

# OPPORTUNITIES AND CHALLENGES

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PORTO MONTENEGRO

# THE MARINA / YACHTING INDUSTRY

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5,700 superyachts globally

Size of superyacht fleet has almost tripled in the last 20 years

Approx. 175 superyachts delivered / 734 under construction per year

Continual demand for superyacht berths

Italy 4 boats / berth, France and Spain 2 boats / berth

# WHY MONTENEGRO AND THE ADRIATIC?

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Yacht-friendly laws and  
taxation

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Montenegro's outstanding  
natural beauty (UNESCO  
protected)

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Central to the fastest  
growing cruising grounds in  
Europe (Venice-Corfu)

.....  
Traditional Mediterranean  
cruising grounds  
overcrowded

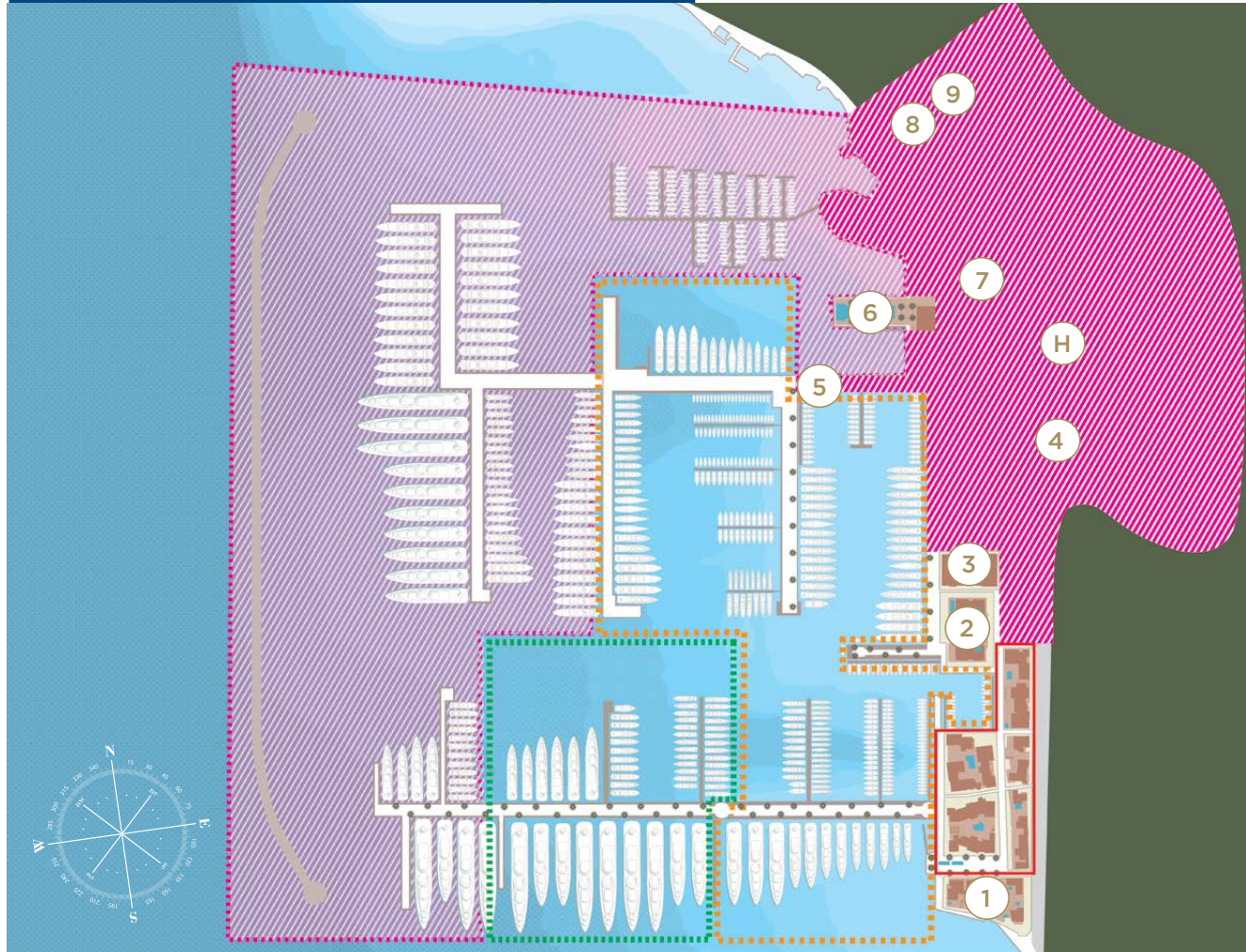
.....  
Under three hours from  
most major European  
capitals

.....  
Leading the world in tourism  
growth

.....  
Generally favourable  
economic and political  
climate

# PORTO MONTENEGRO'S PROGRESS

## DEVELOPMENT PLAN



- ① Ksenija Residences (2015)
- ② Regent Hotel & Residences
- ③ Regent Pool Club Residences (2017)
- ④ Knightsbridge School
- ⑤ Fuel Dock
- ⑥ PMYC - Restaurants, Lounge and Nightclub
- ⑦ Naval Heritage Collection and P-821 'Hero' Submarine
- ⑧ PMYC - Sports Club & Sailing Club
- ⑨ PMYC - Tennis Courts
- H Helipad

- Completed residences
- ▨ Future development area
- Completed marina
- Marina extension (2015)
- ▨ Future marina extension (up to 850 berths)

# MARKET-LEADING FACILITIES

## BESPOKE RETAIL, F&B AND AMENITIES

Complete offering of year-round services and amenities

Over 50 shops & restaurants, 64m infinity pool, yacht club & exclusive nightclub

Over 30,000 sqm commercial GBA yet to be developed

## 5-STAR HOTEL MANAGED BY REGENT HOTELS & RESORTS

86 hotel rooms and hotel condos

Conference and event facilities, spa, bars and restaurants

## LUXURY RESIDENCES

Highest quality apartments by renowned designers complement the nautical lifestyle

Over 195 residences sold to date

More than 205,000 sqm residential/hotel GBA available for future development



## PREMIER SUPERYACHT MARINA

83-year concession for up to 850 berths (250 superyacht berths)

94% full-year occupancy during 2014; 459 berths (132 for superyachts) in 2015

TYHA 5 Gold Anchor rating and 2015 Superyacht Marina of the Year

Host of summer's Superyacht Rendezvous

# PORTO MONTENEGRO ECONOMIC IMPACT



Over €361 million invested into the project so far

More than €2 million donated to local charities and community projects

Nearly €22 million VAT collected

5,755,291 visitors to Porto Montenegro from January 2012 to May 2015

Created over 1000 jobs

## 2014 DATA ON ARRIVALS TO PORTO MONTENEGRO VIA TIVAT AIRPORT, TIVAT PORT AND KOTOR PORT

1.8 million passengers (51,500 domestic, 1.7million international)

10,300 aircraft (2700 domestic, 7,600 international)

4,200 vessels (69 domestic, 4100 international)

# CONTINUED OPPORTUNITIES: YACHT FRIENDLY REGIME



## **TAX BENEFITS:**

9% company and capital gains tax (one of the lowest rates in Europe)

Only 7% VAT on marine-related services

0% VAT on charters

Tax and duty-free fuel, up to 45% cheaper than other European countries

Outside EU tax and import regulations

## **FLEXIBLE CRUISING REGULATIONS (BASED ON EXISTING LEGAL FRAMEWORKS):**

No restriction to pick-up and drop-off

Make multiple changes to guest and crew manifests

Ability for foreign yachts to remain in Montenegrin waters with no restriction on time

No charter permit required (Vignette up to €1500 for 1 year, applicable to 24m+ yachts only)

# OPPORTUNITIES: FUTURE GROWTH

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## NAUTICAL TOURISM DEVELOPMENTS

**Lustica (Orascom):** €1 billion, 18-hole Gary Player golf course and resort village

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**Porto Novi (SOCAR & Kerzner International):** €500 million, 24 hectare resort and marina development will be the One&Only's first property in Europe.

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**Duckley Gardens and Marina (Stratex):** €550 million luxury residential complex as well as rejuvenation of Budva marina

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**Plavi Horizonti (Qatari Diar):** €350 million sand beach resort



# CHALLENGES: REACHING POTENTIAL IN SUPERYACHT MARKET

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Maintain clear and consistent offer / benefits to the superyacht industry

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Capitalize on differentiation from the high / luxury taxation in neighbouring countries (i.e. Sardinia)

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Continue to investment in facilities to support year-round business

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Stabilise fees and welcome regime

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Stay loyal to long-term luxury tourism strategy