivals (overnight visitors) in 2025 and international tourism receipts of approximately USD 1.5 billion. Labour market outcomes have strengthened in parallel: the unemployment rate fell to 10.7% in 2025, one of the lowest rates recorded in the available Labour Force Survey series, while the average net wage reached EUR 1,012 per month, with real net earnings rising 11.2% year-on-year.² The country hosts a rapidly expanding luxury hospitality segment: internationally recognised operators including Aman, One&Only, Banyan Tree, Regent, Hyatt, Iberostar, Mövenpick and Swissôtel have established a presence, and the pipeline of new properties under construction represents a 20% increase in the current branded room stock.

Foreign direct investment has been a consistent feature of Montenegro's economic landscape. Cumulative FDI inflows between 2021 and 2025 totalled EUR 4.9 billion, with annual flows exceeding EUR 1 billion in both 2022 and 2025. The investor base spans over 60 countries; the top ten source markets – led by Serbia, Russia, Türkiye, Switzerland and Germany – account for 68% of cumulative flows.

The legal and fiscal environment is broadly investor-friendly. Foreign investors benefit from national treatment, unrestricted capital repatriation, use of euro and membership of the WTO. Corporate income tax follows a progressive schedule capped at 15%, among the lowest in the region. A reduced VAT rate of 15% applies to specified accommodation and food-service supplies, subject to the statutory

scope and exclusions, including certain beverages. A network of 44 double taxation agreements may reduce or eliminate double taxation, subject to treaty eligibility and domestic anti-abuse rules. Tourism development zones in the northern and central regions offer access to state-owned land under long-term lease for qualifying investments of at least EUR 3 million, and a condo-hotel model provides exit flexibility for high-category hotel investors.

Montenegro's EU accession process is the most advanced among Western Balkan candidates. As of July 2026, Montenegro had all 33 chapters open and 18 had been provisionally closed, with the authorities targeting full chapter closure by end-2026 and accession by 2028, reinforcing its position as the front runner in the EU enlargement process. Connectivity fundamentals continue to strengthen: the two international airports served a record 3.1 million passengers in 2025, and Wizz Air established its 36th European base in Podgorica in 2026, launching 14 new routes.

The Investment Opportunities Portfolio presented in Chapter 6 encompasses both proven flagship projects – Luštica Bay (EUR 712 million invested, 577 employees), Porto Montenegro (EUR 1.03 billion invested, 332 employees), Portonovi and Ulcinjska Rivijera Karisma – and a programme of public infrastructure investments in mountain tourism. Five ski resort projects in the northern region carry a combined budgeted public investment of approximately EUR 209.5 million, of which some EUR 105.7 had been invested, creating anchor infrastructure for private hospitality development in an underserved alpine corridor.

The investment case is accompanied by identifiable constraints, including pronounced seasonality, regional infrastructure gaps, labour shortages, a large external imbalance and the need for continued improvements in administrative efficiency and project preparation.



Perast, Kotor Municipality

INTRODUCTION

Tourism Doing Business – Investing in Montenegro is published by UN Tourism as part of its Tourism Doing Business (TDB) series. This series provides authoritative, country-specific investment guides designed to assist international investors, development finance institutions and tourism development practitioners in identifying and assessing tourism investment opportunities in partner countries.

The present guide has been developed in close collaboration with the Government of Montenegro, drawing on official statistical data, policy documents, and investment dossiers provided by the Ministry of Tourism, the Montenegrin Investment Agency (MIA), the Statistical Office of Montenegro (MONSTAT), and a range of sectoral ministries. It is complemented by analysis based on international sources, including the International Monetary Fund (IMF), the World Bank (WB), United Nations Conference on Trade and Development (UNCTAD), and UN Tourism's own statistical databases.

Montenegro presents a distinctive profile among investment destinations in Southeastern Europe. A small country of approximately 623,600 inhabitants and 13,812 km², it has leveraged its geographic position on the Adriatic coast, its considerable natural and cultural

heritage, and its advanced path towards European Union accession to establish tourism as the cornerstone of its economy. Tourism and related activities place Montenegro among the most tourism-intensive economies globally.

The guide is structured to take the reader from the broad economic and policy context through to specific investment opportunities. Chapters 1 to 3 cover the macroeconomic landscape, the legal and fiscal framework, and foreign direct investment. Chapters 4 and 5 assess the tourism sector and its competitiveness. Chapter 6 – the operational core of the guide – presents the Investment Opportunities Portfolio, comprising both established flagship projects and a pipeline of new opportunities. Chapter 7 concludes with a synthesis of the investment case for Montenegro.

Data in this publication are current to the first quarter of 2026, unless otherwise indicated. Certain statistical series remain subject to revision as final official data are released by the Statistical Office of Montenegro (MONSTAT) and the Central Bank of Montenegro (CBCG).



Hrid Lake, Prokletije National park, Plav Municipality

1

ECONOMIC AND INVESTMENT OUTLOOK

1.1 Global Economic Context

The global economy entered 2026 amid the crosscurrents of geopolitical conflict and a technology-driven investment upswing. Global real GDP growth held at 3.5% in both 2024 and 2025 and is projected to ease to 3.0% in 2026 before recovering to 3.4% in 2027.³ Global headline inflation is projected to rise from 4.1% in 2025 to 4.7% in 2026 before easing to 3.9% in 2027, as the disinflation seen since 2024 stalls; advanced economies continue to converge toward central-bank targets faster than emerging markets. Financial conditions generally eased relative to the 2022–2023 tightening period, although borrowing costs remained above pre-pandemic levels

and continued to affect project feasibility. The IMF reported in April 2026 that global financial conditions had tightened again since October 2025, with risks of further tightening, so cost of capital should be treated as a live variable rather than a settled one.⁴

In the tourism sector, 2025 saw continued expansion. European destinations recorded approximately 810 million international arrivals in 2025, a 5% increase year-on-year and 9% above 2019 levels; Southern and Mediterranean Europe reached 344 million arrivals, up 4% compared to 2024.⁵



National park Skadar Lake

1.2 Western Balkans and European Context

The Western Balkans sustained positive economic momentum in 2025, at a pace below the exceptional rebound recorded earlier in the decade. Regional real GDP growth is estimated at around 3.5% in 2025 and is expected to hold near that pace in 2026–2027, supported by robust private consumption and continued public investment.⁶ Inflation, however, re-emerged as a shared concern, with most Western Balkan economies registering headline price increases above euro area levels.

The European Union's enlargement agenda has given the Western Balkans a renewed strategic impetus. The European Commission's 2025 Enlargement Package confirmed Montenegro's position as the most institutionally advanced candidate, noting continued progress in the alignment of national legislation with the EU acquis

communautaire. For Montenegro specifically, the prospect of EU accession by 2028 constitutes a material investment rationale, given the market access, regulatory convergence and structural funding that membership entails.

Within the region, Montenegro distinguishes itself by the scale of its tourism sector relative to the economy. Tourism's share of the economy is structurally higher than in any Western Balkan peer and compares with leading Mediterranean destinations. This concentration makes Montenegro particularly sensitive to global travel patterns, but also means that improvements in tourism infrastructure generate economy-wide multiplier effects of unusual magnitude.

1.3 Montenegro's Macroeconomic Overview

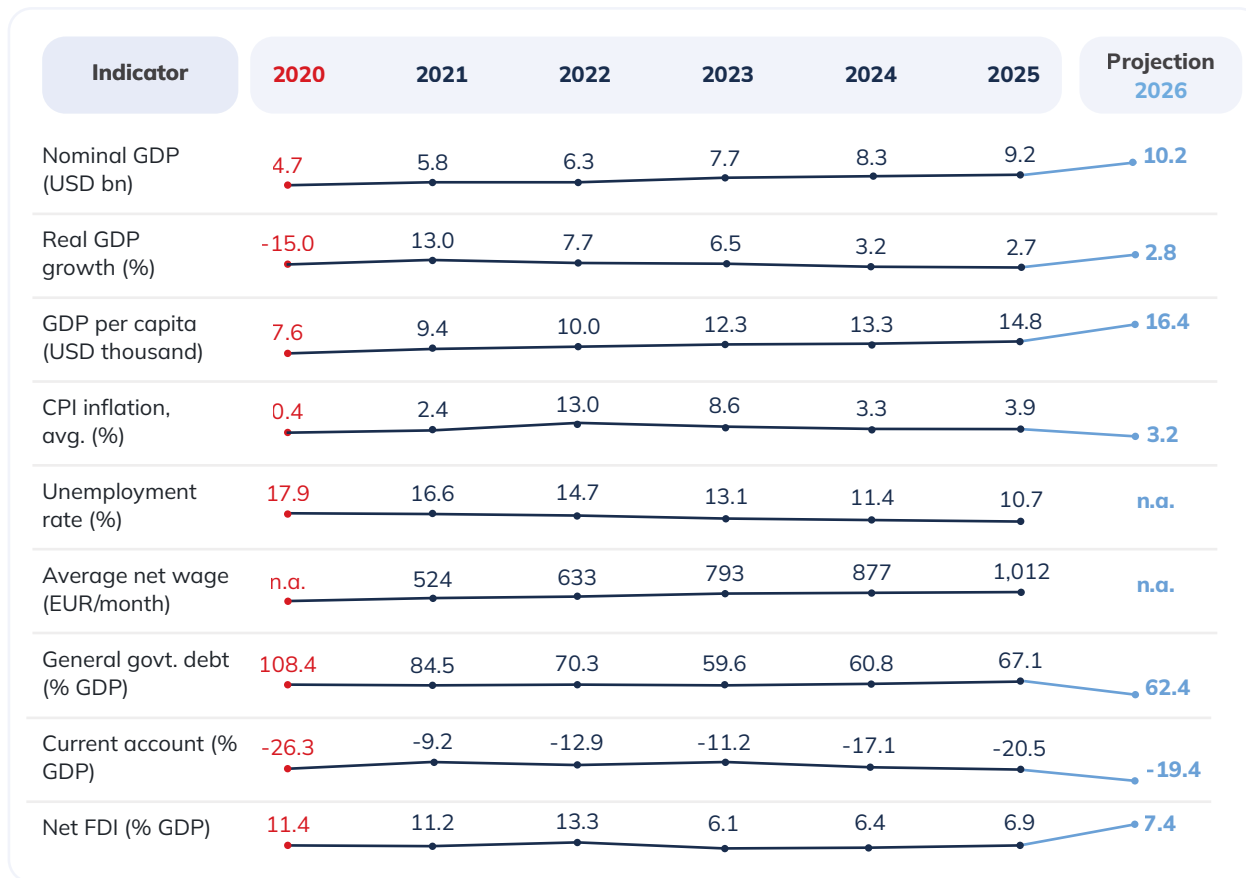
Following a severe contraction of 15% in 2020, Montenegro's economy rebounded strongly, with average annual real GDP growth of approximately 9% between 2021 and 2023, driven by the global recovery in tourism and substantial inflows of high-income migrants. Nominal GDP reached EUR 7.6 billion in 2024 and is projected to rise to EUR 8.3 billion in 2025, placing GDP per capita at approximately USD 13,259 (2024), up from USD 7,549 in 2020.⁸

Growth moderated to 3.2% in 2024 and is projected to settle slightly below that pace over the medium term, close to the estimated potential growth rate (see Table 1.1). High-frequency indicators – including tourist arrivals, construction permits and retail sales – are broadly consistent with this baseline.⁹



Njeguški pršut (national food)

Figure 1.1 Montenegro: Selected Economic Indicators, 2020–2026



Note: All values are from the IMF World Economic Outlook Database, August 2026 edition (nominal GDP at current prices), except the unemployment rate and average net wage, which are MONSTAT data – Labour Force Survey and Average Earnings release respectively – and not IMF estimates. The table is denominated in US dollars, whereas the text cites euro values where the underlying source does; figures for 2026 are projections. Values for a given indicator may therefore differ from other IMF publications and from the surrounding text.

Source: International Monetary Fund, World Economic Outlook Database, August 2026 edition, <https://www.imf.org/external/datamapper/datasets/WEO>; MONSTAT, Labour Force Survey 2025 and Average Earnings release (January–March 2026).

Inflation

After peaking at 13% in 2022, headline inflation fell sharply and has since stabilised, with consumer prices rising 3.9% in 2025.¹⁰ Inflation is projected to ease toward 2% by 2027–2028, broadly in line with the euro area target and below the emerging-Europe average – a trajectory consistent with Montenegro's euroization and its EU accession commitments.¹¹

Wage growth

For hospitality investors, rapid wage growth improves domestic purchasing power but also increases operating-cost pressure, particularly in labour-intensive coastal operations.

Labour market

According to MONSTAT's Labour Force Survey, the unemployment rate declined to 10.7% in 2025, one of the lowest rates recorded in the available Labour Force Survey Series, from 11.4% in 2024 and 17.9% in 2020. The average net wage reached EUR 1,012 per month in 2025 (gross: EUR 1,206); with consumer prices rising 3.9%, real net earnings increased 11.2% year-on-year – among the strongest real wage gains in Europe.¹² Regional disparities persist: unemployment stood at 6.7% in the coastal region and 8.6% in the central region, against 19.6% in the northern region – a differential that underpins the Government's northern development agenda described in Chapters 4 and 6.

Fiscal position

The general government budget shifted from a surplus of 0.4% of GDP in 2023 to a deficit of 3.4% in 2024, partly reflecting the fiscal cost of the Europe Now 2 social security contribution cuts. Public debt, which had fallen from 108% of GDP in 2020 to 59.6% in 2023, edged back up to 60.8% in 2024 and, on the projections in Table 1.1, rises further in 2025 before easing in 2026, with the medium-term path dependent on additional consolidation measures. Recent fiscal assessments identify a menu of measures – containing the public wage bill, saving airport concession revenues, and reducing tax expenditures – that could stabilise debt below 60% of GDP by 2028.¹³

External sector

The current account deficit widened to 17.1% of GDP in 2024, reflecting the plateau in tourism receipts, a decline in goods exports and strong import demand from households. Net FDI continues to partially finance the deficit (6.4% of GDP in 2024), supplemented by portfolio investment and inter-bank flows. Real effective exchange rate appreciation has been moderate relative to Western Balkan peers, preserving relative competitiveness.¹⁴

EU accession

Montenegro opened EU accession negotiations in 2012 and has since opened all 33 negotiating chapters, of which 18 had been provisionally closed as of July 2026. The European Commission has described Montenegro as the most institutionally aligned EU candidate, and the authorities are targeting full chapter closure by end-2026 with a view to accession by 2028.

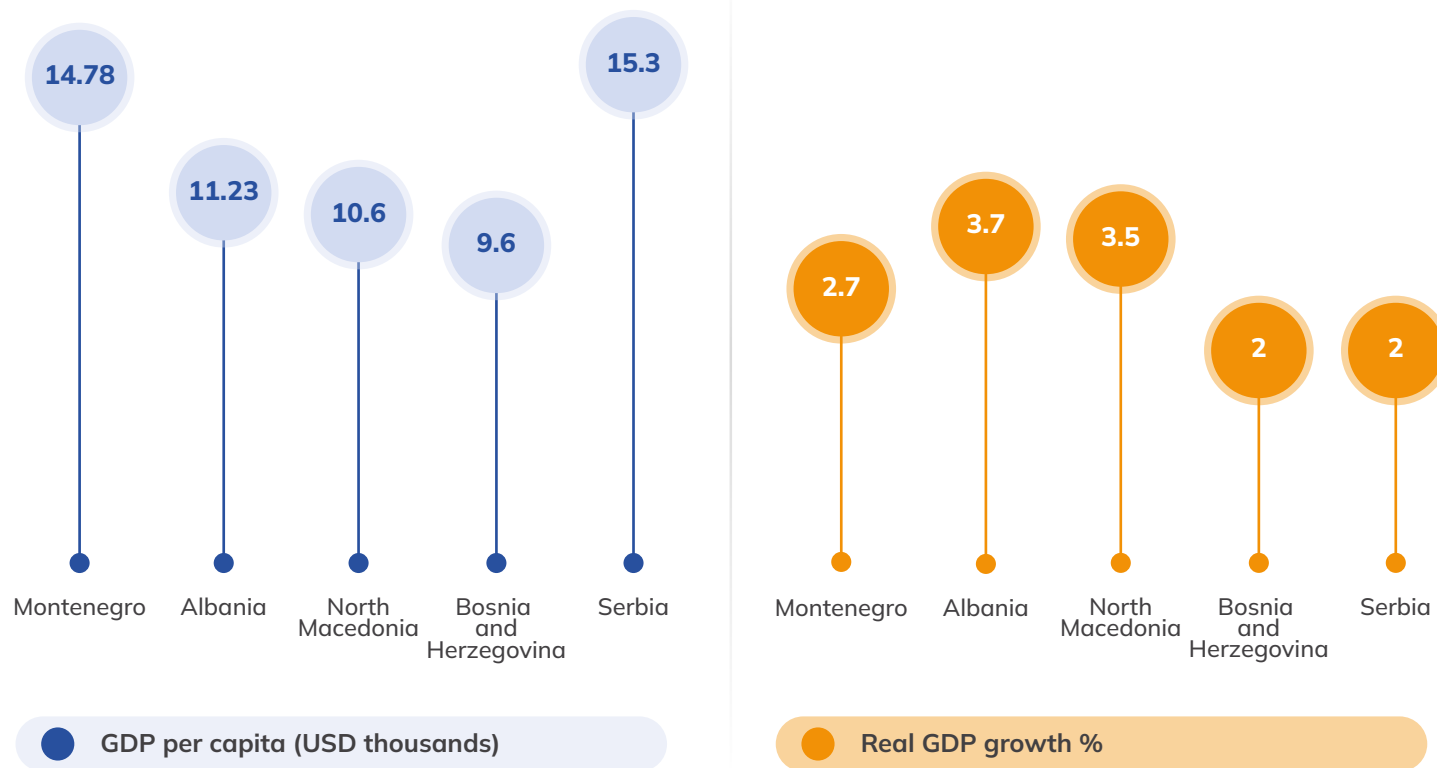


Mountain Sinjajevina, Kolasin Municipality

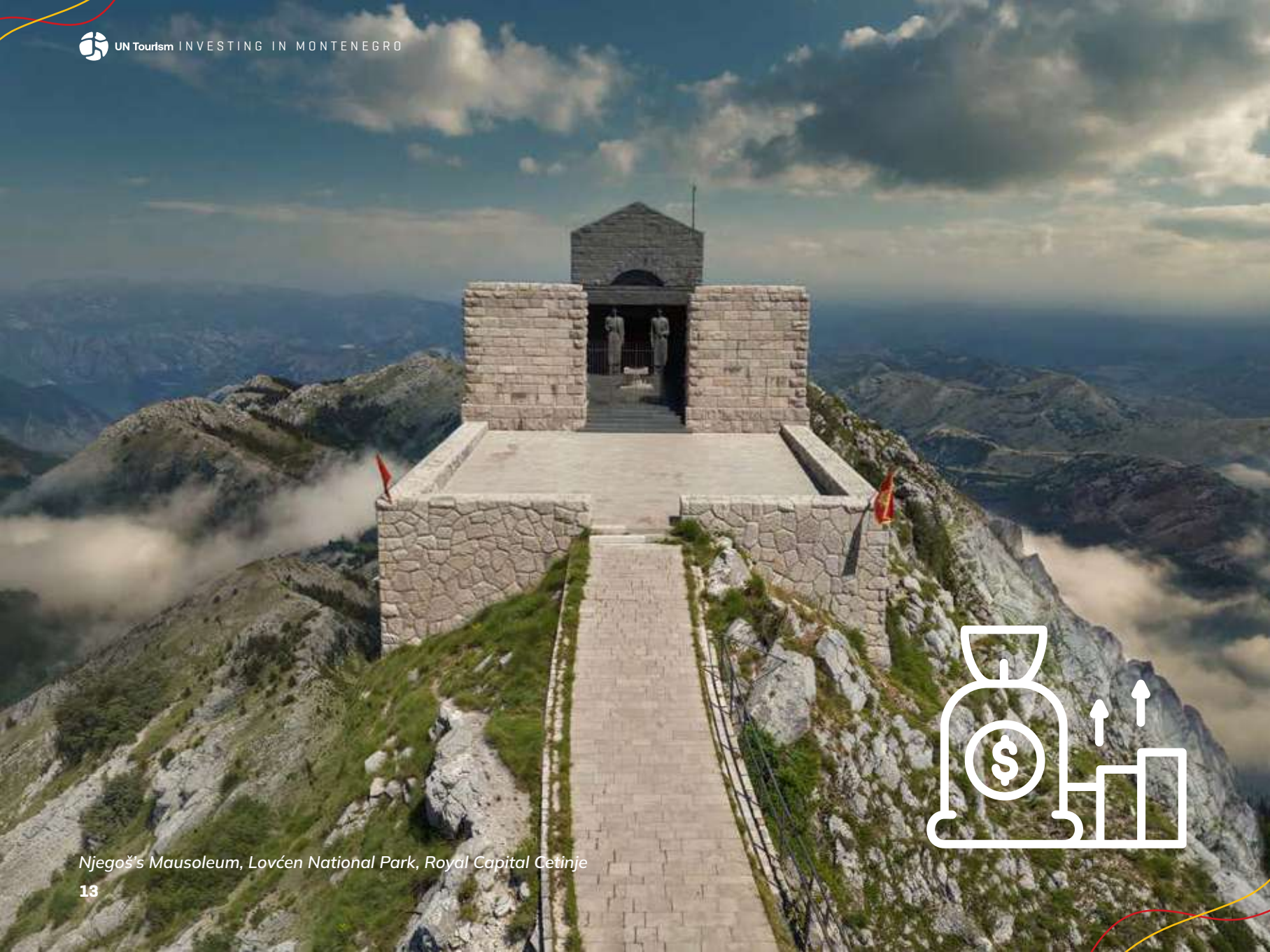
1.4 Montenegro and Peer Small Economies From the Region

Montenegro shares structural characteristics with several small, highly open economies for which tourism constitutes a major share of GDP. The table below compares Montenegro with selected Western Balkan peers on key investment-relevant indicators.

Figure 1.2 Comparative Indicators: Montenegro and Selected Peers, 2025



Source: IMF WEO (April 2026); World Bank; national statistical offices. Tourism share reflects direct and indirect contribution.



Njegoš's Mausoleum, Lovćen National Park, Royal Capital Cetinje

2

TAX AND LEGAL FRAMEWORK

2.1 Legal Framework for Foreign Investment

Montenegro's investment environment is grounded in a body of legislation aligned with EU standards and World Trade Organization (WTO) principles. The Law on Foreign Investments guarantees foreign investors national treatment, ensuring equal standing with domestic investors in all aspects of business establishment and operation.¹⁵ Foreign investors enjoy unrestricted repatriation of profits, dividends and capital, and are not subject to exchange controls – a particularly important safeguard given Montenegro's use of the euro as its official currency.

The Law on Companies governs corporate establishment, providing for four principal structures available to foreign investors: the limited liability company (LLC), the joint-stock company, the branch office and the representative office. The limited liability company is the most commonly used vehicle, preferred for its simplicity, low minimum capital requirement and limited-liability protection. The joint-stock company is suited to larger investments or those requiring external capital-raising. Branch and representative offices are used where investors seek direct operational control with minimal local structure.¹⁶



A Law on Public-Private Partnership provides the framework for PPP and concession arrangements. The Montenegrin Investment Agency (MIA) has a statutory role in approving PPP proposals, providing opinions to public contracting authorities, monitoring implementation and maintaining the register of approved PPP projects. PPPs are particularly relevant in tourism, infrastructure, energy and environmental protection.¹⁷

Montenegro maintains free trade agreements with the European Union, the CEFTA members, EFTA and Türkiye, providing investors based in Montenegro with preferential market access to a combined consumer market of over 600 million people. WTO membership since 2012 further secures most-favoured-nation treatment in international trade. NATO membership since June 2017 provides political stability and security guarantees.¹⁸

Winery Šipčanik, 13. Jul Plantaže, Tuzi Municipality

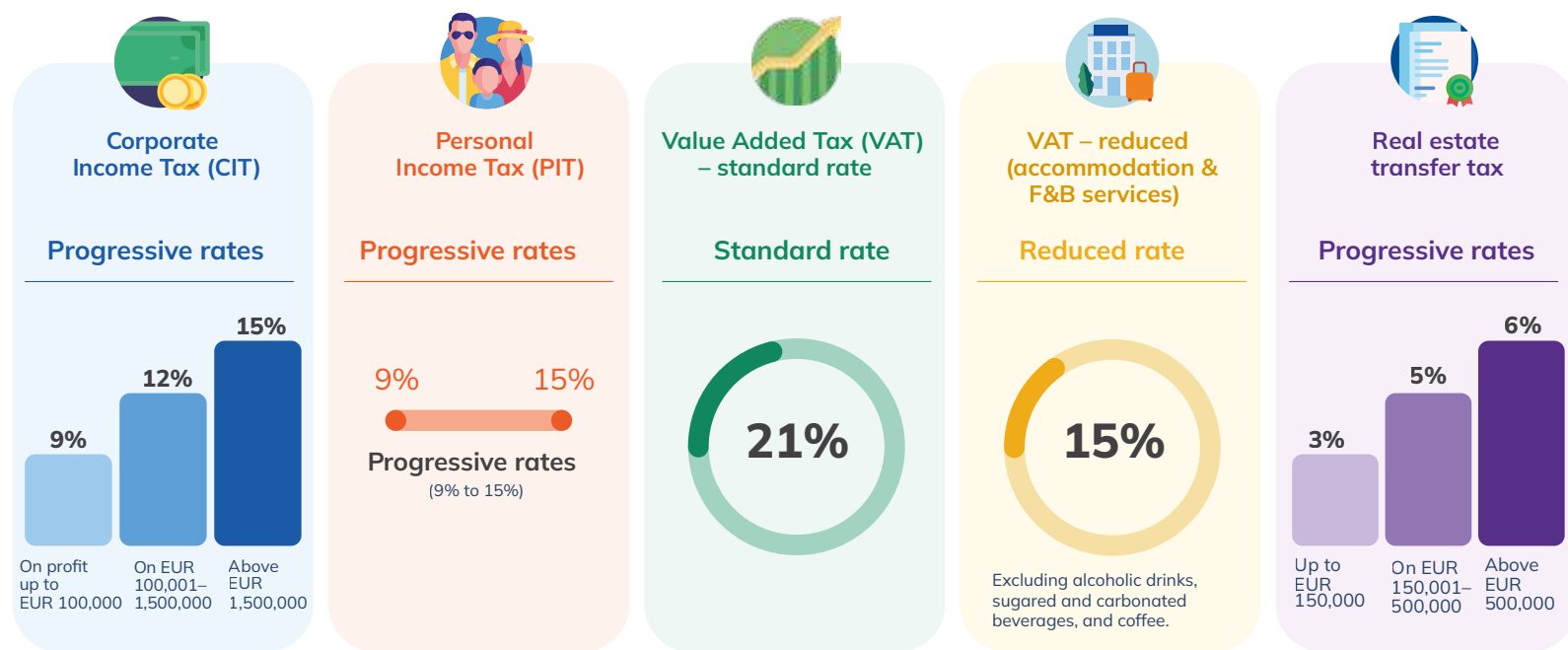


2.2 Tax System and Key Rates

Montenegro operates one of the most competitive tax regimes in Southeast Europe. The principal reforms were introduced under the Europe Now programme (effective January 2022) and its sequel

Europe Now 2 (effective October 2024), which together introduced progressive CIT and PIT structures while significantly reducing social security contribution burdens on employers and employees.¹⁹

Figure 2.1 Main tax rates in Montenegro



The rates presented correspond to headline tax rates applicable in 2026.

Source: Ministry of Tourism of Montenegro (2026); PwC (2025) Montenegro Tax Summary. Available at: <https://taxsummaries.pwc.com/montenegro> (Accessed: 17 June 2026).

The property tax framework is designed to reward investment in quality: four-star hotels in priority tourist locations qualify for reductions of up to 30% in annual property tax, rising to 70% for five-star properties, while the tax's progressive design encourages the upgrading of existing facilities and the activation of undeveloped construction land. Five-star projects benefit from two further advantages: supplies of products and services for their construction are exempt from import VAT, and municipal construction contributions for such developments have been abolished under the Law on Spatial Planning (2025).²⁰

The 15% reduced VAT rate on accommodation services and food and beverage operations represents a structural advantage for hospitality investors relative to several competing Mediterranean destinations where the equivalent rate is 20–25%.²¹



Biograd Lake, National Park



2.3 Investment Incentives

Tax and fee incentives for high-category hotels.



Beyond the general tax framework (Section 2.2), targeted fiscal incentives reward high-category hotel development: four-star hotels in priority tourist zones benefit from a reduction of up to 30% in the annual property tax rate, rising to 70% for five-star properties, while the construction of five-star hotels is exempt from communal fees under the Law on Spatial Planning. From 2026, specific tax incentives for digital nomads and strategic investors reduce operating costs by up to 30%.

Tax and fee incentives for high-category hotels.



The Law on Tourism and Hospitality establishes Tourism Development Zones to improve the tourism offer and ensure balanced regional development, particularly in underdeveloped areas. Zones may be established exclusively on state-owned land; the minimum area is one hectare; the designation applies to the northern and central regions (excluding the Capital City); minimum investment is EUR 3 million; and qualifying projects must develop at least 50 accommodation units of minimum four-star category. Land is granted under long-term lease in accordance with the applicable legal framework. The procedure is investor-initiated: a company submits a formal initiative accompanied by a feasibility study, the Ministry forms a commission to assess it, and the Government takes the final decision, with zone management subsequently entrusted to a company meeting the conditions defined in the feasibility study.²³

Condo-hotel model.



The Law on Tourism and Hospitality also defines the condo-hotel business model, which allows investors in high-category hotels to sell individual accommodation units while maintaining the hotel's categorisation and unified operation. The model is permitted for hotels of at least five stars in the coastal region and Capital City, and four stars in the northern and central regions. This framework provides material exit flexibility for hospitality investors, enabling partial sale of units while the property continues to operate as a single hospitality facility.²⁴

Business Zones.



The Regulation on Business Zones provides for two categories: zones of strategic importance (established by government decision, minimum 10 hectares) and zones of local importance (established by local government units). The Regulation defines, for the first time, tax incentives applying exclusively to employers who hire individuals within business zones – exemptions from mandatory social security contributions and personal income tax for periods of up to five years. Six strategic business zones are currently designated: Berane–Rudes, Nikšić–East, Bijelo Polje–Nadakusi i Cerovo, Mojkovac–Babica Polje, Ulcinj–Vladimirske Krute, and Šavnik.²⁵

Direct Investment Incentives.



The Regulation on Incentives for Direct Investments provides direct financial support to investors who meet defined criteria, including a registered head office in Montenegro, private ownership, regular fulfilment of tax obligations, an active bank account and the absence of bankruptcy or criminal proceedings; entrepreneurs and natural persons are also eligible. The criteria have been tightened relative to earlier periods to align with European Union state-aid standards. Allocations follow an annual cycle: the incentive programme is adopted by 31 March each year, proposed and monitored by the ministry responsible for the economy, with the Government deciding on the award of funds. In addition, the Innovation Fund of Montenegro supports tourism-related projects focused on digitalisation, customer experience and business efficiency under the Smart Specialisation Strategy (S3) 2026–2031, which designates sustainable and regenerative tourism as a priority innovation domain.²⁷

Sustainable and Eco-tourism Incentives.



Montenegro offers subsidies for investments in renewable energy, energy-efficient facilities and environmental protection measures within the tourism sector – instruments aligned with the country's constitutional status as an ecological state (declared 1991) and its obligations under the EU accession framework.²⁸



Denaši Viewpoint, Sveti Stefan, Budva Municipality

2.4 Double Taxation Agreements

Montenegro has 44 double taxation agreements (DTAs) in force, according to the available information published by the Montenegrin Tax Authority and Ministry of Finance, as of November 2025, covering the principal European economies as well as key partners in Asia and the Middle East. These treaties cover dividends, interest, royalties and capital gains, securing reduced withholding tax rates and preventing double taxation of income and capital. Beyond the DTA network, Montenegro has concluded around 24 bilateral agreements on the

promotion and reciprocal protection of investments – more than half of them with EU member states – and participates in the Central European Free Trade Agreement (CEFTA) as well as free trade agreements with the EFTA states, Türkiye and Ukraine, providing investors with a broad framework of treaty-based protection and preferential market access.²⁹

2.5 Business Establishment

Company registration is administered through a single-window system, with typical turnaround times of five to seven working days for a limited liability company (LLC). The formal registration of a standard LLC may be completed within several working days where documentation is complete. The total time required to become operational may be longer owing to banking, beneficial-ownership, tax, employment, licensing and sector-specific requirements.

The Montenegrin Investment Agency (MIA) provides complementary services to international investors, including pre-investment advisory, facilitation of contacts with competent authorities, and post-investment aftercare.³⁰

Provisional closure is not final and individual chapters may be revisited if Montenegro ceases to meet the relevant benchmarks.



Paragliding



Bjelasica Mountain, Kolašin Municipality

2.6 EU Integration Path

Montenegro's advanced EU accession trajectory represents one of the country's most important long-term structural advantages for investors. As the European Union's most advanced candidate country, Montenegro opened accession negotiations in 2012 and has since opened all 33 negotiating chapters, with 18 chapters provisionally closed as of July 2026. The authorities continue to target EU membership by 2028. Rather than representing a single future milestone, the accession process is already transforming the country's investment environment through the progressive alignment of national legislation with the EU legal and regulatory framework, strengthening legal certainty, regulatory predictability and institutional quality for both European and international investors.³¹

The reforms extend well beyond reducing political uncertainty. Progressive alignment with the EU legal and regulatory framework is strengthening Montenegro's institutional and regulatory environment across a number of areas directly relevant to investors, including the free movement of capital, company law, public procurement, competition policy, financial services, customs procedures and the rule of law. Together, these reforms increase legal certainty, improve regulatory transparency, enhance the predictability of administrative procedures and progressively align Montenegro's business environment with the standards of the EU Single Market.³²

The institutional framework of the EU accession process also acts as a powerful catalyst for foreign direct investment. A broad body of empirical evidence suggests that the prospect of EU membership and integration into the Single Market significantly reduces country risk and encourages capital inflows well before formal accession.³³ During the period preceding the 2007 enlargement, both Romania and Bulgaria experienced a substantial increase in FDI as regulatory convergence advanced and investor confidence strengthened. Croatia followed a comparable trajectory, with the accession process supporting investor confidence and facilitating greater access to EU financial instruments. Montenegro is well positioned to benefit from similar dynamics as its regulatory convergence continues and accession becomes increasingly tangible.³⁴

The accession process is also accelerating public investment and institutional modernisation. Alignment with the EU legal and regulatory framework requires substantial investment in transport connectivity, environmental infrastructure, energy systems, digital public administration and border management, while reforms continue across the judiciary, financial supervision, competition policy and customs administration. Many of these reforms are supported through the EU Growth Plan for the Western Balkans and the Reform and Growth Facility, which links EU financial assistance directly to the implementation of structural reforms and improvements in the investment climate.³⁵



2.7. Investment Implementation and Due-Diligence Considerations

Investment implementation in Montenegro may require coordination across central and municipal authorities, particularly in relation to spatial planning, land-title verification, environmental assessment, cultural-heritage protection, utility connections and construction permitting. Investors should conduct independent legal, technical, tax and environmental due diligence before relying on a project location or incentive. The inclusion of a location or project in this publication does not constitute confirmation of title, planning readiness, permitting status, commercial feasibility or availability for award.



Ostrog Monastery, Danilovgrad



3

FOREIGN DIRECT INVESTMENT

3.1. Global FDI Context

Global FDI flows rose 6% in 2025 to USD 1.62 trillion, up from USD 1.53 trillion in 2024 — though the report stresses that this growth masks underlying fragility and remains uneven across regions and sectors. FDI flows to developed economies rose 11% to USD 723 billion, while flows to developing economies edged up 2% to USD 901 billion. Within Europe, the picture was uneven: inflows to the European Union moderated to USD 164 billion. The Western Balkans, by contrast, continued to attract FDI inflows equivalent to more than 6% of GDP on average – roughly four times the EU average relative to the size of their economies – supported by EU accession prospects,

nearshoring trends and tourism- and real estate-led investment, with Montenegro recording the highest FDI intensity in the region.

The composition of global FDI continued to shift toward high-value, knowledge-intensive sectors, while premium real estate and luxury hospitality projects remained attractive to private capital from the Gulf Cooperation Council and other high-net-worth markets. For small economies such as Montenegro, with an established hospitality and real estate investment base, this recomposition sustains the relevance of the tourism-led investment model.

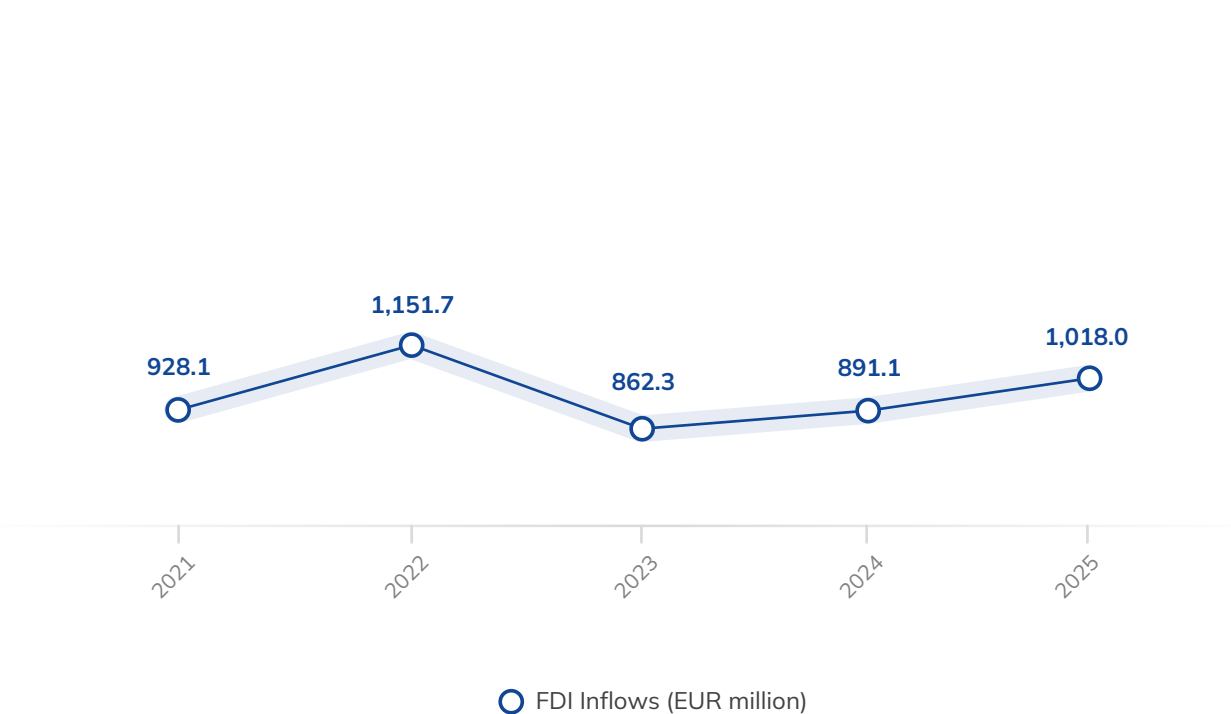


Sveti Stefan, Budva Municipality

3.2 FDI Flows and Stock in Montenegro

Montenegro has attracted FDI inflows well in excess of its economic size in recent years. Between 2021 and 2025, cumulative FDI inflows reached EUR 4.85 billion.³⁸ Annual inflows exceeded EUR 1 billion in

2022 (EUR 1.15 billion) and again in 2025 (EUR 1.02 billion), with the intervening years maintaining flows in the EUR 860–895 million range.

Figure 3.1 FDI Inflows to Montenegro, 2021–2025

Source: Montenegrin Investment Agency, unpublished administrative data supplied to UN Tourism, May 2026;

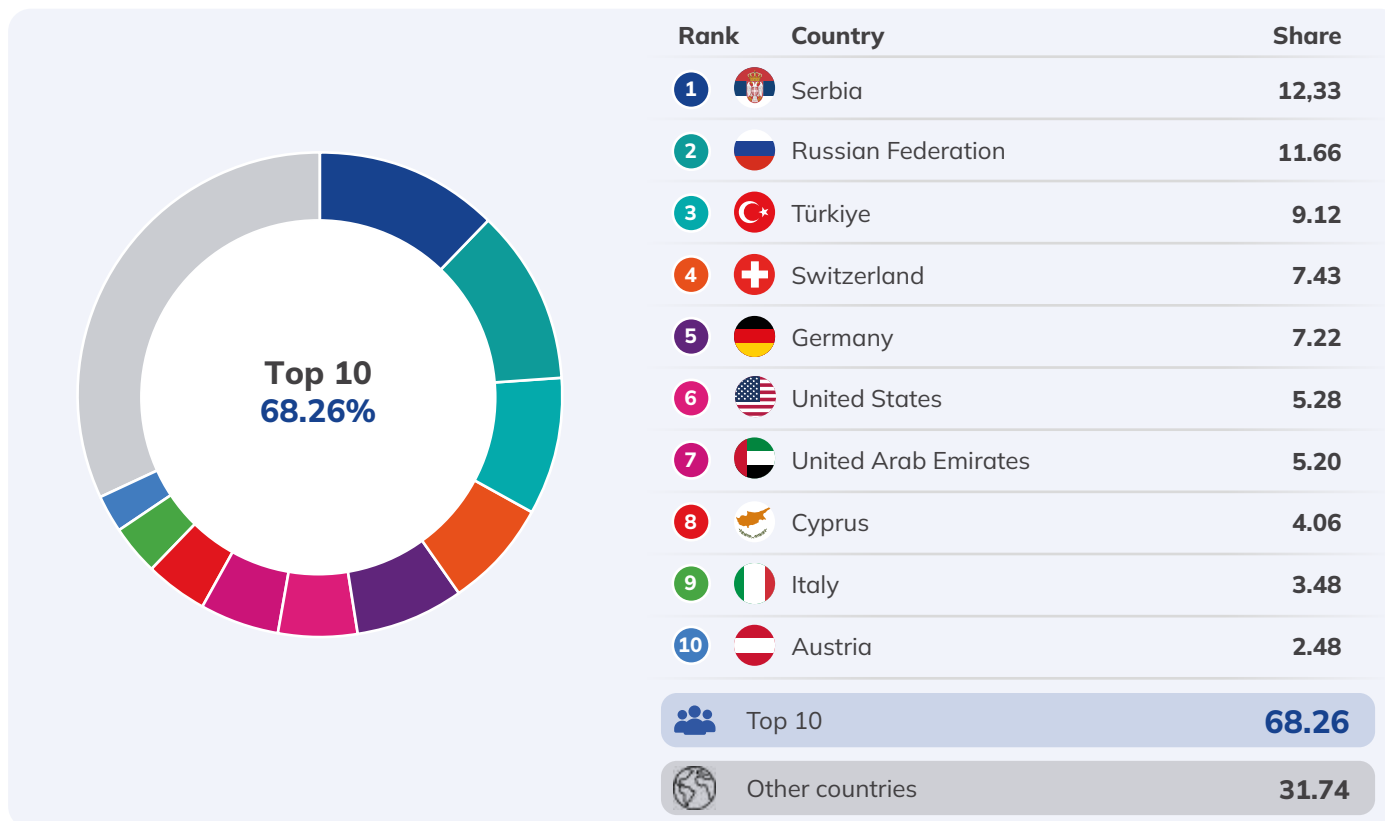
The FDI inward stock climbed to USD 8.2 billion at end-2025 (approximately EUR 7.0 billion) – a marked increase from USD 6.56 billion a year earlier and USD 4.23 billion in 2010 – reflecting sustained investor confidence over more than a decade.³⁹

The sectoral composition of FDI has become more concentrated in recent years: the share of gross FDI directed to real estate rose to 51% in 2024, reflecting continued strong demand for Adriatic coastal property and luxury resort developments.⁴⁰

3.3 Origin and Sectoral Composition

The investor base is geographically diverse: over the 2021–2025 period, investors from more than 60 countries committed capital to Montenegro, with the top ten source markets accounting for 68.3% of cumulative flows.⁴¹

Figure 3.2 Top 10 Source Countries of FDI, 2021–2025 (cumulative share)



Note: Source country reflects the immediate investor as registered by the Montenegrin Investment Agency, not the ultimate beneficial owner. Part of the recorded inflow may be intermediated through holding structures in third jurisdictions, and the series does not identify ultimate beneficial ownership.

Source: Montenegrin Investment Agency, unpublished administrative data supplied to UN Tourism, May 2026.

The geographic breadth of the investor base reflects Montenegro's multi-market positioning as both a European lifestyle destination and a gateway for global capital seeking Adriatic real estate exposure. Institutional support for tourism investors is provided by the National Tourism Organisation, the MIA, the Ministry of Economic Development, the Montenegrin Chamber of Commerce, and international finance institutions active in the country, including the EBRD and the World Bank Group.

Investment facilitation capacity is being reinforced through the Accelerating Investment in Montenegro (AIM) project, implemented by the MIA. The project was launched with the signing of the Grant Agreement for Accelerating Investment in Montenegro between the EU Delegation to Montenegro and MIA. Its technical assistance component is covered by the Service Contract "Accelerating Investment in Montenegro – Technical Assistance" (reference MIA/IPAIII/2025/TA), awarded in September 2025 with an implementation period of 18 months. The total project value amounts

to EUR 1.8 million and is financed by an EU grant of EUR 1 million with a national contribution for the rest, through the Innovation Fund. The AIM project is conceived as a longer-term initiative to strengthen Montenegro's investment facilitation and investment climate. Its focus areas include: **Targeted investment promotion** – enhancing MIA's institutional capacity; **SME linkages** – fostering stronger connections between foreign investors and Montenegrin small and medium-sized enterprises, and **Investment climate reforms** – supporting policy improvements and sustainable investment partnerships.

Within this framework, the **AIM Investment Conference 2025 at LušticaBay** was organized as a flagship activity. The conference provided a high-level platform to present Montenegro's investment opportunities, connect investors with public institutions, and facilitate concrete partnerships. Conference gathered over 300 participants from 20 countries; the Government reported that projects worth over EUR 3 billion in energy and infrastructure were underway.⁴²



Besac Fortress, Bar Municipality



Miločer Beach, Budva Municipality



4

TOURISM PANORAMA

Tourism is one of Montenegro's principal economic assets and a key driver of sustainable growth, investment and regional development. Record visitor volumes, a high-value tourism positioning and a robust pipeline of infrastructure and hospitality projects are strengthening the country's competitiveness as a Mediterranean destination. Supported by a clear government strategy focused on quality, diversification and year-round tourism, Montenegro presents a resilient and increasingly attractive investment landscape for international tourism investors.



Kosmac Fortress, Budva Municipality

4.1 Sector Contribution to the Economy

Tourism is one of Montenegro's most important economic sectors and it's leading source of services-export revenue.

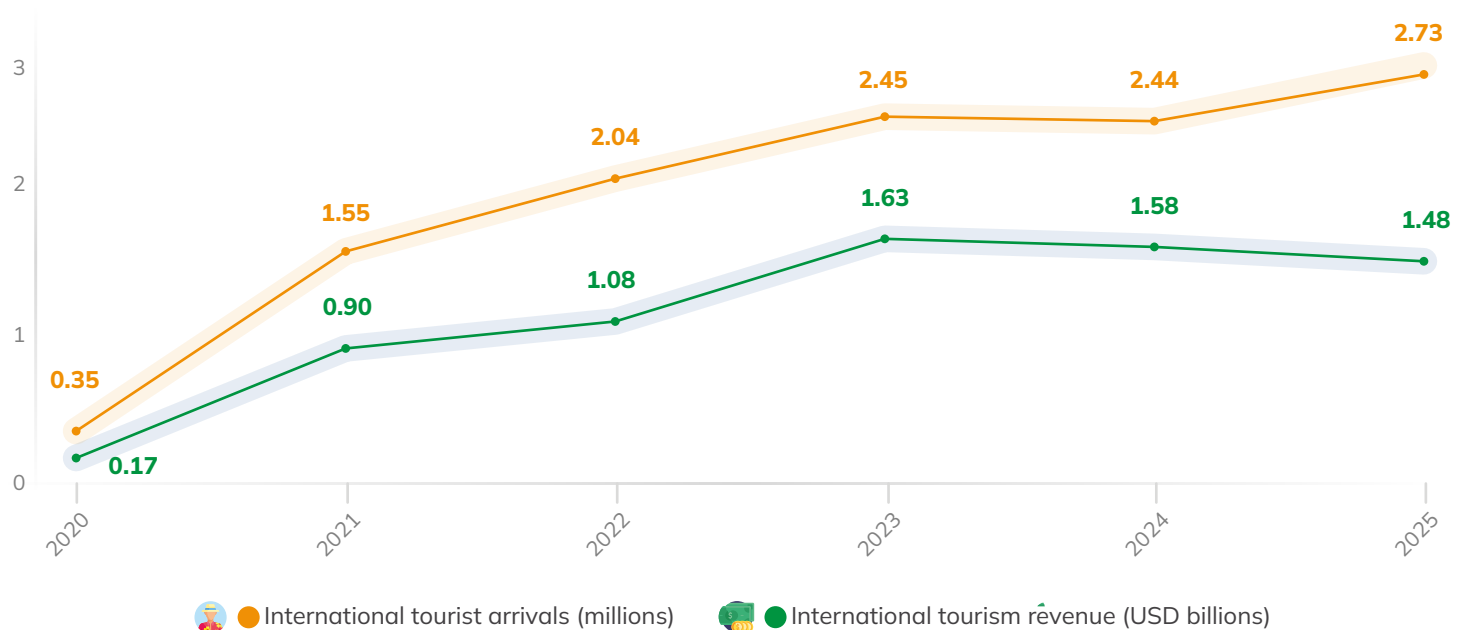
Tourism accounted for approximately 45% of Montenegro's total exports and 56% of total commercial services exports in 2024, confirming tourism as the dominant foreign-exchange earner.⁴³

Montenegro's ratio of employment in accommodation and food services to total employment is the highest in the Central and Eastern European and Western Balkans comparator group.⁴⁴

4.2 International Arrivals, Overnight Stays and Receipts

Montenegro's international tourism statistics reflect a robust recovery and continued structural strengthening of the destination's global appeal. After a near-total interruption in 2020 (351 thousand international arrivals), the sector rebounded sharply and set a new historical record in 2025.

Figure 4.1 International Tourism Statistics, Montenegro, 2020–2025



Source: UN Tourism (2026). World Tourism Barometer, Vol. 24, No. 2, May 2026. Madrid: UN Tourism. Available at: <https://doi.org/10.18111/wtobarometereng> (Accessed: 20 July 2026). MONSTAT (2026). Arrivals and Overnights of Tourists, Total 2025. Podgorica: MONSTAT. Available at: <https://www.monstat.org/uploads/files/TURIZAM/ukupno/2025k/Arrivals%20and%20overnights%20of%20tourists%20total%202025.pdf> (Accessed: 19 August 2026)

International tourists represented over 90% of total visitor arrivals in 2025, up from approximately 79% in 2020. Domestic tourism, while a smaller segment (176,063 domestic tourists in 2025, the highest on record), has also shown consistent growth.



4.3 Source Markets and Seasonality

Montenegro draws its visitors from a geographically diversified set of source markets spanning the immediate region, Western Europe, and long-haul segments. Serbia remains the leading source market by a substantial margin, followed by Russia and Bosnia and Herzegovina. Western European markets – Germany, the United Kingdom and France – together account for a growing share of arrivals, while Israel and Poland consolidate within the top ten.⁴⁶

Ski center Kolasin 1600, Kolasin Municipality

Figure 4.2 Top 10 Source Markets by International Arrivals, 2024–2025



Source: Statistical Office of Montenegro (MONSTAT), 2026.



Museum of King Nikola I Petrović, Royal Capital Cetinje

Regional and Western European markets play different roles in the investment case. Regional markets provide the volume base, while Western European and long-haul markets – Germany, the United Kingdom, France, Israel and Poland – account for the growth recorded between 2024 and 2025. Their relative contribution to revenue cannot be established from arrivals data alone, which capture neither length of stay nor spend per visitor.

Seasonality remains the defining structural feature of Montenegrin tourism: July and August together account for approximately 41% of annual arrivals and 47% of overnight stays. Encouragingly, the shoulder months are strengthening – September arrivals grew 13.3% and October arrivals 10.5% in 2025 – consistent with the Government's season-extension strategy. The development of year-round mountain tourism (Chapter 6) and MICE, wellness and nautical segments is designed to address this concentration directly. Mountain resorts generate a second, winter demand peak and support four-season operations in the north; MICE demand is concentrated precisely in the spring and autumn shoulder months; and wellness and nautical products extend coastal activity well beyond the bathing season. A flatter seasonal profile would raise annual occupancy and returns across the accommodation stock, strengthening the investment case for the year-round destinations presented in Chapter 6.

4.4 Accommodation Supply and Hospitality Landscape

Montenegro's categorised accommodation stock comprises 535 hospitality establishments with 18,853 rooms, 4,414 apartments and 52,397 beds. The supply is heavily weighted toward the upper categories: four-star properties account for 47.29% of establishments and 56.27% of beds, while five-star properties account for 8.04% of establishments and 12.13% of beds – a distribution consistent with the country's premium positioning.⁴⁷

Table 4.1 Accommodation Establishments by Category, Montenegro (latest available year)

Share of total beds (%)



Category	 Establishments	 Rooms	 Apartments	 Beds	% of Beds
5 ★	43	2,102	839	6,357	12,13%
4 ★	253	10,567	2,624	29,489	56,27%
3 ★	177	4,049	713	10,760	20,53%
2 ★	54	1,992	237	5,400	10,30%
1 ★	8	143	1	391	0,74%
Total	535	18,853	4,414	52,397	99,98%

Source: Preliminary data of the Ministry of Tourism of Montenegro for the establishments under its responsibility (May, 2026).

Figure 4.3 Accommodation Supply by Region



Share of
establishments (%)

Northern region (11 municipalities)

11.77%



63
Establishments



1,093
Rooms



301
Apartments



3,118
Beds

Central region (4 municipalities)

11.96%



64
Establishments



1,641
Rooms



260
Apartments



3,959
Beds

Southern (Coastal) Region (6 municipalities)

76.26%



408
Establishments



16,119
Rooms



3,853
Apartments



45,320
Beds

Montenegro (Total)



535
Establishments



18,853
Rooms



4,414
Apartments



52,397
Beds

Source: Preliminary data of the Ministry of Tourism of Montenegro for the establishments under its responsibility (May, 2026).

The regional distribution quantifies the investment thesis at the heart of this guide: the southern coastal region holds 76.26% of establishments and 86.49% of beds, while the northern region – home to four national parks and the emerging ski resort cluster – holds a little less than 6% of national bed capacity. The infrastructure programme described in Chapter 6 is explicitly designed to redress this imbalance and open the northern corridor to private hospitality investment. A complementary indicator: of 285 licensed tourist agencies, only 23 operate in the northern region.

Market performance data confirm the premium orientation of the branded segment. The branded hotel stock⁴⁸ comprises 89 properties with 9,880 rooms, with a further 13 properties totalling 2,007 rooms under construction – a development pipeline equivalent to 20.3% of existing branded stock, among the highest ratios of any Adriatic destination. In the twelve months to July 2026 the average daily rate reached USD 288.51 across the reporting sample and USD 459 in the luxury and upper-upscale tier, among the highest in the Mediterranean; RevPAR stood at USD 152.51, with occupancy averaging 52.9% across the sample and 81.1% in the peak month of July 2026.⁴⁹



Kite surfing at Long Beach, Ulcinj Municipality

Table 4.2 International Hospitality Brands Present in Montenegro (2026)

BRAND/OPERATOR	PROPERTY	LOCATION
Aman	Aman Sveti Stefan	Budva
One&Only	One & Only Portonovi	Herceg Novi
SIRO	SIRO Boka Place	Tivat
Banyan Tree	Mamula Island by Banyan Tree	Herceg Novi
Angsana	Centrale LusticaBay by Angsana	Tivat
The Chedi	The Chedi LušticaBay	Tivat
Regent Hotels & Resorts	Regent Porto Montenegro	Tivat
Mövenpick	Movenpick Hotel & Residences Teuta Kotor Bay	Kotor
Swissôtel	Swissotel Resort Kolašin	Kolašin
Hyatt	Hyatt Regency Kotor Bay Resort	Kotor
Crowne Plaza	Crowne Plaza Podgorica	Podgorica
Hilton	Hilton Podgorica	Podgorica
Iberostar	Iberostar Waves Slavija; Iberostar Waves Bellevue; Ibersotar Waves Herceg Novi	Budva; Herceg Novi

Source: Ministry of Tourism of Montenegro (2026).

The construction pipeline includes additional internationally branded properties – among them Melia, InterContinental, Radisson Blu, Pullman, Swissôtel, Crowne Plaza, Hyatt Centric, JANU and Mövenpick – concentrated in the Budva–Tivat coastal corridor and the Kolašin mountain cluster.⁵⁰



Village Orahovac, Kotor Municipality

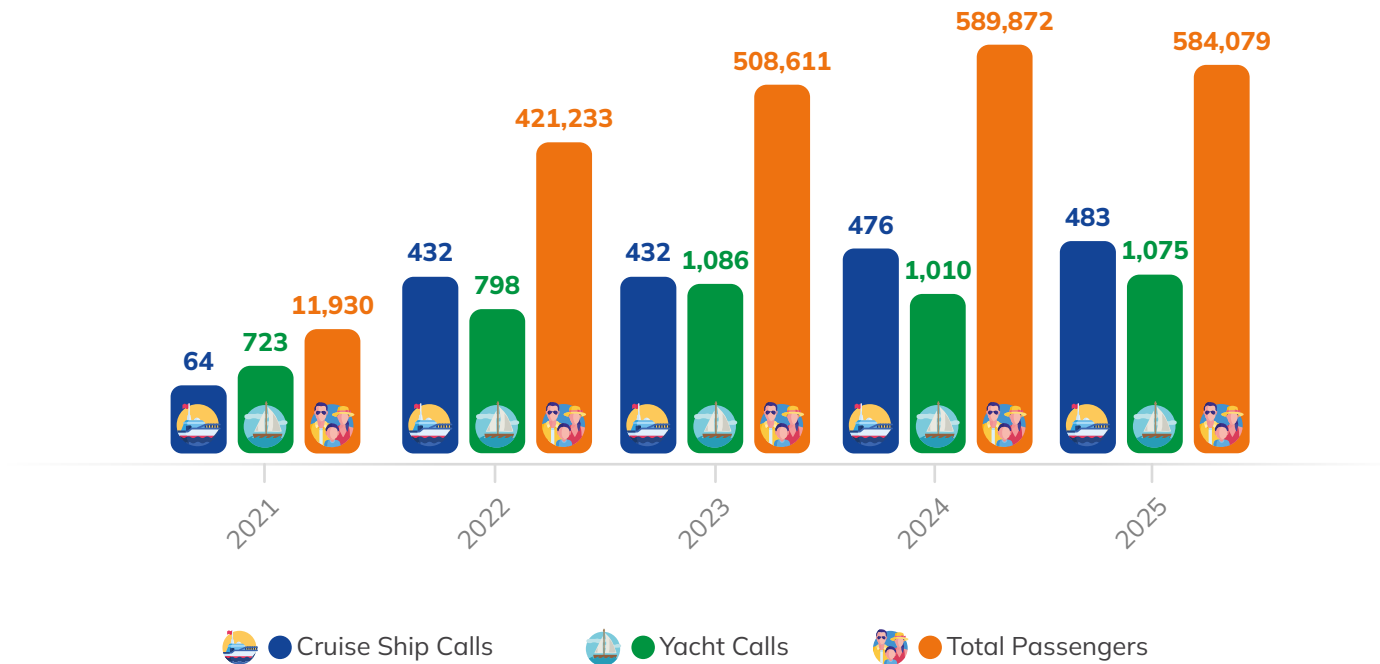
4.5 Nautical and Cruise Tourism

Montenegro has established itself as a leading nautical destination on the Adriatic. Six full-service marinas provide approximately 2,026 berths: Porto Montenegro in Tivat (515 berths, accommodating yachts up to 250 metres – among the largest superyacht capacities in the Mediterranean), Portonovi Marina in Herceg Novi (238 berths, vessels up to 140 metres), Lazure Marina in Herceg Novi (156 berths), Port of Budva (630 berths), Kalimanj Port Tivat (372 berths) and Luštica Bay Marina (115 berths).⁵¹ There is also Škver Port in Herceg Novi, with 32 berths, and these are used by the Port Management Agency of Škver Port and by entities registered for parts of the port - Shipping Company “Jugole Grakalić” and Water Polo Swimming Club “Jadran”).

Cruise tourism is anchored by the Port of Kotor, a UNESCO World Heritage bay destination with two cruise berths and three anchorages and Port of Adria, the first nautical centre in Montenegro. Cruise activity has recovered to near the post-pandemic peak: the Port of Kotor recorded 541 port calls in 2025 (from 64 in 2021), with cruise and yacht passengers totalling 584,079 in 2025. The Port of Adria in Bar complements this capacity with a passenger terminal capable of accommodating cruise ships over 300 metres; its passenger volumes reached 72,837 in 2025, nearly quintupling since 2022., while almost 200,000 cruise ship passengers are expected to arrive in 2026. The American luxury cruise ship "Celebrity Ascent" from the Royal Caribbean Group sailed into the port of Bar on June 10, 2026.⁵²



Scuba diving, Budva Municipality

Figure 4.4 Cruise and Nautical Traffic, Port of Kotor, 2021–2025

Source: Unpublished administrative data supplied by the Ministry of Maritime Affairs of Montenegro to UN Tourism, May–June 2026, comprising Port of Kotor traffic statistics.

Maritime connectivity is expanding: the international seasonal routes Budva–Dubrovnik (six times per week in July–August) and Kotor–Dubrovnik (three times per week) will operate from June to September 2026, and regional initiatives are under way to link air and maritime transport across the South Adriatic.⁵³

4.6 Strategic Plans and Government Priorities

The Tourism Development Strategy of Montenegro 2022–2025, adopted by the Government in March 2022, provided the strategic framework for the recovery period. Its central orientation emphasised quality over quantity – upgrading the tourism offer and promoting authentic experiences rather than maximising visitor numbers – alongside sustainability, heritage conservation and the active involvement of local communities.⁵⁴

With the 2022–2025 strategy cycle having expired, the Government has initiated the development of a new ten-year Tourism Development Strategy 2027–2036. The external evaluation report on the 2022–2025 strategy confirms the continued relevance of all defined areas and objectives, and recommends deeper involvement of local governments, stronger institutional capacities and greater integration of protected-area managers.⁵⁵

The strategic direction for the new cycle prioritises: seasonal extension beyond the June–September coastal peak; development of mountain and inland tourism (adventure, eco-tourism, rural tourism, winter sports); MICE tourism; wellness and health tourism; and nautical

tourism. Regional diversification – channelling investment toward the northern region – is a cross-cutting objective, supported by annual incentive programmes funding local events, rural households, innovative tourism projects, digitalisation and small tourism operators.⁵⁶

Montenegro's eco- and adventure-tourism assets provide the product base for this diversification. The five national parks (Durmitor, Biogradska Gora, Lovćen, Skadar Lake and Prokletije) and five nature parks (Piva, Komovi, Orjen, Dragišnica & Komarnica, and Zeta River) support a portfolio spanning rafting on the Tara River – Europe's deepest canyon – multi-day trekking, birdwatching on Skadar Lake (the largest bird sanctuary in Europe), canyoning, via ferrata and paragliding. In total, 13.35% of the land territory and 1.79% of the marine area are protected, across 78 protected areas.⁵⁷



Hiking



Biograd lake, National Park Biogradska gora, Municipality Kolašin

5

COMPETITIVENESS OUTLOOK

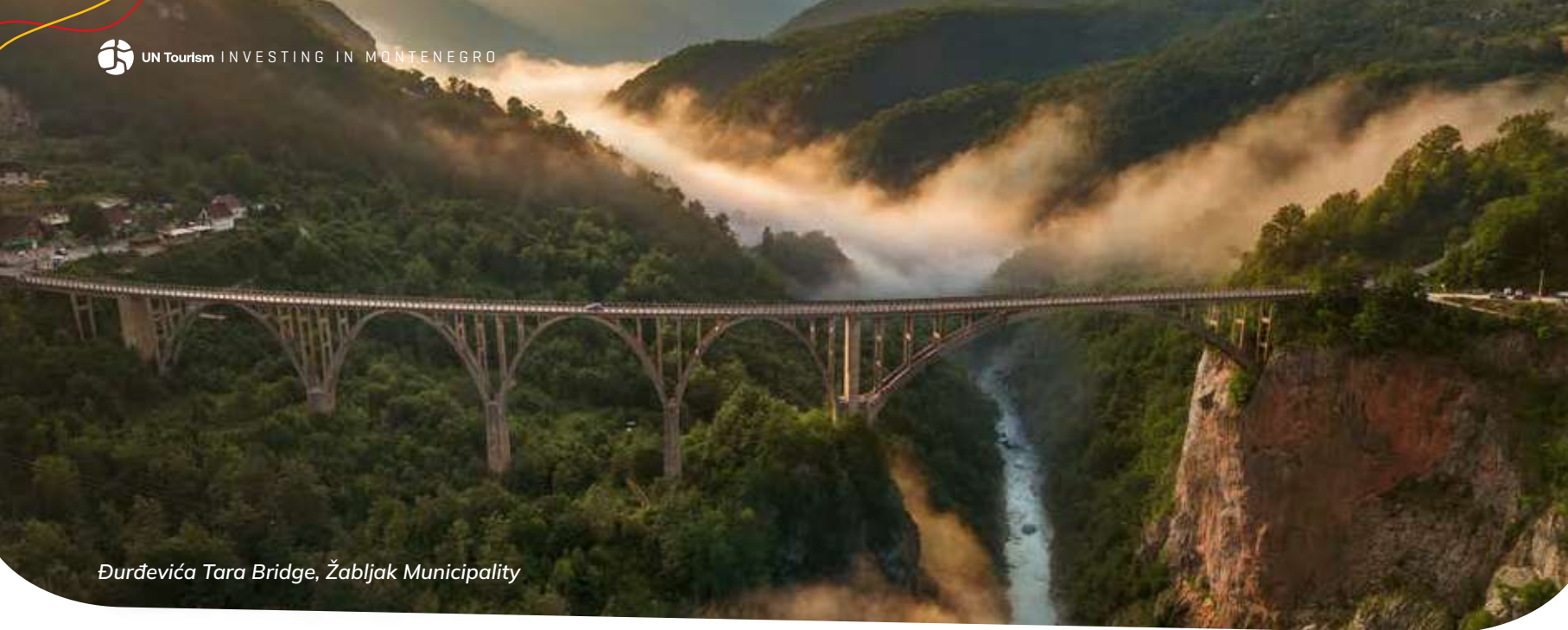
5.1 Innovation and Technology Readiness

Montenegro ranked 64th among 139 economies in WIPO's Global Innovation Index 2025, placing it 14th among 36 upper-middle-income economies.⁵⁸ The ITU ICT Development Index 2025 recorded Montenegro at a score of 89.7 (Universal Connectivity: 84.2; Meaningful Connectivity: 95.2), reflecting a high level of digital infrastructure coverage that supports digital tourism services, online distribution and smart destination management.⁵⁹

The Smart Specialisation Strategy 2026–2031 identifies innovative, regenerative and sustainable tourism as a priority innovation domain, providing the policy basis for Innovation Fund support to technology

adoption in the sector. Five dedicated university faculties, including the Faculty of Tourism and Hospitality in Kotor, supply a steady pipeline of trained talent to the sector.⁶⁰

The MSME base – the backbone of the tourism value chain – has expanded markedly: the number of micro, small and medium-sized enterprises reached 51,386 in 2025, an increase of 51% relative to 2021, employing over 160,000 persons. The Programme for Improving the Competitiveness of the Economy for 2026, with a budget of EUR 3.5 million, provides co-financing for production modernisation and digital transformation.⁶¹



Đurđevića Tara Bridge, Žabljak Municipality

5.2 Transport Connectivity and Infrastructure

Air connectivity.

Montenegro is served by two international airports, Podgorica and Tivat, which together handled a record 3.1 million passengers in 2025 and connect Montenegro to approximately 130 destinations. Airports of Montenegro reported 2025 aviation revenues of EUR 35.9 million and EBITDA of EUR 17.7 million, underlining the operational strength of the country's air gateway infrastructure; a concession procedure for the airports has been submitted to Parliament.⁶² In 2026, Wizz Air established its 36th European base in Podgorica, stationing two aircraft and launching 14 new routes;

summer seasonal services provide direct access from the principal Western and Northern European source markets. Montenegrin airports operate an incentive scheme granting discounts on handling and landing fees to carriers opening new routes, and new legislation introduces public service obligations in air transport to safeguard year-round connectivity.⁶³



Road infrastructure.



The state road network comprises a 40-kilometre motorway – the first section of the Bar–Boljaře corridor, connecting Podgorica with Kolašin in under one hour – and 1,967 kilometres of main and regional roads. The motorway has transformed access between the coast, the capital and the northern mountain zone, directly supporting the mountain tourism investment programme described in Chapter 6.⁶⁴

Rail Infrastructure.



The 250-kilometre railway network, 90% electrified, is anchored by the Bar–Belgrade line – a corridor of established touristic appeal that includes the highest railway viaduct in Europe. The network carried 756,171 passengers in 2025. A major modernisation cycle is underway: the reconstruction of the Bar–Golubovci section (approximately EUR 220 million) and the rehabilitation of bridges, tunnels and track on the Lutovo–Bratonožići–Bioče section (EUR 80 million) are in implementation, supported by EUR 152.6 million in EU grants through the Western Balkans Investment Framework, alongside an EBRD-financed procurement of new electric trains (EUR 30 million).⁶⁵

Energy infrastructure.



Montenegro's National Energy and Climate Plan frames an accelerated energy transition relevant to tourism investors seeking green-certified operations. The Gvozd wind farm (54.6 MW) was commissioned as significant new renewable capacity; auctions are in preparation for 250 MW of solar and 200 MW of wind; a joint venture between the national utility EPCG and Masdar has been established for renewable projects; and a second submarine electricity interconnection with Italy is planned for completion by 2031.⁶⁶



Kotor Old Town, Kotor Municipality

5.3 Structural Competitiveness Indicators

Destination recognition. Montenegro has been recognised by the European Travel Commission as the highest-rated destination in Europe – an endorsement of the perceived quality and authenticity of the tourism offer across source markets.⁶⁷

FDI per capita. Cumulative FDI of EUR 4.85 billion over 2021–2025 against a population of approximately 623,600 equates to approximately EUR 7,800 per capita – substantially exceeding comparator Western Balkan economies.

Premium pricing power. An ADR of USD 288.51 across the reporting sample and a luxury and upper-upscale ADR of USD 459 position Montenegro alongside leading Mediterranean premium destinations, while a branded-room pipeline equivalent to 20% of existing stock confirms sustained investor conviction in the destination's trajectory.⁶⁸



Perast, Kotor Municipality



Pavlova strana viewpoint, Crnojević River, Royal Capital Cetinje

6

INVESTMENT OPPORTUNITIES PORTFOLIO

Montenegro's investment portfolio in tourism encompasses three complementary categories: a set of flagship private investments that have already demonstrated the country's capacity to attract and retain major international capital; a programme of state-funded infra-

structure projects creating the conditions for the next wave of private hospitality development; and a portfolio of municipal and capital investment locations – publicly-owned land offered to private investors under a range of legal regimes.

6.1 Proven Investment Track Record

Montenegro's capacity to attract and retain major international capital is best evidenced by the flagship developments already operating on its coast and in its mountains. Established under long-term lease or purchase agreements with the Government, these projects have converted former military and industrial sites into internationally branded destinations, and together they demonstrate the full range of modalities – coastal resort, superyacht marina, mountain cluster and hotel reconstruction – available to incoming investors. Their combined record of realised investment, sustained employment and global brand attraction is the principal evidence base for the country's investment proposition.⁶⁹

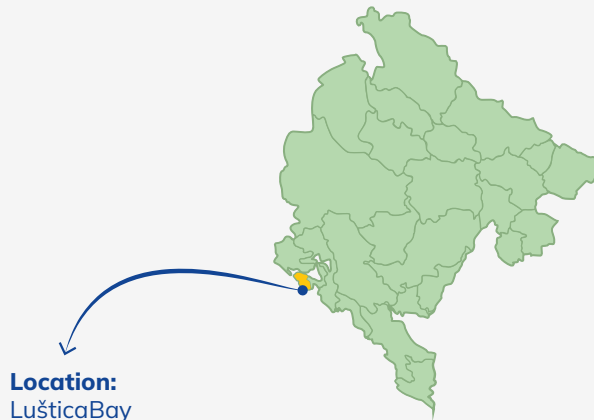


Hiking, National Park Durmitor

6.1.1 LušticaBay – A New Coastal Town from Greenfield

LušticaBay is the most ambitious tourism development on the Montenegrin coast: an entirely new mixed-use resort town rising from a greenfield site on the Luštica Peninsula, in Tivat Municipality. Developed by Luštica Development AD Podgorica under a lease and construction agreement concluded with the Government and the Municipality of Tivat in 2009 (in force since December 2013), the project weaves together hotels, branded residences, a 115-berth marina, and retail and leisure amenities across a single master-planned estate.

Its success is measured not in announcements but in capital committed and brands secured. By December 2025 realised investment had reached EUR 712.1 million, and the resort sustained 577 jobs. The presence of The Chedi LušticaBay and Centrale LušticaBay by Angsana confirms the destination's premium positioning, while the phased build-out continues to draw residential buyers and hospitality operators. LušticaBay illustrates how a long-term lease can underwrite a development programme spanning several decades.



6.1.2 Porto Montenegro – From Naval Yard to Superyacht Capital

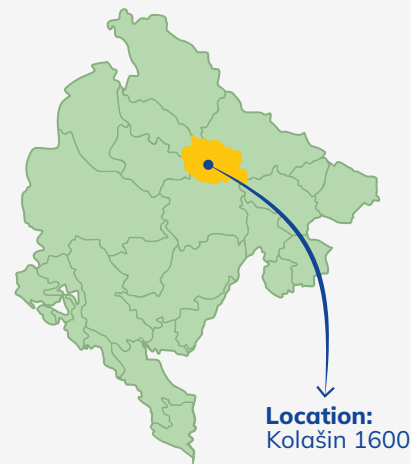
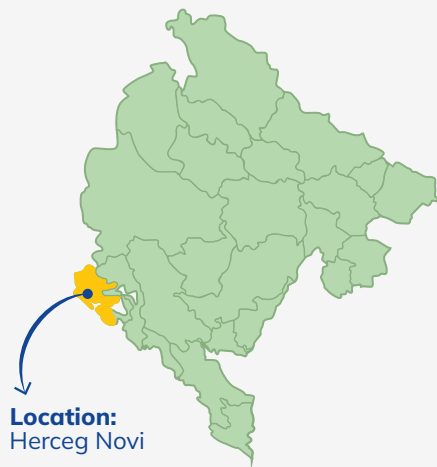
Porto Montenegro is the project that redefined Montenegro's place on the international tourism map. Developed on the site of the former Naval Technical Repair Institute in Tivat, it transformed a decommissioned military shipyard into one of the Mediterranean's foremost superyacht marinas, with 515 berths in operation and up to 850 envisaged at completion, complemented by the five-star Regent Porto Montenegro hotel, seven residential buildings and the Nautical Heritage Museum. The original agreement, signed in 2006 and structured as a property purchase combined with a 90-year coastal land lease, was followed in 2016 by the acquisition of the complex by the Investment Corporation of Dubai (ICD).

The scale of its success is exceptional: cumulative investment reached EUR 1.033 billion by December 2025, making it the single largest tourism investment in the country, and the complex employed 332 people. By attracting an institutional investor of ICD's standing and anchoring an entirely new luxury-nautical market segment, Porto Montenegro established the template – brownfield conversion of state assets into globally branded destinations – that later projects would follow.

6.1.3 Portonovi – Integrated Luxury Resort at the Entrance to the Bay of Kotor

Portonovi occupies a commanding position at the entrance to the Bay of Kotor, in Kumbor, Herceg Novi. Developed by Azmont Investments on the site of former military barracks under a long-term lease with the Government, the complex combines the One&Only Portonovi resort – the brand's first European property – with branded residences, a 238-berth superyacht marina able to accommodate vessels up to 140 metres, and an extensive spa and wellness offer.

With reported investment in excess of EUR 835 million and a workforce ranging from 350 in the low season to some 800 at peak, Portonovi demonstrated that Montenegro could attract not only marquee international hospitality brands but also the patient, sovereign-linked capital required to deliver them. Its arrival extended the country's luxury coastline westward and reinforced the Bay of Kotor's standing as a destination for the highest tier of international traveller.



6.1.4 Kolašin 1600 – Anchoring the Mountain Cluster

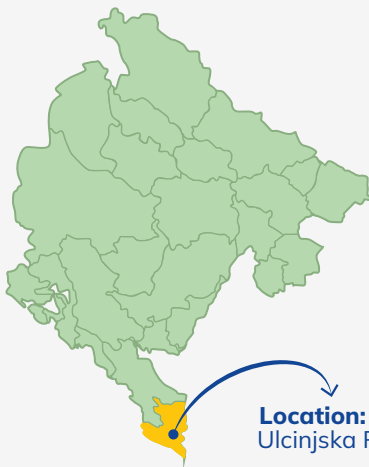
Kolašin 1600, in the northern municipality of Kolašin, is the clearest evidence that Montenegro's investment success is no longer confined to the coast. Under a long-term land lease approved by Parliament in 2018, a consortium led by Gener 2 sh.p.k. is developing the base settlement of the Kolašin 1600 mountain centre, complementing the adjacent state ski infrastructure. With a private investment component of approximately EUR 30 million and some 70 employees, the project has helped catalyse the country's flagship mountain-resort cluster.

Its wider significance lies in the momentum it has generated: the Swissôtel Resort Kolašin is already operational, and further internationally branded properties, including Pullman and Crowne Plaza, are in the pipeline. Kolašin 1600 shows how a single anchor investment, paired with public ski infrastructure, can seed an entire alpine destination and begin to redress the historic concentration of tourism on the southern coast.

6.1.5 Ulcinjska Rivijera (Karisma Hotels) – Reviving a Coastal Landmark

On the southern Adriatic coast, in Ulcinj, the Ulcinjska Rivijera project demonstrates the brownfield-reconstruction modality. Under a lease agreement concluded with the Government in 2017, a Karisma Hotels consortium is reconstructing and operating the HTP Ulcinjska Rivijera AD hotel complex, with a planned upgrade to 600 rooms of minimum four-star category and supporting leisure facilities.

Total contracted investment stands at EUR 31.83 million across three phases – the third scheduled for 2026–2027 – with EUR 28 million realised and 82 people employed by December 2025. While more modest in scale than the Bay of Kotor developments, the project is a valuable proof of concept for the revitalisation of ageing state-owned hotel assets through international management, a model with direct relevance to several of the opportunities presented later in this chapter.



Location:
Ulcinj
Ulcinj



Old Town Bar, Bar Municipality

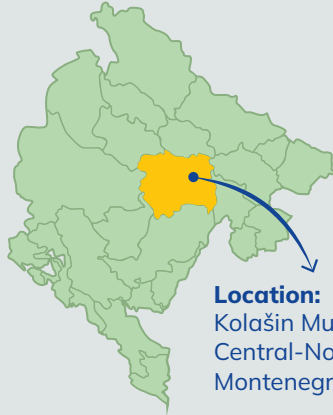
6.2 Public Infrastructure Projects in Mountain Tourism

The Government has committed substantial public capital to ski and alpine tourism infrastructure in the northern region, where natural conditions favour year-round mountain tourism but private hospitality investment has historically been constrained by the absence of anchor infrastructure. Two state-owned ski resorts are operational (Kolašin 1600 and Savin Kuk) and three are under construction (Žarski, Cmiljača and Hajla), complemented by the Đalovića Cave valorisation project. Each represents a potential anchor for private hotel, chalet, wellness or adventure-tourism investment, with accessibility transformed by the Bar-Boljare motorway.⁷⁰



6.2.1

Ski Resort Kolašin 1600, Kolašin



Location:
Kolašin Municipality,
Central-Northern
Montenegro

Infrastructure:

Cable cars K8 and K7; approx. 19.5 km of slopes; base station; access road; transformer stations. Operational since end-2019.

Private Opportunity:

Adjacent hospitality and residential development; F&B and après-ski services; summer adventure tourism



Project Type: Phased expansion of an operational state-owned ski resort



Total Budget / Invested:

EUR 56,000,000 total; approx.
EUR 36,000,000 invested

- Investment value from the budget explanation: €56,000,000.00
- Contracted value: €37,530,995.43
- Amount spent to date: €36,292,702.65
- Value of completed works: €36,292,702.65
- Value of remaining contracted works: €1,238,292.78

Altitude: 1600 m a.s.l.

Snow reliability: Ski resort “Kolašin 1600” benefits from an excellent natural setting for winter sports, with slopes reaching the altitude of up to 2,035 m, ensuring consistently good conditions throughout the season.

Snow-making capacity: Ski Resort “Kolašin 1600” is continuously investing in snowmaking infrastructure. Steps are being taken to secure new water sources, as well the snowmaking infrastructure.

Water availability: The Bjelasica mountain, where Ski resort “Kolašin 1600” is located is generally water rich area. Additional infrastructure steps are currently underway to harness these resources for snowmaking (public procedures for the construction of reservoirs for artificial snowmaking, as well as identifying alternative water supply sources from existing water resources).

Climate scenario: Given that global climate trends are increasingly affecting mountain tourism and ski resorts worldwide, influencing the reliability of natural snow cover, a range of adaptation measures is being undertaken to ensure the long-term sustainability of the winter season. These measures primarily focus on reducing dependence on natural precipitation through artificial snowmaking, as well as diversifying the resort's offer and activities to appeal to visitors throughout the year

Four-season diversification: Kolašin 1600 evolved into a vibrant four-season mountain destination. Alongside its winter slopes, visitors can enjoy panoramic cable car rides, mountain biking, hiking, jeep safaris, ATV tours, and family-friendly activities, complemented by a vibrant summer events calendar featuring live music, culinary experiences, and outdoor entertainment for all ages.

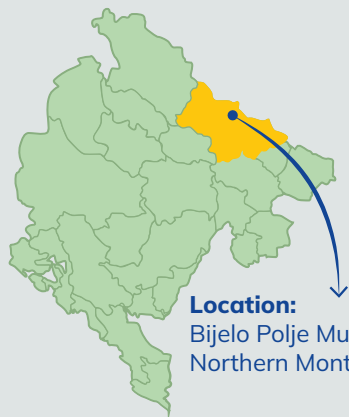


Contact: Ministry of Public Works of Montenegro



6.2.2

Ski Resort Cmiljača, Bijelo Polje



Location:
Bijelo Polje Municipality,
Northern Montenegro

Infrastructure:

Access road (5.5 km); 35/10 kV transformer station; cable car and slopes awaiting power connection; transmission line expected mid-2026

Private Opportunity:

First-mover greenfield hospitality adjacent to the resort; eco-lodge or boutique mountain hotel concepts



Project Type: Greenfield state ski resort (under construction)



Total Budget / Invested:

EUR 60,000,000 total; approx. EUR 18,000,000 invested

- Investment value from the budget explanation: €60,000,000.00
- Contracted value: €22,382,354.83
- Amount spent to date: €18,552,988.83
- Value of completed works: €18,552,988.83
- Value of remaining contracted works: €3,829,366.00

Altitude: 1620 m a.s.l.

Snow reliability: Cmiljača benefits from a naturally favourable altitude and climate for winter sports. Once complete, the resort will be interconnected with the neighbouring Žarski ski centre, extending the skiable terrain across a wide elevation range and reinforcing the area's overall snow dependability.

Snow-making capacity: Snowmaking capabilities are expected to be planned alongside the completion of the resort's infrastructure.

Water availability: There is a favorable natural predisposition for future water-dependent infrastructure, including potential snowmaking systems, once formally developed.

Climate scenario: Cmiljača's location within the Bjelasica massif, offers a solid natural foundation for long-term winter sustainability.

Four-season diversification: Once completed, Cmiljača is expected to contribute to establishing northern Montenegro as a recognised destination for both winter and summer mountain tourism, offering visitors a broader range of year-round outdoor experiences beyond skiing alone

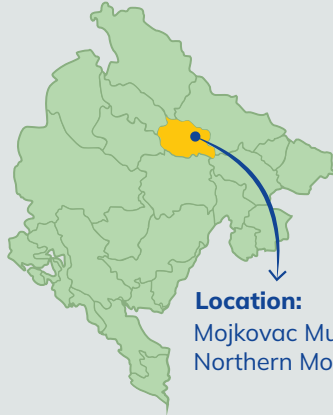


Contact: Ministry of Public Works of Montenegro



6.2.3

Ski Resort Žarski, Mojkovac



Location:
Mojkovac Municipality,
Northern Montenegro

Infrastructure:

Partial road infrastructure; base station and parking ongoing; slopes and cable car pending resolution of property-legal matters

Private Opportunity:

Adjacent accommodation and services on completion; suited to a longer development horizon



Project Type: Greenfield state ski resort (under construction)



Total Budget / Invested:
EUR 29,500,000 total; approx.
EUR 16,000,000 invested

- Investment value from the budget explanation: €29,500,000.00
- Contracted value: €28,396,547.49
- Amount spent to date: €16,445,878.76
- Value of completed works: €16,445,878.76
- Value of remaining contracted works: €11,950,668.73

Altitude: 1650 – 1720 m a.s.l.

Snow reliability: The Žarski site benefits from an exceptionally advantageous natural terrain configuration, shaped by the mountain itself, making it particularly well suited for ski slope development. Once completed, Žarski will be interconnected with the neighbouring Cmiljača ski centre.

Snow-making capacity: Future snowmaking infrastructure is expected to be considered as part of the broader development plan, alongside the ongoing construction of lifts, slopes, and base station facilities.

Water availability: The Bjelasica massif provides a strong natural foundation for the resort's future infrastructure needs.

Climate scenario: Thanks to its naturally favourable terrain and strong snow-holding characteristics, Žarski enjoys a solid foundation for long-term climate resilience. In line with the wider approach, measures — including the planned introduction of artificial snowmaking — will further reinforce the resort's ability to deliver reliable, high-quality winter conditions.

Four-season diversification: Once completed and linked with Cmiljača, Žarski is expected to help establish northern Montenegro as a recognised destination for both winter and summer mountain tourism, providing visitors with the opportunity to explore the Bjelasica region throughout the year.



6.2.4

Ski Resort Hajla, Rožaje



Infrastructure:

Road with parking; power grid; ski lift; slopes; machinery. Base station and snowmaking reservoir tenders under way.

Private Opportunity:

Culturally integrated boutique hospitality and wellness tourism at Montenegro's eastern gateway



Project Type: Greenfield state ski resort (under construction)



Total Budget / Invested:

EUR 45,000,000 total; approx.
EUR 25,000,000 invested

- Investment value from the budget explanation: €45,000,000.00
- Contracted value: €29,121,547.05
- Amount spent to date: €24,963,801.02
- Value of completed works: €24,963,801.02
- Value of remaining contracted works: €4,157,746.03

Altitude: Altitude range spans from 1730 m a.s.l. to 2,119m a.s.l.

Snow reliability: This future Ski resort benefits from a uniquely favorable geographic positioning and high-altitude terrain that guarantees exceptional snow reliability, even during mild winters.

Snow-making capacity: Although all the necessary natural conditions are already in place, the development plan also includes the construction of a dedicated artificial snowmaking system. This forward-thinking addition will ensure the resort can respond effectively to any variability in weather conditions, guaranteeing consistent, high-quality skiing conditions.

Water availability: The Hajla mountain region benefits from favorable natural water conditions. Snowfall on Hajla is also notably generous. These natural predispositions provide a strong foundation for the future development of water-dependent infrastructure, including planned reservoir and water supply systems to support the resort's long-term operations.

Climate scenario: Ski Resort's plateau consistently retains a reliable microclimate. Local climate studies note that the area maintains a robust natural snow cover. The official skiing window is projected to reliably stretch from December through April.

Four-season diversification: Although Ski Resort "Hajla-Štedim" is still under construction, its master plan has been designed with year-round appeal in mind. Once complete, Ski Resort "Hajla-Štedim" is expected to complement Montenegro's established mountain destinations, offering visitors the opportunity to combine skiing with cultural experiences, traditional cuisine, and the exploration of Montenegro's northern mountain region.



Contact: Ministry of Public Works of Montenegro



6.2.5

Ski Resort Durmitor (Savin Kuk), Žabljak



Location:
Žabljak Municipality,
Durmitor National Park
(UNESCO World
Heritage Site)

Infrastructure:

Beginners' ski polygon completed; road reconstruction and cable-car renewal in procurement

Special condition:

Development subject to UNESCO World Heritage management and applicable conservation frameworks

Private Opportunity:

Premium eco-lodge and sustainable mountain hospitality in a destination with established visitor flows



Project Type: Upgrade of an operational state ski area within UNESCO-protected territory



Total Budget / Invested:

EUR 19,000,000 total; approx.
EUR 9,500,000 invested

- Investment value from the budget explanation: €19,000,000.00
- Contracted value: €9,511,270.17
- Amount spent to date: €9,417,552.96
- Value of completed works: €9,417,552.96
- Value of remaining contracted works: €93,717.21

Altitude: The ski resort spans an altitude range of approximately 1,200 to 2,212 m a.s.l., with the mountain summit reaching 2,313 m

Snow reliability: Ski slopes at Savin kuk elevate from 1,515 m to 2,212m, which makes it a generally snow-secure resort, with natural snow conditions.

Snow-making capacity: The first snow-making machines have been procured, offering guests confidence in quality snow conditions regardless of natural snowfall. The system is primarily intended to cover the beginner slope and practice area for skiers beginners.

Water availability: The water infrastructure has already been developed on-site, laying the essential groundwork for artificial snowmaking capabilities.

Climate scenario: As mountain destinations face the growing impact of climate change on natural snow reliability, Savin Kuk is taking steps to secure a sustainable future for its winter seasons. These measures

primarily focus on continuing the artificial snowmaking project, in order to minimize the impact of unfavorable snow conditions on the winter season.

Four-season diversification: Savin Kuk and the wider Žabljak area are steadily becoming an increasingly popular destination throughout the summer months as well, offering visitors far more than winter skiing. The panoramic chairlift operates year-round for hikers and sightseers, carrying guests to spectacular viewpoints over Black Lake, the town of Žabljak, and the Durmitor mountain range, while the surrounding national park offers some of the region's most rewarding mountain trails. Set within a UNESCO World Heritage site, it offers travelers something increasingly rare: authentic, untouched nature paired with world-class adventure, in every season of the year.

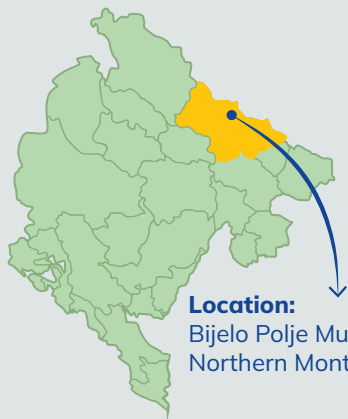


Contact: Ministry of Public Works of Montenegro



6.2.6

Valorisation of Đalovića Cave, Bijelo Polje



Location:
Bijelo Polje Municipality,
Northern Montenegro

Infrastructure:

Access road (8.7 km) and visitor centre completed; gondola lift and cave arrangement pending electrical connection

Private Opportunity:

Gastronomy, eco-lodges and interpretive tourism adjacent to one of the largest speleological sites in the Balkans



Project Type: Greenfield ecotourism and adventure tourism infrastructure



Total Budget / Invested:
EUR 32,000,000 total; approx.
EUR 21,500,000 invested

- Investment value from the budget explanation: €45,000,000.00
- Contracted value: €29,121,547.05
- Amount spent to date: €24,963,801.02
- Value of completed works: €24,963,801.02
- Value of remaining contracted works: €4,157,746.03



Contact:

Ministry of Tourism
of Montenegro

Ski touring





Horses

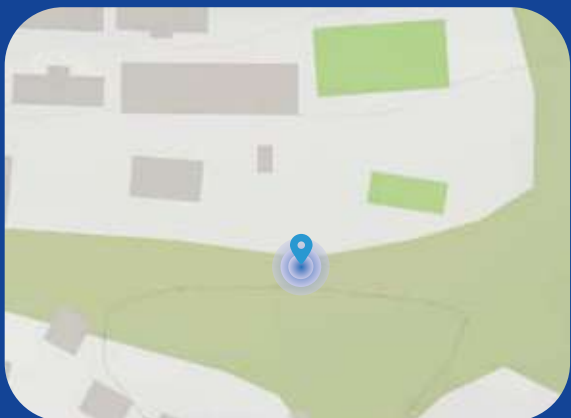
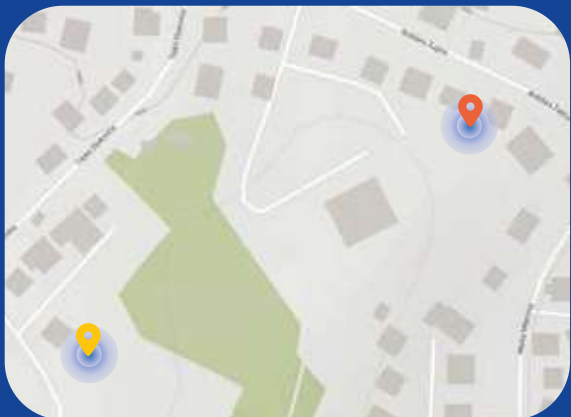
6.3 Municipal and Capital Investment Locations

Complementing the flagship projects and the state infrastructure programme, Montenegrin municipalities and the Capital City have identified specific publicly-owned land parcels available for private tourism-oriented development. The locations below were communicated by the Government of Montenegro for the purposes of this guide. They fall under a range of legal regimes: the Tourism Development Zone instrument (Chapter 2.3) in the northern and central municipalities; the Maritime Domain regime governing coastal parcels; and public-private partnership arrangements for the large-scale urban projects in the Capital City. Except where indicated, the parcels are free of existing structures, with planning parameters defined in the applicable planning documents.⁷¹



6.3.1

Žabljak – Tourism Development Parcels (Detailed Urban Plan Žabljak)



Location 1: UP 892

Location 2: UP892a

Location 3: UP 542



Location:

Žabljak Municipality, Durmitor National Park area 37,794 m²

Land Ownership:

State of Montenegro

Žabljak, at 1,456 metres above sea level at the foot of the Durmitor massif, is the highest town in the Balkans and the principal gateway to Durmitor National Park, a UNESCO World Heritage Site. It combines an established winter-sports profile (Savin Kuk, Chapter 6.2.5) with growing summer visitation driven by hiking, the Tara River canyon and the Black Lake.

The destination combines winter sports, hiking, rafting, cycling, nature-based tourism, family travel and active wellness, while offering significant potential for the extension of tourism activity beyond the traditional summer peak. Three state-owned urban parcels within the Detailed Urban Plan of Žabljak provide distinct tourism-development opportunities: a large greenfield tourist resort, the rehabilitation and repositioning of the existing Jelika holiday resort, and a low-density four-star forest hospitality development, planned as Jelika II. The objective is to establish a coherent year-round mountain-hospitality cluster based on three complementary state-owned assets.

Legal and investment model:

Each site may be structured through a long-term lease or, where legally permissible, sale of state-owned land. A contractual or institutional public-private partnership may be considered only where the proposed project includes a demonstrated public-interest component, public infrastructure, public works or public services and satisfies the applicable PPP requirements.

Tourism Components:

UP542 - Tourism – T2; tourist resort; 250 beds; minimum 30% green area; phased development permitted;

UP892 - Tourism – T1; existing Jelika holiday resort; existing building retained in its current built capacity; capacity to be verified;

UP892a - Tourism – T1; Jelika II; minimum four-star category; up to 50 beds; reserve access from the south; park-forest concept.

Target investors and operators:

Experienced mountain-resort and hotel developers, international or regional hotel operators, eco-lodge and wellness specialists, and consortia capable of combining hospitality development with four-season outdoor programming. Experience in sensitive mountain landscapes, energy- and water-efficient operations, season-extension products and local supply-chain integration.



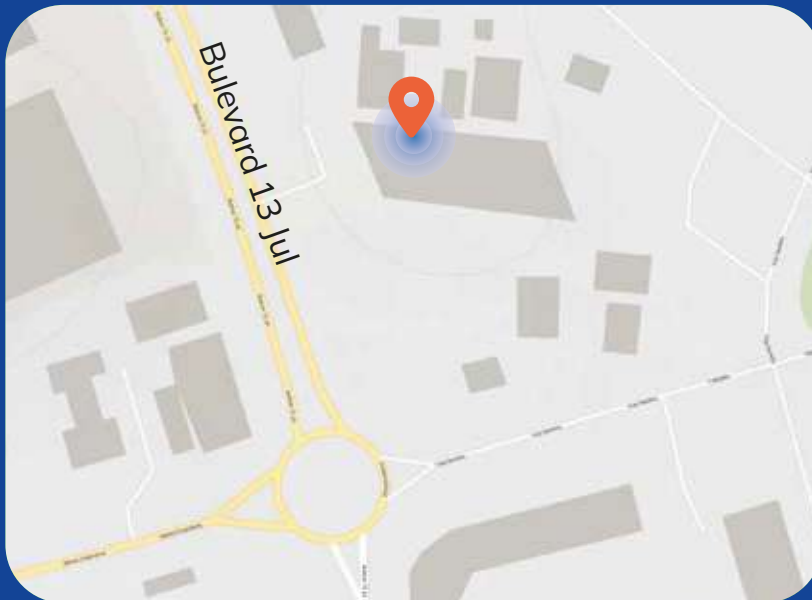
Contact:

Ministry of Public Works of Montenegro.
Montenegrin Investment Agency competent
state-property authority Municipality of Žabljak.



6.3.2

Nikšić – Two Municipal-Sponsored Urban Hotel Opportunities



Nikšić Location 1: UP9

Nikšić is Montenegro's second-largest urban centre and a strategic link between Podgorica, the Adriatic coast and the northern region. Its visitor economy combines business and institutional travel, sport, culture and events with outdoor products associated with Trebjesa, Vučje and the Krupac, Slano and Vrtac lakes. The 2024 amended Spatial-Urban Plan supports higher-quality urban hotels and identifies congress facilities, wellness, themed restaurants, sports facilities and other tourism infrastructure as appropriate components of the city's hospitality offer.

The Municipality of Nikšić and the local tourism organisation have identified two separate sites. They should not be presented as one generic municipal land opportunity because their planning designations, title structures, existing conditions and disposal authorities are different.

Location 1 – UP 9 Urban Hotel Redevelopment Site

To redevelop UP 9 as a minimum four-star urban hotel centred on business, meetings, events, wellness, food and beverage and visitor services. The land is recorded as owned by Montenegro with disposal rights held by the Government of Montenegro. Existing buildings are present. A limited portion of building no. 9 is currently in private ownership. This minor ownership matter is expected to be resolved in advance by the State of Montenegro and the Municipality of Nikšić, ensuring that the investment opportunity is presented with a clearly defined and legally consolidated project boundary.

Area

Approximately 5,994 m². UP 9 (cadastral parcels 4358/1, 4358/2 and 4359/1), Cadastral Municipality Nikšić, Property List no. 3645

Land Ownership

State of Montenegro; right of disposal held by the Municipality of Nikšić; A limited portion of building no. 9 is currently in private ownership.

Planning Status

UP 9 is designated for mixed use. Tourism accommodation is a compatible use and the General Urban Regulation allows urban-technical conditions for hotels and other tourism facilities to be issued directly.

Investment Concept

To be structured with the Municipality of Nikšić under applicable state property and planning legislation

Legal and investment model

The Government and the competent state-property authority must lead any binding disposal procedure. Subject to updated title and legal availability, the site may be offered through a long-term lease under the applicable state-property framework. A master-developer arrangement, project company or development agreement may structure implementation but is not an independent legal basis for granting land rights. A PPP should be considered only where the project contains a demonstrated public-interest component, public infrastructure, public works or public services and satisfies all statutory appraisal and procurement requirements.

Tourism Components

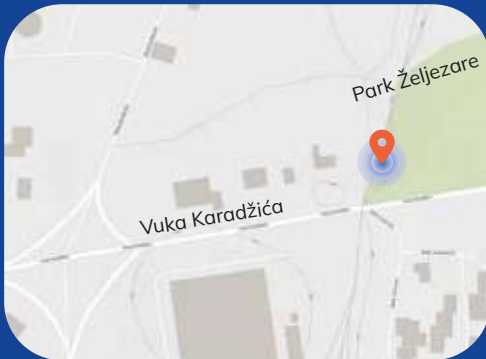
UP 9 provides an opportunity to introduce a high-quality four-star city, business and boutique hotel with an integrated MICE component, wellness and fitness, sports-recovery services, local food and beverage and bookable links to Nikšić's cultural, lake and mountain products. The treatment of the existing buildings—retention, adaptation, replacement or removal—must be determined through technical, heritage, title and financial due diligence.

Target investors and operators

The site is suitable for an experienced urban hotel or boutique-hospitality developer, working with a recognised international or regional hotel operator or an established independent brand. The preferred investor/operator profile should demonstrate experience in four-star city and business hotels, flexible MICE facilities, events, food and beverage, wellness and fitness, and accommodation for sports and organised groups.



Contact:
Municipality of Nikšić



 **Nikšić Location 2: UP4 and UP5**

Location 27 – UP 4 and UP 5 - Urban Gateway Hotel Site

UP 4 and UP 5 are designated for medium-density housing (SS), within which hotels and other tourist accommodation facilities are permitted as compatible uses. Under the PUP, a compatible use may be developed as a separate building on a parcel with or without a residential building. A stand-alone hotel project may therefore be developed without changing the SS planning designation and without a mandatory residential component. The hotel is subject to the parcel-specific building lines, height and development parameters established for Location 27.

Objective is to develop UP 4 and UP 5 as a coordinated green-field urban gateway hotel project, potentially delivered as one integrated package or in two aligned phases.

Location

Nikšić Municipality, Central Region

Site Definition

Urban plots UP4 and UP5 (cadastral parcels 3078/1, 3084/1 and 3084/6), property list no. 787; UP4 2.640m² and UP5 3.521m². No existing structures.

Planning Status

Tourism facilities permitted under the parameters of the compatible medium-density housing land-use category

Investment Concept

To be structured with the Municipality of Nikšić under applicable state property and planning legislation

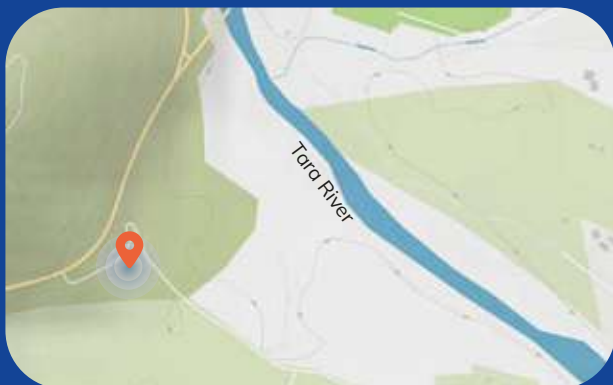
Legal and investment model

The project should be structured as a municipal-led disposal procedure under the applicable state-property framework. UP 4 and UP 5 may be offered through a long-term lease, individually or as a functionally integrated package. A development agreement or master-developer structure may regulate phasing and performance but does not replace the legal basis for the land right. A PPP is appropriate only where a properly appraised public-interest component, public infrastructure, public works or public service is included.



6.3.3

Mojkovac – Tara Riverside Camps and Resorts (DUP Podbišće I)

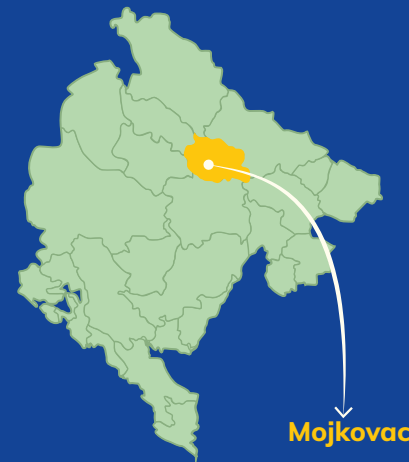


 Mojkovac: Location - UP 16

The Podbišće 1 tourism zone is located on the northern, lowest terrace of the planning area, directly associated with the Tara River landscape and connected to Mojkovac through the M-2 corridor. The adopted Detailed Urban Plan establishes a low-intensity tourism concept based on nature, water-oriented activities, active holidays, outdoor learning, sport and recreation.

Objective is to develop an integrated, environmentally responsible Tara-riverside tourism cluster offering organised camping, eco-lodge or glamping-style accommodation, active-holiday and outdoor-learning programmes, sport and recreation, local gastronomy and visitor services.

The current investment portfolio comprises eight urban parcels in Block 16 with a combined area of 64,989 m². The parcels have confirmed planning parameters, but a binding land-disposal, infrastructure-delivery and investor-selection package has not yet been confirmed.



Location

Mojkovac Municipality, Podbišće

Designation

Parcels UP16-02/03/06/07 – T3 (organised camps and resorts); parcels UP16-01/04/05/011 – U (food and beverage, with limited lodging permitted)

Permitted Development

Water-based, nature, active-holiday and sports tourism, including camps and a possible water park; compatible nautical, commercial, sports and parking uses

Land Ownership

State of Montenegro; right of disposal held by the Municipality of Mojkovac

Legal and investment model

A long-term land lease under the applicable state-property framework, OR a contractual or institutional public-private partnership, where the proposed project includes a demonstrated public interest, public infrastructure, public works or public services and satisfies the statutory requirements for a PPP project.

Tourism Components

Eight planning-defined tourism parcels in Block 16: four T3-1 organised camp/resort parcels and four U food-and-beverage/visitor-service parcels, with a combined area of 64,989 m² and maximum GFA of 28,144 m²; The Block 16 summary table assigns a maximum of 238 tourism beds.

UP16-01/04/05/11: tourism designation U for food-and-beverage and visitor services, with the possibility of a limited accommodation component, subject to the detailed concept and planning conditions; a water-park or larger leisure component is permitted as a possible programme only if hydrological, environmental, utility and market studies confirm feasibility.

Strategic Rationale

Direct Tara River frontage in the northern adventure-tourism corridor; synergy with the Žarski resort and the Bar–Boljare motorway; suited to glamping and water-recreation concepts

Target investors and operators

An experienced camping, glamping, eco-resort or outdoor-hospitality developer; a specialist operator in youth, family, educational or sports tourism; or a consortium combining accommodation, active-tourism programming and local food-and-beverage operations. A master developer model may be appropriate for the largest parcel and shared infrastructure, while smaller parcels may be offered as coordinated lots.

Employment

The plan provides a maximum Block 16 estimate of 188 jobs, but this figure is not parcel-specific and must be updated through the selected concept. The project can support accommodation, food and beverage, guiding, sports, maintenance, transport and seasonal programming, and should prioritise local employment, training, procurement from farms and producers, and partnerships with local guides and tourism SMEs.



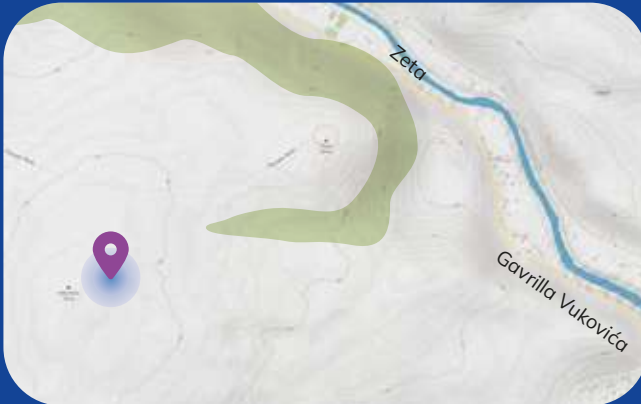
Contact:

Municipality of Mojkovac.
Ministry of Tourism.
Montenegrin Investment Agency.



6.3.4

Podgorica – Velje Brdo Urban Development, Hotel Opportunities and Tourism-Relevant Components



Podgorica Location 1: Velje brdo

Velje Brdo is a state-led, five-phase urban-development programme in the north-western part of Podgorica. Its primary purpose is the development of social and market housing, business uses, central activities, public services, education, health, sport, culture and infrastructure. It should not be marketed as a single tourism project, but its hotel potential is materially broader than a single future hospitality site. Velje Brdo is not a single tourism parcel nor a residential resort, but rather as a large urban development programme with four interconnected segments but separately packageable visitor-economy segments: the Crvena Stijena fortress and Megara Cave heritage-and-nature cluster; a large sport, equestrian and active-tourism programme; parks, park forests and a botanical-garden network; and a portfolio of hotel, congress, wellness, sports-preparation and business-hospitality opportunities across the areas designated for central activities (CD). The objective is to create a new mixed-use urban district supported by public infrastructure and a high share of green, recreational and public-service space.



Location

Podgorica (Capital City), northern part of the urban core

Scale

Approx. 911.7 hectares (9,117,412 m²); maximum analytical schedule: 17,631 residential units, 40,000 residents; gross residential floor area: approximately 2.44 million m²; gross business and compatible-use floor area: approximately 1.23 million m²;

Land Ownership

Predominantly public

Status

Preliminary concept design; public competition to be announced

Tourism Components

Four connected segments: heritage and nature; sport/equestrian and active tourism; parks and botanical visitor infrastructure; and a multi-site hotel, congress, wellness and business-hospitality portfolio across CD areas.

Legal and investment model

A long-term land lease under the applicable state- or municipal-property framework OR a contractual or institutional public-private partnership, where the relevant component involves a demonstrated public interest, public infrastructure, public works or public services and satisfies the statutory PPP requirements.

Target investors and operators

The overall programme may be coordinated by an urban master developer or a consortium, while individual segments require specialist partners: a heritage and visitor-experience operator; a sport and equestrian developer/operator; a landscape and botanical-garden manager; and one or more international or regional hotel, wellness, MICE and sports-hospitality operators.

Employment

The full GUR analytical schedule indicates approximately 24,652 jobs, but this is a plan-wide proxy and not a tourism-employment forecast.



Contact:

Government of Montenegro / competent state-property and spatial-planning authorities.

Capital City of Podgorica.

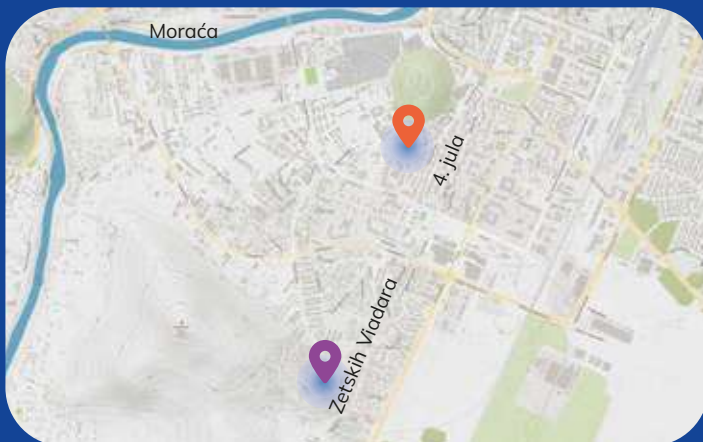
Ministry of Public Works and competent infrastructure authorities.

Ministry of Tourism Montenegrin Investment Agency.



6.3.5

Podgorica – Central Business District (Zelenika)



Center



Podgorica Location 2: Central Business District

The Central Business District covers currently undeveloped land owned by the Capital City of Podgorica.

Objective is development of a contemporary business and administrative district capable of accommodating national and international companies, public institutions, business services, hospitality, exhibitions, fairs and events. The Local Location Study has been adopted. The site is currently undeveloped and no dedicated hotel, convention-centre or tourism tender has yet been announced. The adopted plan establishes a clear planning framework for a new business and administrative district comprising office, commercial, service, public-administration, cultural, education, health, sports, hospitality, exhibition and visitor-related uses.



Location

Podgorica (Capital City), Zelenika zone, M2 Podgorica–Bar road

Scale

Approx. 30 hectares, UP1 – UP6

Land Ownership

Fully owned by the Capital City of Podgorica

Status

Local Location Study is adopted

Building Parameters

Residential use is not permitted on UP1 and UP6. On UP2–UP5 it is limited to a maximum of 20% of the gross floor area, confirming the predominantly business, commercial and service-oriented character of the district.

Site-occupancy index 0.30–0.50; floor-area ratio 2.40–3.00; height P+7 to P+16 (max. 120 m above sea level)

Legal and investment model

Hospitality facilities and tourist accommodation permitted within the business-district programme

Tourism Components

Hotels, food and beverage establishments and tourist accommodation are explicitly permitted on development parcels UP1–UP5, while UP6 is envisaged for an exhibition centre, fairgrounds and similar event uses.

Target investors and operators

The opportunity is suitable for: a large-scale urban or mixed-use developer; an international four- or five-star hotel operator; a specialist conference, exhibition and events operator; a consortium combining real-estate development, hospitality and MICE expertise; institutional and infrastructure investors participating in the wider district development.

Employment

The adopted plan does not provide a quantified employment estimate. Direct, indirect and induced employment should therefore be calculated after the hotel, exhibition and commercial development programme has been defined.



Contact:

Capital City of Podgorica.
Ministry of Spatial Planning, Urbanism and State Property;
Ministry of Tourism;
Montenegrin Investment Agency, competent electricity,
water, wastewater, road and electronic-communications
operators.



6.3.6 Herceg Novi – Coastal Tourism Parcels

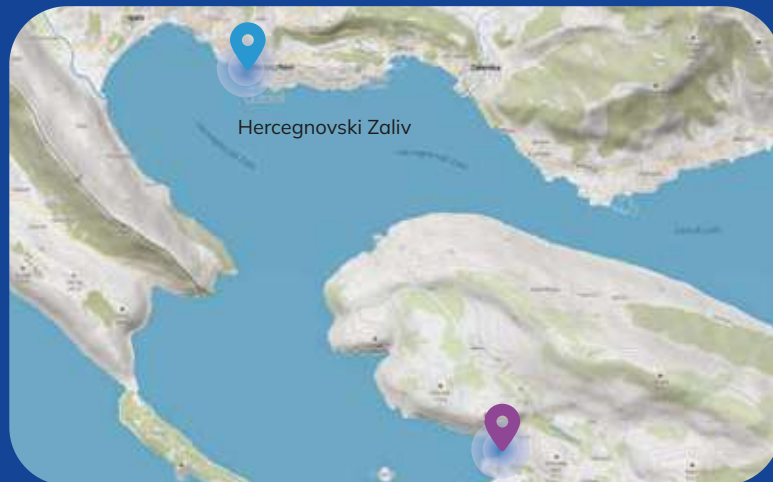


Herceg Novi

Herceg Novi, at the entrance to the Bay of Kotor, combines a Mediterranean coastal setting with an established health- and wellness-tourism tradition (Igalo), proximity to the Tivat and Dubrovnik international airports, and existing marina infrastructure. The Government of Montenegro has identified four publicly-owned coastal sites within the Maritime Domain for tourism development. The most investment-ready is Sutorina, a designated T1 tourism zone with additional potential for commercial berth and marina facilities; the remaining three sites currently carry a 'children's and youth resort' planning designation.



6.3.6 - A Herceg Novi – Luštica, Rt Ograda–Žanjic



Herceg Novi



Location 1 - Luštica - CP 1785/1 KO Radovanići,
Rt Ograda–Žanjic

The site is more precisely located at **Rt Ograda and along the southern side of Žanjic Bay**. It occupies a highly attractive coastal position within an established tourism area, with direct functional links to Žanjic, Mirišta, Mamula Island and the wider entrance to the Bay of Kotor. The adopted **State Location Study “Sector 34”** places the area within **Zone B**, which is planned as an integrated high-category hospitality cluster centred on a four- to five-star hotel and complemented by tourist villas, lower-density tourist accommodation, bungalows, food and beverage facilities, cultural uses, an arranged beach and pier facilities.

Location

Herceg Novi Municipality, entrance to the Bay of Kotor

Area

14,822 m², cadastral parcel 1785/1, KO Radovanići

Land Ownership

State of Montenegro, with the Government of Montenegro holding the right of disposal

Strategic Rationale

Prime Adriatic frontage near two international airports and the established Igalo wellness cluster; Rt Arza offers a large (approx. 9.3 ha) scenic cape site

Legal and investment model

Long-term lease of state-owned land under the applicable state-property framework OR a contractual or institutional public-private partnership, where the project includes a demonstrated public-interest component, public infrastructure, public works or public services and meets the applicable statutory requirements for a PPP project.

Tourism Components

DSL Sector 34 Zone B. Cadastral parcel divided into multiple UPB parcels and road areas. Wider Zone B plans a 4-5-star hotel, tourist villas, bungalows, tourist accommodation, F&B, beach and pier functions.

Target investors and operators

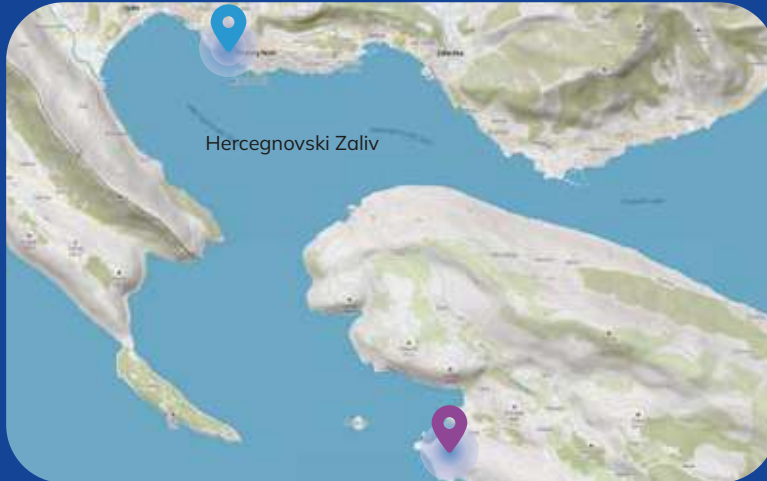
An experienced **high-category coastal hotel and resort developer**, supported by a recognised four- or five-star hotel operator.



Contact: Government of Montenegro /
Municipality of Herceg Novi



6.3.6 - B Herceg Novi – Donja Arza



 Herceg Novi

 **Location 2 - Luštica - CP 3230/12 KO Radovanići, Donja Arza/Rt Arza**

CP 3230/12 extends across an area associated with Zones C and F of the adopted State Location Study “Sector 34”. These two planning zones have fundamentally different development roles and must therefore be clearly distinguished in any investor presentation. Its investment value derives from the complementary relationship between the tourism-development area, the protected Mediterranean landscape, public coastal facilities and the wider tourism assets of Rt Arza and Luštica. **Zone C** represents the tourism-development and buildable component of the wider site, while **Zone F** is designated as a protected natural landscape where conventional hotel or villa development is not envisaged.



Location

Herceg Novi Municipality, entrance to the Bay of Kotor

Area

Luštica - CP 3230/12, Donja Arza/Rt Arza; Approximately 93,330 m², Cadastral Parcel 3230/12, KO Radovanići

Land Ownership

State of Montenegro, with the Government of Montenegro holding the right of disposal

Strategic Rationale

Prime Adriatic frontage near two international airports and the established Igalo wellness cluster; Rt Arza offers a large (approx. 9.3 ha) scenic cape site

Legal and investment model

Long-term lease of state-owned land under the applicable state-property framework OR a contractual or institutional public-private partnership, where the project includes a demonstrated public-interest component, public infrastructure, public works or public services and meets the applicable statutory requirements for a PPP project.

Tourism Components

High-category integrated coastal resort, which brings together accommodation, wellness, sport, recreation, landscape, beach and maritime experiences; Its spans/relates to DSL Sector 34 Zones C and F. Zone C supports high-category hotels, villas, sport, parks, beach and pier; Zone F is protected natural landscape.

**Contact:**

Government of Montenegro / Municipality of Herceg Novi

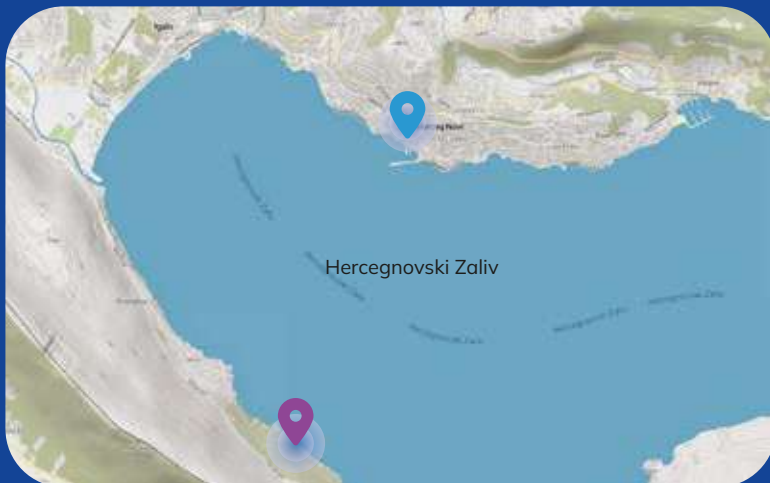


Stoliv, Kotor Municipality



6.3.6 - C

Herceg Novi – Sutorina-Pećine State-Owned Coastal Tourism Opportunity



 Herceg Novi

 Location 3: Sutorina

Herceg Novi combines the Bay of Kotor, Igalo health and wellness tourism, an established coastal visitor economy and access to both Tivat and Dubrovnik airports. The Sutorina-Pećine site offers a state-owned coastal hotel and nautical tourism opportunity that should be presented through a site-specific investor dossier. The supplied investment portfolio identifies a state-owned site of within the Maritime Domain, comprising a tourism-designated component.



Location

Herceg Novi Municipality, Sutorina – Pećine

Area

12,018.59 m², UP1 Zone B, Pećine locality

Land Ownership

State of Montenegro

Legal and investment model

A long-term land lease under the applicable state-property and Maritime Domain framework; A contractual or institutional public-private partnership, where the project includes a demonstrated public interest, public infrastructure, public works or public services and satisfies the statutory requirements for a PPP project; OR a concession, only where legally required or appropriate for the use of the Maritime Domain, commercial berths, maritime infrastructure or another activity constituting a concession subject matter, rather than as a generic model for making the hotel-development land available.

Tourism Components

Hotel, 4-star or higher; 38 accommodation units, 75 beds with complementary wellness, recreation, food and beverage and nautical services; 25 commercial berths.

Target investors and operators

An experienced coastal hotel or boutique-resort developer, preferably in partnership with a recognised four- or five-star operator. A specialist wellness partner and a qualified commercial-berth or marine-services operator may be incorporated, subject to the final development and maritime model.

Employment

The planning schedule indicates approximately 38 direct jobs for the UP1 hotel. A current feasibility study should quantify construction employment, permanent and seasonal hotel employment, marine-services jobs, local supplier opportunities and indirect impacts through food, transport, excursions, wellness services and maintenance

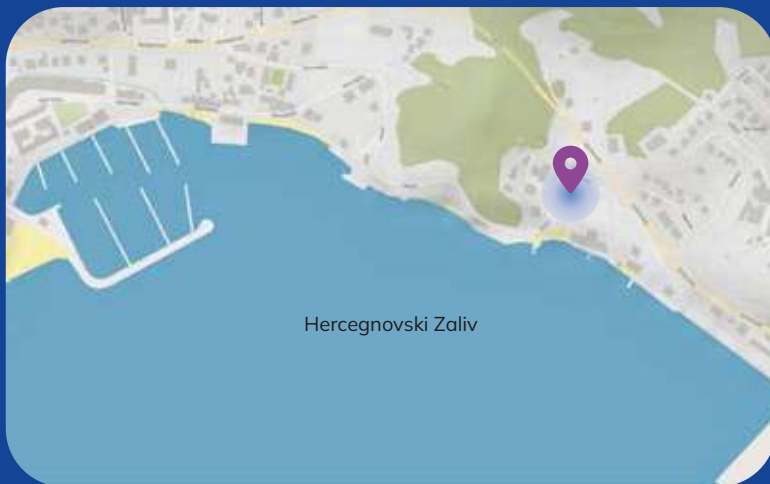
**Contact:**

Government of Montenegro, competent authority
for the Maritime Domain and coastal infrastructure
Municipality of Herceg Novi
Ministry of Tourism
Montenegrin Investment Agency;



6.3.6 - D

Herceg Novi – Zelenika - State-Owned Coastal Tourism Asset



Zelenika is a historic port settlement within the Bay of Kotor and forms part of the wider Herceg Novi tourism destination. The area combines a maritime gateway, local marina and port functions, the Pet Danica coastal promenade, access from the M-1 road corridor and proximity to the health, rehabilitation and wellness offer of Igalo. The primary objective is to rehabilitate and reposition the site as a professionally operated coastal tourism facility with a clearly defined public-purpose component, potentially focused on youth, family, educational, sports, social-tourism or related organised-group uses.



Location

Herceg Novi Municipality, Zelenika

Area

Approximately 8,600 m², PUP Zelenika

Land Ownership

State of Montenegro

Legal and investment model

A long-term lease of state-owned property, under the applicable state-property framework; or a contractual or institutional public-private partnership, where the project includes a properly demonstrated public-interest component, public infrastructure, public works or public services and satisfies the applicable statutory requirements for a PPP project.

Tourism Components

PUP Herceg Novi foresees Hotel T1, tourism-hospitality zones, a planned hotel and nautical hotel, passenger port, marina, and ferry connection.

Target investors and operators

A specialist operator or consortium capable of combining hospitality development with structured programme delivery.



Contact:

Municipality of Herceg Novi
Ministry of Tourism
Montenegrin Investment Agency;

Kotor Old Town, Kotor Municipality



7

CONCLUSIONS

Montenegro reaches the end of this guide with much of the difficult work already behind it. The accession process is advancing, the euro removes exchange-rate risk from project cash flows, and the coast has shown that international capital can be deployed here at scale and operated to international standards. Investors no longer need to imagine what a successful project looks like in Montenegro. Several are built, open and trading.

The framework around them has matured in step. Tax treatment is predictable, the treaty network is broad, and the instruments a developer actually needs exist and have been used in practice. None of it is exotic, and that is precisely the point: a hospitality investment in Montenegro can now be underwritten on conventional terms.

What has not yet been solved is the shape of the year. The season is short and concentrated on the coast, which compresses revenue into a few months, makes skilled staff difficult to retain and leaves a great deal of capacity idle for most of the year. Everything downstream of that – financing terms, operating models, the case for keeping a property open in winter – is harder than it needs to be. Realising the full investment potential will depend on continued improvements in project preparation, spatial planning, municipal infrastructure, workforce availability, environmental management, and the predictability of administrative procedures. None of these is a reason to stay away. Each of them affects how long a project takes and what it costs.

This is why further investment matters, and why the kind of investment matters as much as the amount. Seasonality is not corrected by promotion. It is corrected by product – mountain, wellness, nautical, conference and cultural offers, and the accommodation and infrastructure that make them viable outside the summer. The State has committed to that shift and is building the public side of it. What is missing is private capacity, and the north is where the shortfall is clearest and the public groundwork furthest along. Chapter 6 sets out where sites have already been identified.

Investors ready to take that step are advised to engage three counterparts in parallel: the Ministry of Tourism, for sector policy, licensing and the development zone regime; the Montenegrin Investment Agency, for facilitation, incentive eligibility and coordination across government; and the responsible municipality, which holds the planning documentation and decides on land status, utilities and local permits. Where state-owned land or a concession is involved, the relevant line ministry should be brought in early rather than once a site has been chosen.

The ambition set out in this guide is not simply to attract more visitors. It is to build a tourism economy that works across the whole year and across the whole country, and that rewards patient capital. UN Tourism will continue to support that agenda through the Tourism Doing Business framework, reflecting the country's role as Chair of the UN Tourism Commission for Europe for the 2025–2027 period.

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