OPPORTUNITIES AND CHALLENGES

TONY BROWNE
MARINA DIRECTOR

PORTO MONTENEGRO
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?

Yacht-friendly laws and taxation

Montenegro’s outstanding natural beauty (UNESCO protected)

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
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, 1.7 million 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

NAUTICAL TOURISM DEVELOPMENTS

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

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

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

**Plavi Horizonti (Qatari Diar):** €350 million sand beach resort
CHALLENGES: REACHING POTENTIAL IN SUPERYACHT MARKET

Maintain clear and consistent offer / benefits to the superyacht industry

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

Continue to investment in facilities to support year-round business

Stabilise fees and welcome regime

Stay loyal to long-term luxury tourism strategy