

Strengthening Environmental Accountability in UNESCO Protected Boka Kotorska Area



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INTRODUCTION

This publication was produced as part of the project “HORIZON – Strengthening Environmental Accountability in UNESCO Protected Boka Kotorska Area,” implemented with the support of the Balkan Trust for Democracy of the German Marshall Fund of the United States.

The project aims to strengthen environmental protection, institutional accountability and public oversight of the UNESCO-protected Bay of Kotor area.

As part of the project, seven investigative articles were published documenting conditions in the UNESCO-protected area and its buffer zone, highlighting the serious consequences of unplanned and excessive construction. The investigations show that this unique area is being continuously degraded and that the natural, cultural and landscape heritage values of the Bay of Kotor are being threatened by inappropriate construction projects. Instead of consistently protecting the area and enforcing the law, the competent institutions have for years either allowed such practices to continue or failed to prevent them.

Of particular concern is the fact that in 2025 UNESCO called for the urgent suspension of all construction projects in the protected area and its contact zone, precisely because of the scale of construction and environmental degradation. Although Montenegro introduced a moratorium on construction at the beginning of 2026, numerous projects had already been started or completed in the preceding period, placing additional pressure on an area that represents one of Montenegro’s most valuable natural and cultural assets.

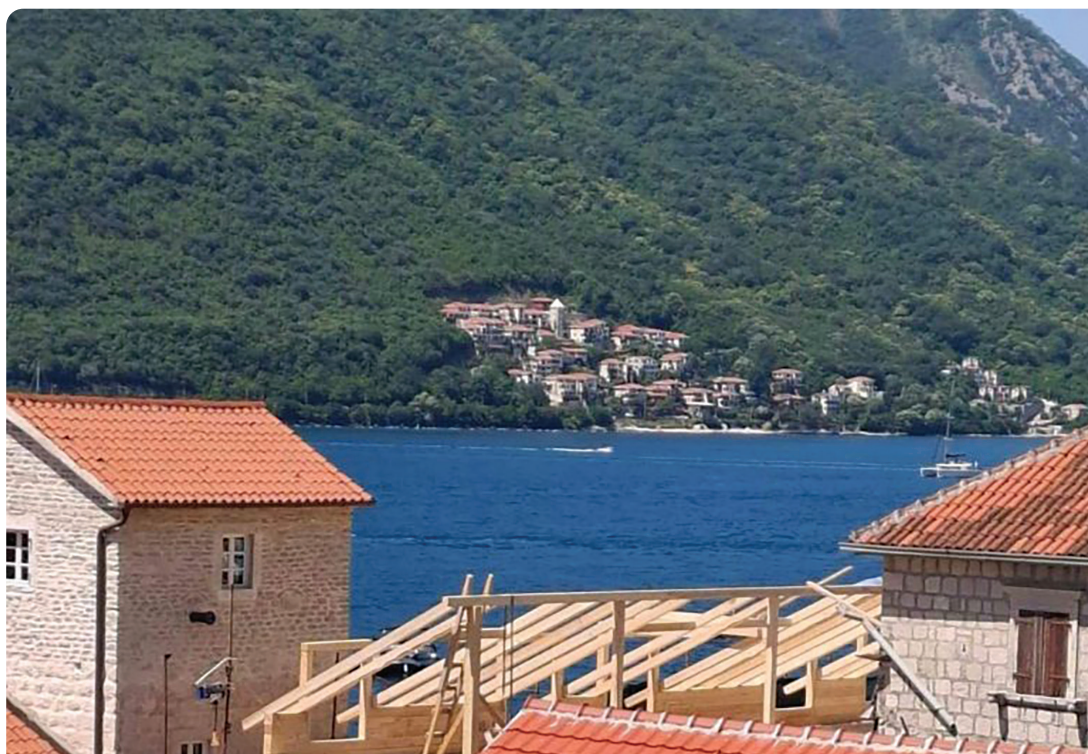
Particular attention is paid to the impact of investment projects, potential violations of regulations, the actions of competent authorities, and the risk that further degradation could jeopardise the status of the Bay of Kotor on the UNESCO World Heritage List.

This publication therefore goes beyond presenting individual cases and points to a broader problem: the subordination of the public interest to the interests of private investors and the insufficient accountability of institutions responsible for protecting the area and the public interest

THE DEVASTATION OF THE BAY OF KOTOR THREATENS ITS WORLD HERITAGE STATUS: Poor Spatial Planning Is Almost as Destructive as the 1979 Earthquake

The Bay of Kotor could once again be placed on UNESCO's List of World Heritage in Danger due to poor management of its land and cultural heritage. The site was placed on the List following the devastating 1979 earthquake and remained there until 2003. As the public continues to witness cases such as the devastation in Baošići, the government insists it is doing everything in its power to prevent the Bay from being listed as endangered again.

Maja Boričić/Predrag Nikolić



Montenegro has entered a critical period in its efforts to preserve the World Heritage status of the Natural and Culturo-Historical Area of Kotor. According to information obtained by the Centre for Investigative Journalism of Montenegro (CIN-CG), the site could once again be placed on UNESCO's List of World Heritage in Danger, where it remained from 1979 to 2003 following a devastating earthquake. This time, however, the Bay of Kotor faces the risk not because of a natural disaster, but because of the way the state and local authorities are managing development and land use in the area.

The World Heritage Committee will decide on the matter at its 48th session, to be held in Busan, South Korea, from 19 to 29 July 2026.

According to the Committee's report from last year, the Montenegrin government

was called on to adopt and implement a Management Plan for the protected area, prepare a Cultural Heritage Conservation Study, make a clear and documented decision on the Verige crossing and alternative transport routes, fully protect the former Jugooceanija building, conduct a transparent Heritage Impact Assessment (HIA) for the Fjord hotel, permanently ban and rehabilitate several quarries, review the Orahovac hotel project and tighten controls on investment in the Bay's buffer zone.

Instead of addressing these requirements, development in the Bay has continued. The public has witnessed the sea being filled in and construction work begin on a mega-hotel in Baošići. Similar projects have already been approved at other sites in the Bay's buffer zone, including Plavi Horizonti, where permits have been issued for a €270 million investment.

The buffer zone is the protected area

surrounding a UNESCO World Heritage site, designed to safeguard the landscape, views, coastline and wider setting of the Bay of Kotor. Coastal interventions, land reclamation, concrete structures, beach development and construction linked to hotel complexes in the buffer zone must therefore be assessed for their cumulative impact on the cultural landscape.



UNESCO Calls for Action, Not Just Reports

The decision adopted by the UNESCO World Heritage Committee in 2025 leaves little room for manoeuvre. Montenegro was asked to halt approvals for new construction and development projects within the World Heritage site and its protected surroundings until the legal, administrative, institutional and planning frameworks are harmonised. The Committee also called for cumulative impact assessments, amendments to planning instruments, sensitive spatial zoning, a sustainable tourism strategy, and the submission of key documents to UNESCO before their formal adoption.

UNESCO has also called for a change in the way decisions on development in the Bay are made. Rather than assessing projects individually, the Committee said

Montenegro must consider the cumulative impact of hotels, coastal interventions, roads, quarries, cruise ships, the legalisation of illegal construction and planning decisions. Such overall pressure can alter the character of a cultural landscape even when individual projects are deemed acceptable.

Until planning documents are aligned with the Management Plan and Heritage Protection Study, only provisions that the Administration for the Protection of Cultural Property confirms are compatible with the protection regime should be implemented. The Administration should no longer be simply one of several authorities issuing opinions, but the main authority screening projects and plans

within the World Heritage site and its buffer zone.

Plans Still to Be Drawn Up

In a report submitted to UNESCO in February, the Montenegrin government acknowledged what has been evident in the Bay of Kotor for years: the problems encountered in Kotor are systemic. The report says challenges affecting the site's Outstanding Universal Value (OUV) include weak governance and coordination, as well as shortcomings in planning and management, rather than individual projects alone.

In response, the government announced a temporary freeze on new development approvals and the legalisation of illegal construction within the Kotor area and its protected surroundings until two key documents are adopted: a new Manage-

ment Plan and a comprehensive Heritage Protection Study.

The Heritage Protection Study, which is described as a key conservation instrument, has yet to be prepared. It is expected to cover the entire World Heritage site and its protected surroundings, map sensitive areas, define protection regimes and identify where impact and cumulative impact assessments will be required. The study is intended to translate UNESCO standards into specific restrictions, prohibitions and rules for decision-making.

The deadline for completing the study is March 2027, one year after amendments to the Law on the Protection of the Natural and Culturo-Historical Area of Kotor are due to enter into force.

The Management Plan is also still pending. UNESCO has called for the plan for years as a key instrument for managing the site and its buffer zone. The government has said the new plan will be completed by September this year.

This means that even after the adoption of the legislation, the Bay of Kotor remains under a transitional regime: new rules are in place, but the key instruments that should determine where construction is permitted, what must be prohibited, how cumulative impacts are assessed and how existing damage is remedied have yet to be completed.

However, according to information obtained by CIN-CG, the deadlines set for preparing these two documents will not be met.

Government Claims It Is Doing Everything to Prevent the Bay from Being Listed as in Danger Again

The Montenegrin government did not tell CIN-CG when the aforementioned

documents would be adopted.

“The state has undertaken amendments to the legislative framework and launched the preparation of the Heritage Protection Study, the Management Plan and other instruments designed to ensure that all future planning documentation complies with measures aimed at protecting the Outstanding Universal Value of the site. Ultimately, the importance attached to this task is also demonstrated by the fact that the Prime Minister of Montenegro has assumed the chairmanship of the National Commission for UNESCO. Only through such an approach can a lasting balance be established between spatial development and the preservation of cultural and natural heritage. This is why the state has already initiated systemic mechanisms,” the government told CIN-CG.

The government says that, following the consequences of insufficient implementation of obligations communicated to the state over the previous two decades, Montenegro has recently taken a series of serious and systemic steps to significantly reduce the risk of the Natural and Culturo-Historical Area of Kotor being placed on the List of World Heritage in Danger.

It cites amendments to the legislative framework, the introduction of a moratorium, stronger control mechanisms, the preparation of key planning and management instruments, and the establishment of a new model for spatial management as evidence that the state has begun addressing the problem systematically rather than through isolated interventions.

Among the measures already taken, the government highlights the Law on the Protection of the Natural and Culturo-Historical Area of Kotor, adopted in March this year. According to the government, the law introduced corrective mechanisms that had previously been

absent, including a moratorium on new interventions within the World Heritage site, the suspension of legalisation proceedings for illegally constructed buildings within the site, and a significantly stricter regime for controlling activities in the protected buffer zone.

“The same law provides for the preparation of a Heritage Protection Study, a cumulative impact assessment and a new Management Plan, which will form the basis for all future planning and development activities. In addition, the state has adopted other important decisions that directly address UNESCO’s long-standing recommendations, including abandoning plans to build a road across Verige and permanently removing the corridor from the Natural and Culturo-Historic Region of Kotor and its protected surroundings. In this way, Montenegro is implementing obligations whose fulfilment had been delayed for years,” the government said. The government insists that these measures will not only take effect once the planning documents are adopted. “On the contrary, the amendments to the law have already established direct protection mechanisms that apply until the Heritage Protection Study and Management Plan are adopted. These include a moratorium on new interventions within the World Heritage site, the suspension of legalisation proceedings for illegal construction within the site, as well as strengthened control mechanisms and restrictions in the buffer zone. These instruments constitute a temporary but effective protection system designed to preserve the area until the final strategic documents are adopted. All of these documents are being prepared in continuous communication with the UNESCO World Heritage Centre so that their content is fully aligned with international standards, the Operational Guidelines, the World Heritage Convention and the recommendations of the World Heritage Committee,” the government

concluded.

Verige: Abandoned Bridge, Unresolved Transport Problem

The government confirmed that the previously proposed crossing at Verige has been completely and definitively abandoned and formally removed from Montenegro’s Spatial Plan. For years, Verige has symbolised the conflict between infrastructure planning and the protection of the Bay’s landscape.

For UNESCO, the bridge is not merely a transport issue. Any bridge, expressway, bypass or access corridor in this area must be assessed for its impact on key views and sightlines, the relationship between the coastline and mountain hinterland, the historic landscape and the integrity of the bay.

However, after the Verige option was abandoned, an alternative corridor through Luštica was considered. According to the government’s report, an assessment found that it too would have a negative impact on the site’s Outstanding Universal Value. The government therefore announced that it also plans to abandon this option once the relevant procedures are completed.

The Bay’s main transport problem therefore remains unresolved. The government is now telling UNESCO that a solution should be sought outside the World Heritage site and its protected surroundings.

Fjord and Jugooceanija: Protection or Delayed Decision?

Another test concerns the site of the former Fjord hotel and the Jugooceanija building. UNESCO has asked Montenegro, among other things, to provide urgent institutional and physical protection for the former Jugooceanija building.

Plavi Horizonti project plan. Source: Project documentation



In its report, the state says the building has been placed under permanent legal protection as an individual cultural property of national importance. It also says the investor has abandoned plans to demolish the building and that the proposed interventions are limited to adapting the existing structure, without changes that would affect its integrity or attributes relevant to the site's Outstanding Universal Value.

This is a significant step forward, but it does not close the case. The former Fjord hotel site remains one of the most sensitive areas in Kotor. According to the report, the investor has commissioned an individual Heritage Impact Assessment in accordance with ICOMOS guidelines. This means that final decisions should not be made before the HIA process is completed, consultations with UNESCO are held and potential impacts on the site are assessed.

The question is whether this represents a genuine change in approach or simply a

delay until the project has been modified enough to pass the required review.

Quarries: A Ban on Paper, Remediation Deferred

UNESCO welcomed the suspension of quarrying activities, but called for much more than a temporary response: a permanent halt to quarrying, planned extraction and the expansion of concessions within the site and buffer zone, the establishment of no-extraction zones, as well as rehabilitation and monitoring. In its report, the state promises bans. It says that amendments to the law introduce a permanent ban on granting new concessions for the extraction of mineral resources within the UNESCO site and its buffer zone. The extension of existing concessions and expansion of concession areas are also prohibited. The report further states that the 2026 Annual Concession Plan does not provide for new concessions or extensions of existing ones in the area.

However, the rehabilitation, restoration and monitoring of quarries have been left to the future Heritage Protection Study and the subsequent alignment of planning instruments. In other words, the state is currently offering a ban on future pressures, but has yet to provide a comprehensive response to damage already done or to the risks posed by existing extraction sites within the landscape. Without rehabilitation, monitoring and clearly defined no-extraction zones, the government will not have met the substance of UNESCO's demands, even if it formally refrains from issuing new concessions.

Orahovac: A New Case Raising an Old Question

The government's report also addresses the Orahovac hotel. The project is located

within the UNESCO site, in the municipality of Kotor. A UNESCO/ICOMOS advisory mission identified a potential negative impact of the project on the site's Outstanding Universal Value.

The mission specifically questioned an earlier Heritage Impact Assessment. It found that the assessment did not adequately reflect the actual conditions of the site, particularly its topography, slopes and contour lines. On steep terrain, height, gradient, the relationship with the coastline and visual exposure can be decisive in determining the impact on the landscape.



formal adoption.

The government's official argument is that the Spatial Plan is a strategic document and that specific construction projects are implemented through lower-level

According to the report, the Administration for the Protection of Cultural Property has launched a review of the documentation and requested additional explanations. The state says the conditions for final approval of the revised project documentation have not been met and that no decision will be taken until the procedure is completed and international feedback is received.

Spatial Plan: An Acknowledged Failure

The state says that Montenegro's Spatial Plan, in the part relevant to the Natural and Culturo-Historical Area of Kotor, was adopted without first being submitted to the UNESCO World Heritage Centre for review. The authorities are now attempting to remedy the omission by subsequently submitting the relevant sections of the plan through their report. UNESCO specifically requires strategic and planning documents that may affect the site and its buffer zone to be submitted before

plans. But UNESCO's approach works in the opposite direction: protection of Outstanding Universal Value must be incorporated into strategic documents from the outset, because they establish the framework for all subsequent decisions.

Tourism and Cruise Ships: The Biggest Pressure, No Final Solution

Recommendations from expert missions, UNESCO, ICOMOS and the Organisation of World Heritage Cities (OWHC), that visited Kotor ahead of the Busan session included a ban on large cruise ships passing through the Verige Strait, moving cruise-ship anchorage to the entrance of the bay, and imposing a strict limit on the number of visitors allowed in Kotor's Old Town at any one time.

The state says these issues will be addressed through the new Management Plan and the Sustainable Tourism Development Plan. In December 2025, the Ministry of Tourism established a working group to

prepare a Sustainable Tourism Development Plan for the Bay of Kotor for the 2026–2030 period.

This means that one of the most visible pressures on Kotor is still being treated as a matter of future planning rather than as an already established policy for reducing pressure.

In a city where cruise ships generate revenue while also putting pressure on space, infrastructure, the historic centre and the coastline, delaying a solution means maintaining the existing model. UNESCO is calling on Montenegro to reconsider that approach.

Baošići: A Test for the Buffer Zone

Although Baošići is not identified in the UNESCO decision in the same way as Verige, Fjord and the quarries, the case reflects the core of the problem described by UNESCO: pressure from new development and coastal interventions in the protected surroundings of the World Heritage site.

At the beginning of 2026, the public learned that the Administration for the Protection of Cultural Property had ordered the company Carine to restore a site in Baošići to its original condition. The site, where a former 1,500-square-metre beach once stood, has been expanded through infilling to 12,500 square metres. The Baošići case also raises questions about coordination between domestic institutions. In January 2026, the Environmental Protection Agency said that an Environmental Impact Assessment was not required for the development of a bathing area that had already been partially developed on the same plots. Several months later, the public learned of the decisions by the Administration for the Protection of Cultural Property

ordering the work to be halted and the site restored. The chronology raises the question of whether environmental protection, cultural heritage, maritime domain and urban planning regimes operate as a single system or whether each authority considers only its own area of responsibility.

Carine challenged the Administration's decisions before the Administrative Court. The company asked the court to suspend enforcement of the measure ordering it to restore the coastline to its original condition. The company maintains that the measures are not final while the court proceedings are ongoing and that the works were covered by previously issued permits. The Administrative Court recently rejected as unfounded Carine's request to halt the restoration of the coastline to its original condition.

A criminal investigation has also been launched over the devastation of the coastline in Baošići against the Carine company and its owner, Čedomir Popović, as well as the current Deputy Mayor of Herceg Novi, Vladislav Velaš.

Montenegro has little time before the World Heritage Committee's session in Busan and the main question remains whether Montenegro is managing the UNESCO-protected area or simply trying to explain the consequences of its unregulated development."

UNESCO DRAFT DECISION ON KOTOR AHEAD OF BUSAN SESSION: Warning Over Threats, Risks and Baošići

UNESCO has acknowledged some encouraging steps by Montenegro to protect the Bay of Kotor, but says key documents must be completed to end "administrative silence", maintain the temporary suspension of new planning approvals and applications to legalise illegally constructed buildings, and permanently ban new and extended concessions for mineral extraction.

Maja Boričić/Predrag Nikolić



The latest UNESCO document prepared for the 48th session of the World Heritage Committee in Busan confirms that the Natural and Culturo-Historical Area of Kotor remains under heightened international scrutiny.

In a draft decision on Kotor seen by the Centre for Investigative Journalism of Montenegro (CIN-CG), UNESCO welcomes some steps taken by Montenegro but warns that the site remains vulnerable to development pressures, weak implementation of strategic planning and the cumulative impact of multiple projects. The draft will be considered by the World Heritage Committee in Busan at the end of July.

Government officials informally told CIN-CG they were pleased that the draft acknowledges progress and, as they said, that Montenegro had avoided being placed on the List of World Heritage in Danger. Earlier this month, CIN-CG reported on efforts to preserve the Natural and Culturo-Historical Area of Kotor's World Heritage status and avoid its placement on the danger list, where the Bay remained from 1979 to 2003 following the devastating earthquake.

The Baošići case, however, is mentioned explicitly in a UNESCO document for the first time. The government has informed the World Heritage Centre that a formal decision has been issued ordering the suspension of works and the restoration

of the site to its previous condition. The document also says legal mechanisms have been activated to mitigate potential negative impacts on the property's Outstanding Universal Value (OUV).

"In response to information submitted by third parties on 27 February 2026 concerning unauthorised activities in Baošići (cadastral parcels 771, 772, 773/1 and 774, cadastral municipality), the State Party informed the World Heritage Centre that a formal decision had been issued to suspend the works and restore the site to its previous condition. Legal mechanisms have been initiated to mitigate potential negative impacts on the property's Outstanding Universal Value (OUV)," the draft report says.

Infilling and concrete works on the beach below the future Carine hotel in Baošići began at the start of 2026 without the conservation conditions and approval required from the Administration for the Protection of Cultural Property. The authority therefore ordered the immediate suspension of the works and restoration of the site to its previous condition in mid-February.

As a result, businessman Čedomir Popović, owner of Carine, was arrested at the end of March 2026. He remained in custody until 22 April.

However, although the Montenegrin government has informed UNESCO about the steps taken so far, there has been no visible restoration of the beach to its previous condition on the ground.

Earlier UNESCO documents had not singled out the Baošići project in the same way as Verige, Fjord, Jugooceanija or the quarries. The latest document, however, shows that the works in the protected surroundings of the Bay of Kotor have now become part of the government's

communication with the World Heritage Centre.

UNESCO also notes that the steps taken by Montenegro are encouraging, but says effective implementation of an integrated protection framework still depends on completion of the Heritage Protection Study and the revised Management Plan.

The draft decision calls for the Heritage Protection Study and revised Management Plan to be submitted to the World Heritage Centre for review before they are finalised and before the temporary suspension of new planning approvals is lifted. UNESCO is therefore seeking more than the preparation of the documents: it wants the drafts reviewed by its advisory bodies before they are adopted and the moratorium maintained until the necessary protection frameworks are in place.

UNESCO also sets out what the Heritage Protection Study should cover, including a clear identification of the attributes of Outstanding Universal Value, a study of the buffer zone, mechanisms to align spatial plans with protection measures, stronger governance, and robust procedures for strategic assessments, Environmental Impact Assessments and Heritage Impact Assessments, including cumulative impact assessments. It also calls for mechanisms to monitor development projects and measures to respond to factors affecting the property.

Remove the Verige Bridge from the Spatial Plan

UNESCO welcomes the fact that the new national plan recognises World Heritage and environmental protection frameworks, but suggests that it should be further aligned with the recommen-

dations of the ICOMOS technical review from April 2026. In particular, the plan should provide clearer strategic guidance for the Heritage Protection Study, subordinate planning instruments and coordination between municipalities on protection measures.

The Committee welcomes Montenegro’s decision to abandon the Verige bridge project and the transport corridor across Luštica, but still calls for the Spatial Plan to be updated accordingly. This means the decision to abandon the proposed transport corridors must be reflected in planning documents, rather than only in the government’s statements to UNESCO.

Fjord, Jugooceanija and Orahovac remain under particular scrutiny. UNESCO notes that the Jugooceanija building has received legal protection as a cultural property of national importance and that a Heritage Impact Assessment is planned for the former Fjord hotel. At the same time, it is seeking updated information and relevant documentation on both sites, as well as on other projects that could negatively affect the property’s Outstanding Universal Value. For the Orahovac hotel, UNESCO specifically calls for the process to be halted until the World Heritage Centre and its advisory bodies have reviewed the updated project documentation.

No New
Quarry Concessions

Regarding the quarries, UNESCO welcomes the ban on new concessions for the extraction of mineral resources and the ban on extending existing concessions. The Committee is also asking Montenegro to provide regular updates on the status and operation of existing concessions.

UNESCO also says the Sustainable Tourism Plan should be subordinate to the overall Management Plan and the framework established by the Heritage Protection Study. The document makes clear that tourism planning should not proceed before the core protection documents are in place. This is particularly relevant for Kotor, where cruise ships, visitor numbers, accommodation capacity and infrastructure have for years placed significant pressure on the area.

As stated in the document, continued and demonstrable progress in the integrated protection of the cultural landscape and effective management of development will be crucial to preventing further deterioration of the property’s Outstanding Universal Value.

UNESCO Seeks Heritage
Protection Study and
Management Plan for Review

UNESCO welcomes Montenegro’s decision to begin preparing a comprehensive Heritage Protection Study and a revised Management Plan to address long-term challenges affecting the protection and management of the property. However, it requires the drafts to be submitted to the World Heritage Centre for review before they are finalised and before the temporary suspension of new planning approvals is lifted.

The Heritage Protection Study has yet to be prepared. The government says it will cover the entire World Heritage site and its protected surroundings, map sensitive areas, define protection regimes and identify areas where impact assessments and cumulative impact assessments will be required. The document is intended to translate UNESCO standards into specific prohibitions, restrictions and decision-making



rules. The study is due to be completed one year after amendments to the Law on the Protection of the Natural and Culturo-Historical Area of Kotor enter into force, which is March 2027.

The situation is similar with the Management Plan. UNESCO has been calling for it for years as the key instrument for managing the World Heritage site and its buffer zone. The government has said the new Management Plan will be completed by September this year.

The Bay of Kotor: a World Heritage Cultural Landscape, Not a Series of Investment Sites

The draft decision calls for the preparation of these documents to fully take into account previous decisions of the Committee, recommendations from expert missions and ICOMOS technical reviews. Those decisions leave little room for ambiguity over how protection

should be implemented. UNESCO calls for all planning documents to be aligned with the Management Plan and Heritage Protection Study within 18 months of their adoption.

It also calls for a temporary suspension of new planning approvals and applications to legalise illegally constructed buildings, together with strict control mechanisms and carefully defined exceptions for projects in the public interest, which would be subject to close oversight by the Administration for the Protection of Cultural Property.

Of particular importance is UNESCO's call to end so-called "administrative silence" in key decision-making procedures related to heritage protection. It also calls for a permanent ban on granting new concessions for the extraction of mineral resources, as well as a ban on extending existing concessions.

According to the draft decision, Montenegro should submit a new report to UNESCO by 1 February 2027 on the

state of conservation of the Kotor area and the implementation of the recommendations, including those of the joint UNESCO/ICOMOS mission of 2025. The report is expected to be considered at the 49th session of the World Heritage Committee.

The focus of international scrutiny is shifting from promises to evidence: halted works, restored sites, plans aligned with protection requirements and projects stopped before irreversible decisions are made. Ultimately, the question is whether Montenegro is effectively managing the Bay of Kotor as a World Heritage cultural landscape rather than as a collection of investment sites.

DESPITE THE
DEADLINE FOR
REMOVING THE
8,000-
SQUARE-METRE
INFILLED BEACH
IN FRONT OF THE
HOTEL OWNED BY
THE CARINE
COMPANY HAVING
EXPIRED ON 17 JULY,
EVERYTHING
REMAINS
THE SAME:
Devastation in
Baošići remains

Despite the state's promises to UNESCO that it would stop the devastation of the Bay of Kotor, in the case of Baošići the Administration for the Protection of Cultural Property is the only institution that has stood in the investor's way.

Đurđa Radulović/
Predrag Nikolić



More than 8,000 square metres of infilled beach in front of the mega-hotel in Baošići, owned by the company Carine and businessman Čedomir Popović, currently serves as a parking lot. Although Montenegro informed UNESCO that it had formally decided to halt the unauthorised works in Baošići and restore the site to its original condition, this has not been implemented. Most likely, it will remain so until the Supreme Court has the final say.

The two-month deadline imposed by the Administration for the Protection of Cultural Property (Uprava za zaštitu kulturnih dobara -UZKD), ordering the company Carine to restore the infilled beach in Baošići to its original condition, expired on 17 July. As Carine failed to do so, the Administration imposed the maximum fine of €5,000, while announcing that the state would restore the beach to its original condition.

“The control of the restoration of the beach to its original condition will not be carried

out by the Urban planning inspection because it did not issue a decision ordering restoration to the original condition,” the Ministry of Spatial Planning, Urbanism and State Property (MDUP), headed by Slaven Radunović, told CIN-CG.

Carine’s request to postpone the enforcement of the Administration for the Protection of Cultural Property Decision ordering restoration of the Baošići bathing site to its original condition was rejected by a decision of Montenegro’s Administrative Court dated 5 June 2026. The company filed an appeal against the judgment with the Supreme Court.

“Until the Supreme Court decides, the Administration’s decision remains in force,” Petra Zdravković, director of the Administration for the Protection of Cultural Property, told CIN-CG.

Carine told CIN-CG that the decision was “unlawful, arbitrary and capricious”, and that “it is particularly concerning that the Administrative Court, in its rationale, did not take into account, or even mention,

any evidence of the damage suffered by Carine as a result of the unlawful decisions of the Administration for the Protection of Cultural Property, which the company submitted with its request to postpone enforcement”.

The request included an opinion by a court-appointed expert in economic and financial matters, who quantified the damage in the form of lost profits and negative consequences for public revenues. Letters from various tour operators were also cited, documenting the immediate risk of termination of contracts and enforcement of contractual penalties, loss of business reputation and loss of position in the regional market. They also submitted a building permit that is directly contrary to the Administration’s decision.

Permits, but illegal ones

At the beginning of February, Carine began infilling the sea in order to arrange the bathing area in front of the future hotel in Baošići, which they planned to open before the summer tourist season.

At the beginning of the year, the Secretariat for Urban Planning of the Municipality of Herceg Novi issued a permit that enabled the devastation of the sea and coast in Baošići, while in February Minister Slaven Radunović told a session of the National Commission for UNESCO that he had “asked the competent inspectorate to verify the building permit” and that it had “been established that it was valid”.

Approval was also obtained from the Environmental Protection Agency of Montenegro (EPA), which assessed that an Environmental Impact Assessment Study was not required for the enormous expansion.

“Carine carried out the works to arrange the bathing area in Baošići exclusively on

the basis of the building permit issued by the Secretariat for Urban Planning and Construction Inspection of the Municipality of Herceg Novi, and we categorically maintain that no activity was undertaken outside that permit, which was confirmed by the records of the competent construction inspection,” Carine told CIN-CG.

They added that “the central legal question in this case is not whether Carine is building without a permit, but whether a body that voluntarily did not participate in issuing that permit (the Administration for the Protection of Cultural Property) can subsequently order the removal of everything constructed on its basis. This is a question currently being litigated before the Administrative Court of Montenegro and the Supreme Court of Montenegro.”

“The state is to blame for giving him the permit,” Petra Zdravković, director of the Administration for the Protection of Cultural Property, told CIN-CG. Despite the state’s promises to UNESCO that it would stop the devastation of the Bay of Kotor, in the case of Baošići, the Administration is the only institution that has stood in the investor’s way.

“The building permit for the beach will not be revoked despite the warnings of the Protector of Property and Legal Interests, Bojana Čirović. The President of the Municipality of Herceg Novi, Stevan Katić, said he would not revoke it,” Zdravković said.

She explains that the main argument of Carine is the building permit.

“The building permit for the beach was issued by the Municipality of Herceg Novi, while the permit for the hotel was issued by MDUP. It is now with the Special Police Department because of political influence, among other things,” Zdravković notes.

Hotel receives a negative Heritage Impact Assessment, Popović continues construction

Popović obtained a permit to build the hotel in 2019, before a Heritage Impact Assessment (HIA) became legally mandatory. When it became clear that this type of permit would be required for the project, Zdravković insisted that former Chief State Architect Vladan Stevović ask Carine to approach the Administration regarding the preparation of the HIA study.

The expert team then began work on assessing the impact of the proposed conceptual design on the entire cultural property and its Outstanding Universal Value, in accordance with the established assessment methodology.

If it is assessed that the planned intervention could have a significant negative impact, mitigation measures are prescribed for the investor. In the case of investor Čedo Popović, one of the measures was a ban on constructing a building in Baošići that would exceed the height of the tallest existing building in the settlement at that time, namely a building of approximately four storeys.

According to Zdravković, the investor responded that the proposed measures were none of his concern, stating that he had obtained Urban planning and Technical conditions back in 2019 and would adhere to those regardless of the Administration's guidelines. "After that, the expert team concluded the Heritage Impact Assessment (HIA) procedure with a negative opinion. In other words, the HIA concluded that construction of the planned complex in the proposed manner would have a negative impact on cultural heritage," Zdravković says.

"The negative HIA from 2024 was sub-

mitted to the investor, as well as to the then Chief State Architect Siniša Minić," Zdravković says.

Underground levels 'turned into' storeys

When the Herceg Novi Spatial-Urban Plan was adopted in 2025, four semi-basement levels were mapped into the construction plan for Carine, which, Zdravković explains, constitutes data manipulation. "Four semi-basement levels do not exist; there can only be one semi-basement level and four underground levels. We reviewed and returned that location multiple times, it was amended repeatedly, and in the end, they managed to slip those four semi-basement levels through. Ultimately, those four semi-basement levels were simply shifted upward. That is the argument used by both the investor and MDUP", Zdravković emphasizes, noting that the Ministry is making efforts to accommodate and legalize this facility, effectively restarting the process at the end of 2025.

"The Administration for the Protection of Cultural Property reiterates that it is impossible to plan a building whose storeys would exceed the height of the tallest building in Baošići. We sent him the HIA study and it was clear that he could not complete that procedure. There was also the communication between Radunović and me; he explains it with the narrative that a personal economic interest is actually the public interest of Montenegro," Zdravković says.

She recalls that the building was sealed at the end of 2024 because of irregularities in the documentation. "Twice after that, decisions banning the works were issued, and twice, following Popović's appeal, Minister Radunović annulled the decision of his own inspectorate. Stevan Katić, President of the Municipality of Herceg Novi, now allows him to carry out work

during the season when construction is prohibited. As for the hotel, everything is illegal,” Zdravković concludes.

Carine told CIN-CG that construction of the “Carine 5*” hotel complex in Baošići is in its final phase: “Carine planned for the hotel complex to receive its first guests during the 2026 tourist season, while the bathing area, as a functional and necessary part of the hotel complex designed to accommodate around 2,000 guests, was supposed to be operational as early as July this year.”

They say these plans were disrupted by the dispute with the Administration as well as uncertainty regarding enforcement of the Decision to restore the site to its original condition, which caused significant uncertainty regarding the project’s implementation.

“That is why we asked the Administrative Court to postpone the enforcement of the decision, because its immediate enforcement would effectively prevent the hotel complex from operating throughout the entire 2026 tourist season. According to the assessment of a court-appointed expert in economic and financial matters, this would cause lost profits and damage exceeding €7 million, not including reputational damage and negative consequences for tour operators, tourists, employees and the public interest,” Carine claims.

The company stresses that disputes with the Administration for the Protection of Cultural Property inevitably delay some of Carine’s business plans, but do not ultimately call them into question.

Hotel works continue in the midst of the tourist season

The hotel in Baošići is practically completed even though the Urban Planning and

Construction Inspection issued a decision in October 2024 prohibiting construction on several plots occupied by the hotel buildings. When asked how this was possible, the Directorate for Inspection Supervision within MDUP said that it faces limited staffing capacity relative to the workload, which affects the frequency and pace of on-site inspections.

The Administration for the Protection of Cultural Property also warns that the hotel being built by Carine has been extended by two additional storeys compared with the construction registration, which was subsequently incorporated into the Spatial Urban Plan for Herceg Novi.

“The Administration for the Protection of Cultural Property has not, at any stage, given consent for the implementation of the aforementioned projects; rather, it sought to ensure the application of enhanced control mechanisms, in accordance with Montenegro’s national and international obligations. The Administration acts in accordance with the letter of the law, but the question is whether other state and local government bodies do the same,” the Administration for the Protection of Cultural Property told CIN-CG.

Construction bans, inspection’s decisions and then their annulment by Radunović’s ministry have been the hallmarks of the saga surrounding the construction of the hotel in Baošići.

Carine is carrying out work to complete the hotel in the midst of the tourist season, even though a Decision on the prohibition of construction works during the summer period is in force, applying from 15 June to 15 September in the first zone (within a linear distance of 300 metres from the coast).

“The question of whether Carine has any approval to work in the midst of the

tourist season should be put to the competent authority, namely the Communal Inspection of the Municipality of Herceg Novi,” MDUP told us.

The Municipality of Herceg Novi explained to CIN-CG that, upon a reasoned request from an investor, the Municipality may approve construction works during the prohibition period if they concern projects of interest to the Municipality and the state, as well as in other exceptionally justified cases.

Thus, until 15 September, requests relating to the construction of facilities of general interest were approved: “Ilija Kišić” Primary School, the bus station complex with an access road, construction of the water supply network on Luštica, and renovation of a kindergarten in Bijela.

In addition to facilities of general interest, by 31 July, approval was also granted to requests relating to the construction of hotel complexes in Kumbor, Bijela and Baošići. “Decisions are issued to investors for a period of 15 days, during which it is monitored whether the works interfere with the lives and functioning of resi-

dents and guests, and whether there are complaints recorded through the official call centre. In the event of citizens’ complaints, the competent authority prohibits further works,” the Municipality of Herceg Novi told CIN-CG.

The Municipality of Herceg Novi did not answer CIN-CG’s questions as to whether the hotels in Kumbor and Bijela that were granted permits also belong to the company Carine, and whether they received an additional extension of the work permit after 15 July.

Radunović removed inspectors and annulled the construction ban

During March, Zdravković received several calls from Radunović, who insisted on the legalisation of the hotel and bathing area in Baošići. Zdravković reported this to the police at the beginning of March this year, when inspectors from the Herceg Novi Security Department asked her to provide clarifications on everything the Administration for the Protection of Cultural Property, which she heads, had done to protect Baošići.



During the same period, according to reliable information obtained by CIN-CG, Minister Radunović removed from their positions two inspectors who had assisted the police and prosecution in the operation to prohibit construction of the Carine hotel in Baošići. Two employees of the Construction Inspection service sealed off the works at the hotel during that period; however, on both occasions Radunović overturned his inspectors' decisions and allowed construction to continue following Popović's appeals.

CIN-CG contacted Chief Construction Inspector Aleksandar Todorović regarding this issue. He did not respond.

At the end of March, police arrested Popović and the Secretary for Urban Planning of the Municipality of Herceg Novi, Vladislav Velaš, on suspicion of illegal construction and abuse of office, while a criminal complaint was also filed against Carine. Following the arrests, the Police Directorate said it suspected that Popović had been building resorts in Kumbor, Đenovići and Baošići and developing the local beach, in violation of the construction ban and without the required technical documentation, while the permitted dimensions and number of storeys had been exceeded on several buildings. Popović remained in custody until the end of April, while Velaš was released pending trial following his hearing. In mid-June, Velaš was appointed Vice President of the Municipality of Herceg Novi.

The case was also mentioned in the Parliament of Montenegro during debate on amendments to the Law on the Protection of the Natural and Culturo-Historical Area of Kotor. Democratic Montenegro MP Zdenka Popović publicly appealed to the Administration for the Protection of Cultural Property not to inspect buildings with building permits that are

in the final stage of construction and to refrain from threatening them with project shutdowns.

Prime Minister and President of the National Commission for UNESCO Milojko Spajić, meanwhile, instructed the Administration for the Protection of Cultural Property to file a criminal complaint over the works in Baošići. He also promised that the Government would terminate that and all other contracts for the construction of investment bathing areas along the Montenegrin coast. The terminations have not yet occurred, and Spajić warned that the infilling of the sea in Baošići must be stopped urgently because it has a highly negative impact on preserving the status of part of the Bay of Kotor on the UNESCO World Heritage List.

Radunović pointed out that he had asked the competent inspectorate to verify the building permit and that it had been established to be valid.

Radunović stressed that the Spatial Plan of Montenegro had been adopted and provided for certain beaches for investment, one of them being this beach in Baošići, which is why, if the building permit were annulled, the state would face serious legal problems.

President of the Municipality of Herceg Novi Stevan Katić claims that the disputed beach is in the interest of Herceg Novi and that the process is irreversible, otherwise the area would remain neglected.

Prosecutor's Office investigating political background

The Special State Prosecutor's Office (SDT) opened a case concerning construction of the hotel complex and infilling of the beach in Baošići. They requested

the complete documentation concerning inspection supervisions, identified irregularities and measures taken from the Administration for the Protection of Cultural Property. The Prosecutor's Office is reviewing the allegations in the filed criminal complaint regarding potential political and party-line pressure aimed at preventing competent authorities from acting in accordance with the law.

Lawyer Veselin Radulović filed a criminal complaint with the SDT, which he supplemented 14 times, detailing the actions of state and local institutions in the case of construction of the Carine hotel complex in Baošići. He told CIN-CG that to date he has received no response.

The complaint alleges that political and institutional pressure was exerted on the competent authorities with the aim of enabling the investor to continue works despite numerous warnings, bans and the fact that the intervention is being carried out within a UNESCO-protected area.

The complaint names, among others, officials of Democratic Montenegro, President of the Municipality of Herceg Novi Stevan Katić, MP Zdenka Popović, owner of the company Carine Čedomir Popović, former Acting Chief State Architect Siniša Minić, and several as-yet unidentified local and state administration officials and officeholders.

It is alleged that, through action or inaction by institutions, the investor was enabled to practically complete the rough construction works on the hotel complex, although the competent authorities had previously identified irregularities and issued bans on construction.

In March 2024, Minić approved the number of storeys of the Carine hotel in a manner inconsistent with the Urban Planning and Technical conditions from

2019 and the planning documentation then in force. By Minić's decision of 11 March 2024, Carine was granted approval for a supplementary conceptual design of the hotel with a configuration of 3Po+-Su+6 (three basement levels, a semi-basement and six storeys), although the plan provided for Po+Su+6 (basement, semi-basement and six storeys).

After filing the criminal complaint, Radulović called on the SDT to act urgently on the complaints and investigate the role of all competent institutions and officials. "I filed the first criminal complaint against this criminal organisation on 28 August 2025, and to this day I have not received any information from the prosecution," he said, adding that he had been subjected to threats due to filing the complaints.

After the owner of Carine was remanded in custody, his lawyer Dražen Medojević said that he believed there had been no grounds for detaining his client: "We have reached an absurd situation in which facilities worth more than one hundred million have been built, while the investor and director are arrested and remanded in custody in order to prevent the risk of repeating the offence. What is he supposed to repeat when almost everything has already been built, and these facilities are of public interest?"

Čedo Popović's earlier works

The Special State Prosecutor's Office (SDT) charged former Mayor of Podgorica Miomir Mugoša with causing €6.7 million in damage to the Capital City budget in 2007 in the sale of city land to the construction company Carine, while obtaining a benefit for Carine in the same amount. The High Court and the Court of Appeal acquitted Mugoša of these charges.

Since 2013, when he began building hotels throughout the Bay of Kotor, Popović has, following the same principle as now in Baošići, expanded beaches and infilled the sea without complying with the law.

During construction of the Delfin hotel in Bijela in 2015, because of huge amounts of excavated earth dumped into the sea, Morsko dobro (Public Enterprise for coastal zone management) filed several reports, but to no avail. "This can only be done by someone protected by state authorities," the NGO Južni Jadran warned ten years ago.

The trial of former High Court President Vesna Medenica exposed her connections to Popović, with whom she shares close godparent-like ties. Judge of the Basic Court in Herceg Novi Jovan Stanković told Special Prosecutors that Medenica had asked him to issue a judgment in a case involving Carine. Medenica also sought a favor for Popović from Judge Hasnija Simonović, with whom she shares similar ties.

During Medenica's tenure, the Supreme Court ruled in favour of Carine at least twice, MANS warned: first in 2013, when it decided that the company was entitled to all of the property of Južni Jadran, and later when it annulled the Administrative Court's decision that Popović should pay €900,000 in transfer tax. Popović purchased land in Kolašin from Medenica's family on several occasions, paying hundreds of thousands of euros.

For Popović, who owns several hotels in the Bay of Kotor, this is not the first time he has infilled the sea. During construction of a hotel in Kumbor in 2019, Morsko dobro found that excavated material from the hotel construction site was being dumped into the sea. More than 3,000 square metres of coastline were infilled.

"We would like to engage in tourism, but without beaches. I would reward anyone who creates a beautiful and well-arranged beach, because it will attract guests. Can a hotel exist without a beach? Can a beach be created without infilling? No! It is not true that we dumped earth into the sea. I am fighting for sustainable development and I could not infill a beach with earth," Popović said at the time.

In 2018, residents of Kumbor warned the competent authorities that contractors working on the construction of Carine's luxury hotel were unloading earth into the sea and washing concrete mixer trucks whose contents were being washed into the sea. According to residents, the same activities were being carried out at the time by the company Azmont during construction of the high-end Portonovi resort.

"The construction of the hotel in Kumbor, arranged by Čedomir Popović's Carine and the Serbian Orthodox Church, in terms of conduct and respect for the law, is simply a replica of the construction of the Delfin hotel annex in Bijela, which Popović also owns. We know how he built the hotel there and infilled the coast, all without a building permit or the approval of Morsko dobro. He was not deterred even when the inspection closed the construction site and sealed off the building," Nada Popović, president of the NGO Južni Jadran, which represents minority shareholders of the company privatised by Popović, warned at the time.

"They unilaterally removed the state seal and continued building, proving to everyone that the law does not apply to them. Admittedly, due to evident criminal offenses, he received a first-instance sentence in the Basic Court of Herceg Novi to three months in prison, suspended for one year," she recalled, claiming that the owner of Carine behaves identically in

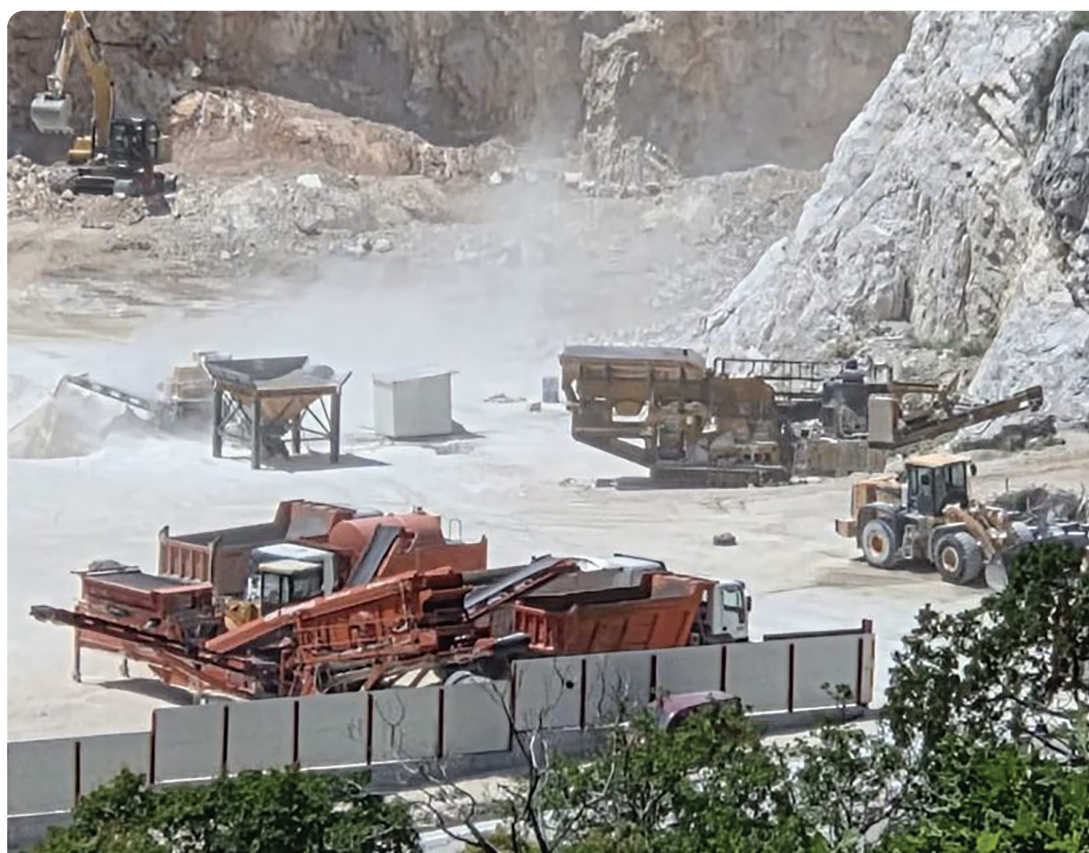
Kumbor within the Morsko dobro domain, while “the inspections pretend to look the other way.”

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DESPITE UNESCO BAN, QUARRIES DEVASTATE THE BAY OF KOTOR: Tombstones are cracking

Ledenice, Krivošije, Stupne: three quarries in the protected zone of the Bay of Kotor, two state bodies, two opposing answers and conclusions, as if they were not protecting the same area

Tijana Lekić



Less than one kilometre of linear distance from the village of Knežlaz, three quarries can be found. The village belongs to the Municipality of Kotor and lies in the buffer zone of the Bay of Kotor, which is under UNESCO protection.

According to data from the Ministry headed by Admir Šahmanović, four concession holders have signed contracts for extraction in this zone: “Braća Magud Grbalj” Ltd. from Kotor (Krivošije), “Sampetrol” Ltd. from Tivat (Stupne), “Mil-Com” Ltd. from Nikšić (Ledenice) and “W&R Dynamic Company Limited” Ltd. from Kotor (Donje Krivošije).

Although UNESCO requested a permanent halt to further stone extraction and expansion of concessions in July 2025, two Montenegrin institutions have taken

completely different approaches. The Environmental Protection Agency (EPA) approved operations for three quarries. Concurrently, the Administration for the Protection of Cultural Property (Uprava za zaštitu kulturnih dobara – UZKD), citing the same UNESCO decision, rejected those very same three quarries. A fourth quarry, operated by the concessionaire ‘W&R Dynamic Company Limited,’ has been running since 2010 with a concession valid until 2031.

“Life in Knežlaz has become unbearable. We are exposed to blasting and powerful detonations every day,” Božidar Kokot, a local resident engaged in livestock farming, told the Centre for Investigative Journalism of Montenegro (CIN-CG).

As he says, the explosions cause fear, and after every blast the village is covered by

dense clouds of dust. “The air we breathe has become unhealthy, and the dust is destroying the pastures. We have been left exposed to pollution that threatens our health and livelihood on our ancestral land.”

Beekeeper Dušan Kokotić told CIN-CG that his fields, crops and bee pasture have been covered in stone dust. “The wind carries it for kilometres. Yields have been destroyed, the fruit contaminated, and the bees are on the verge of dying because their forage has been destroyed.” Kokotić also claims that daily vibrations from blasting have caused cracks in the village cisterns, the water reservoirs. “Krivošije has no public water supply. The cisterns no longer hold water. We have been left without our basic source of water supply.”

Not far from the village lies the Knežlaz village cemetery, where generations of ancestors rest. However, even this place has no peace today.

“During the blasting, the ground shakes, powerful tremors are felt, and deafening detonations echo through the area. It is particularly painful for me that this is happening in a place that should be a symbol of peace and respect for the deceased,” Lidiya Bojović, whose ancestors rest in this cemetery, told CIN-CG. She claims that the frequent blasting has caused cracks

on the tombstones and graves. She adds that, despite this, the competent institutions fail to react.

“Let all quarry owners ask themselves whether they would accept the peace of their ancestors being disturbed for someone’s business interests. If even the cemetery is no longer a place of peace, where is there any peace left?” Bojović concludes.

Although UNESCO said no, the Agency approved three quarries

In July 2025, through decision 47 COM 7B.115, UNESCO requested that Montenegro “halt any further approvals of new construction and development projects” in the protected zone of the Bay of Kotor (within the property and its buffer zone). Nevertheless, between December 2025 and March 2026, the EPA approved Environmental Impact Assessment studies for all three quarries: Ledenice, Stupne and Krivošije.

On the other hand, the Administration for the Protection of Cultural Property, citing the same UNESCO decision and the opinion of UNESCO’s advisory body ICOMOS, formally rejected all three quarries during the same period. The Administration says it informed the EPA of its rejections as early as 31 July 2025, and, at the Agen-

Cadastral parcel within the UNESCO buffer zone, covered by the concession area. Source: Google Maps



cy's own request, submitted the formal rejection decisions for all three quarries on 4 November 2025—months before the EPA began issuing its approvals.

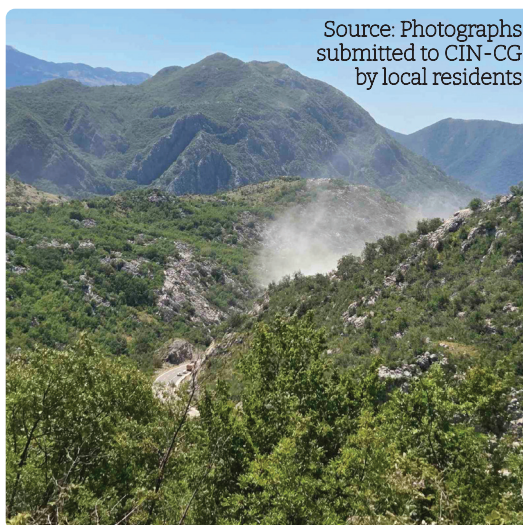
The EPA states for CIN-CG that when submitting the applications, the investors provided earlier conservation conditions issued by the Administration for the Protection of Cultural Property, and that the Administration subsequently issued decisions revoking those approvals.

The EPA justified all three decisions using identical wording: “Upon reviewing the submitted documentation, it was established that UNESCO did not express an opinion on the specific projects, but issued a general recommendation concerning future planning, and therefore concluded that it could not have legal effect on Impact Assessment procedures that had already commenced.”

The companies holding the concessions told CIN-CG that they had obtained the required approvals from the Administration for the Protection of Cultural Property between 2021 and 2023, before UNESCO and ICOMOS had assessed these projects at all.

Following appeals by the concessionaires over the Environmental Protection Agency's demand for approvals from the Directorate for the Protection of Cultural Property, the Ministry headed by Damjan Čulafić overturned the environmental approvals for the Ledenice and Krivošije quarries in its capacity as a second-instance authority. The decision was made not because of UNESCO's recommendation, but because the Agency has no statutory authority to demand that investors secure approvals from the Administration for the Protection of Cultural Property.

Both cases are currently, for the second time, before the Agency for a decision.



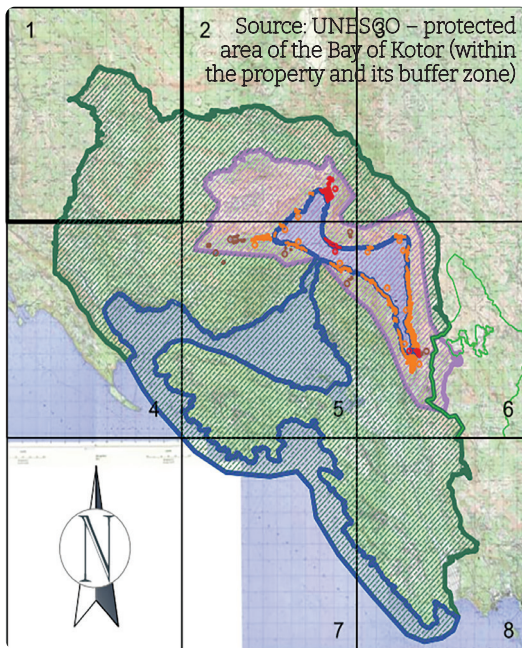
Source: Photographs submitted to CIN-CG by local residents

As for the concession holder “Mil-Com Ltd.” from Nikšić (Ledenice), The Ministry of Ecology, Sustainable Development and Development of the North (MERS) says it has received no appeal against the decision.

The Ministry of Ecology, Sustainable Development and Development of the North (MERS) explains that the Agency conducts only procedures prescribed by the Law on Environmental Impact Assessment, and that this law does not give the Agency the authority to require investors to obtain approval from the Administration for the Protection of Cultural Property.

MERS's position is that the obligation to obtain the Administration's approval is neither disputed nor abolished, but, according to its interpretation, the Agency is not the body that should verify and impose that obligation in its decisions.

The Ministry also instructed the Agency, in the repeated procedure, to take particular account of the ICOMOS warning that stone extraction could seriously endanger the cultural landscape of the Bay of Kotor, as well as UNESCO's recommendation not to grant new concessions.



The Bay of Kotor should be protected as a whole

The dispute is essentially about whether the UNESCO and ICOMOS decision applies to projects that were only planned, or also to those whose procedures were already under way.

UNESCO's decision itself is clear—in item 4, it calls on Montenegro to “halt any further approvals of new construction and development projects” until the legal framework is aligned. In addition, the official report Montenegro submitted to UNESCO in January 2025 (months before the EPA issued its approvals) states that “the construction of the proposed quarries and all related activities have been suspended”. On the basis of that statement, UNESCO “welcomed the suspension of activities” in July.

This dispute also has a deeper legal dimension. Article 18a of the Law on the Protection of the Natural and Cultural-Historical Area of Kotor divides the

domestic area into two categories with different rules: paragraph 12 requires a UNESCO opinion for interventions within the core protected property, while paragraph 13, for the protected surroundings—the buffer zone where all three quarries are located—requires only that an assessment be prepared by an expert team in accordance with ICOMOS guidelines, without mentioning a UNESCO opinion as a condition.

The international obligation, however, does not make that distinction: the UNESCO Nomination Manual and decision 47 COM 7B.115 itself treat the property and its protective surroundings as a unit. This means that a company may be right under the letter of domestic law, while Montenegro as a state may still be violating its international obligation towards UNESCO.

ICOMOS: Quarries threaten to destroy the cultural landscape of the Bay of Kotor

In 2021, the Administration for the Protection of Cultural Property had no objections to these quarries; it even issued individual assessments that they would have no negative impact on the protected area. Its position changed only in 2023, after UNESCO requested that the Montenegrin authorities submit Heritage Impact Assessment studies.

Those studies were assessed by ICOMOS, whose opinion was unequivocal: “The project proposals could have a significant negative impact on the cultural landscape of the Bay of Kotor and threaten the property’s outstanding universal value.” ICOMOS warned that the three proposals together have the potential to “turn a wild landscape into an industrial mining landscape”. ICOMOS also considered the economic aspect, noting that 70 percent of fees go to the Municipality of Kotor, but concluded that “the potential for

Ten active concessions

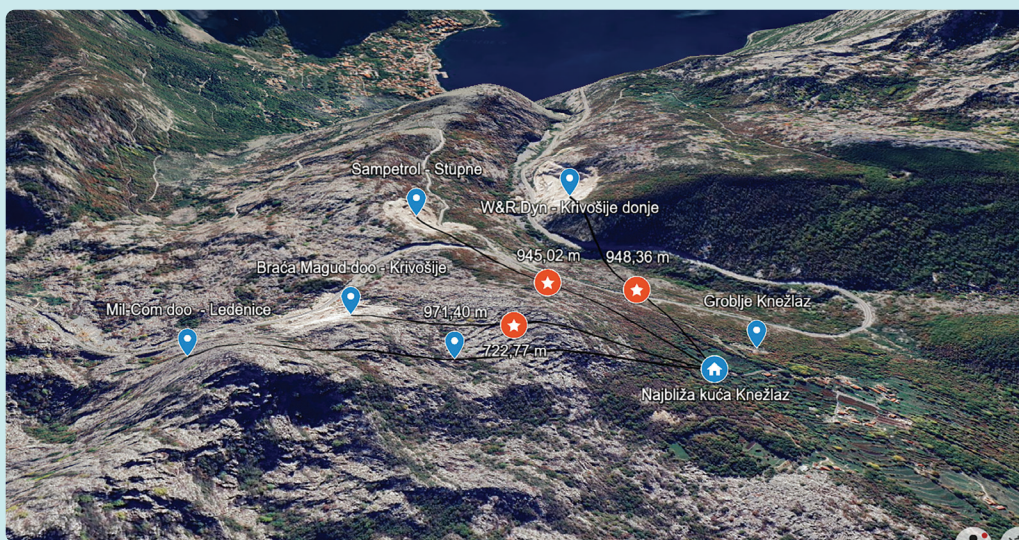
The Ministry of Mining and Energy says that there are currently 10 active concessions for the extraction of mineral resources in the Bay of Kotor area, distributed across nine different deposits/sites ("Krušo" has two concessions on neighbouring deposits). Six quarries are located in the Municipality of Kotor and four in the Municipality of Herceg Novi. However, no quarry is currently undergoing remediation.

Municipality of Kotor:

1. Krivošije – concession holder Braća Magud-Grbalj Ltd., contract dated 10 July 2019, expires on 1 July 2049.
2. Donje Krivošije – concession holder W&R Dynamic Company Limited Ltd., contract dated 11 November 2010, expires in 2031.
3. Lješevici-Gajevi – concession holder Briv Construction Ltd., new contract dated 20 November 2025, expires on 31 December 2055.
4. Platac – concession holder Carinvest Ltd., contract dated 28 August 2023 (new, following expiry of the previous one on 31 December 2021), expires on 30 June 2053.
5. Stupne – concession holder Sampetrol Ltd. (registered office in Tivat), contract dated 11 June 2020, expires on 30 June 2050.
6. Ledenice – concession holder Milcom Ltd., Nikšić, contract dated 8 November 2019, expires on 31 December 2049.

Municipality of Herceg Novi:

7. Sitnica – concession holder Bekommerc Ltd., contract dated 25 November 2016, expires on 31 December 2046.
8. Bjelotina – concession holder Bokić Ltd., contract dated 17 December 2009, expires on 31 August 2031.
9. Kruševici I – concession holder Krušo Ltd., contract dated 17 November 2010, expires on 17 November 2028.
10. Kruševici II – concession holder Krušo Ltd., contract dated 17 November 2010, expires on 17 November 2028.



struction of an access road. “Mil-Com” had not responded to CIN-CG’s questions by the time of publication.

However, residents report that within less than one kilometre of the village of Knežlaz there is also the “Donje Krivošije” quarry (W&R Dynamic), where drilling and blasting are frequent. The concession contract was signed in 2010 and expires in 2031.

“W&R Company” told CIN-CG that it carries out blasting once a month on the basis of valid permits, and that houses are 1,000 metres from the site of the works. They claim there have been no complaints from local residents, and that approval for operations was issued 12 years ago by the then President of the Municipality of Kotor, Maja Čatović.

The company added that 12 years ago, a meeting on the subject was organised at the premises of the Municipality of Kotor with representatives of local communities, at which, according to the company, no residents appeared except municipal officials responsible for environmental matters. They also point out that the quarry was opened 12 years ago, when consent from local communities was not legally required, unlike in the case of “Braća Magud” and “Sampetrol”, which today rely on written consent from the Local Community of Donje Krivošije from 2021.

Both documents were signed by the President of the Council of the Local Community of Donje Krivošije, Rajko Samardžić, and both contain identical wording: that the company may “freely use the location... for the extraction of technical and construction stone and carry out all works for the purpose of extraction, primarily blasting in the manner prescribed by law, that is, in a manner that will not endanger the lives and property of residents”.

Between a Protected Area and Devastation

The residents interviewed by CIN-CG say they were not aware of the existence of such consent from the local community.

“We demand that the environmental and construction inspections urgently visit the site, immediately verify all investors’ permits, and protect basic life conditions in our ancestral homes,” the residents told CIN-CG.

CIN-CG’s analysis, based on official cadastral and concession coordinates for all four quarries, confirms that each of them is less than one kilometre of linear distance from the village and cemetery of Knežlaz.

The Bay of Kotor has been on the UNESCO World Heritage List since 1979, inscribed because of its natural and cultural-historical value as a unique whole. Yet, two competent state institutions, one responsible for protecting the natural heritage, the other for protecting cultural property, have reached opposing conclusions. A third institution, the state itself, claimed in an official report to UNESCO in January 2025 that construction of the quarries had already been suspended, months before the EPA began issuing approvals for the continuation of works.

For the residents of Knežlaz, this rift between paperwork and decisions is measured every day in detonations that threaten their water, bees and the peace of their ancestors’ graves. And even if the contracts for these three companies are annulled, the fourth quarry remains active.

PLAVI HORIZONTI: NEW PRESSURE ON THE BAY OF KOTOR, OLD APPROVALS: €270 Million Resort Lacks a New Impact Assessment

The Environmental Protection Agency claims the project has not materially changed since 2020, the Municipality of Tivat has called for a new Environmental Impact Assessment, while the Administration for the Protection of Cultural Property says its earlier opinion was issued before the current protection rules for the Kotor area came into force.

Tijana Lekić



Although UNESCO has, for years, warned that development pressures in the Bay of Kotor must be assessed cumulatively, one of the larger tourism and residential projects on the Tivat side of the bay has been cleared to proceed without a new Environmental Impact Assessment. The project concerns a complex behind Pržno beach, also known as Plavi Horizonti, one of Montenegro's best-known coves and a protected natural site.

The case of Plavi Horizonti, based on documents reviewed by the Centre for Investigative Journalism of Montenegro (CIN-CG), shows how major projects in the Bay of Kotor continue to rely on earlier approvals while institutions

take different views on whether new assessments are required.

The Environmental Protection Agency says the project has not materially changed, the Municipality of Tivat has called for a new assessment, the Administration for the Protection of Cultural Property has not issued conservation requirements for the project, and the Institute of Marine Biology did not have access to the 2020 Environmental Impact Assessment.

Municipality of Tivat Calls for New Assessment

Such procedures raise questions about whether development pressures within the UNESCO buffer zone are being as-

sessed in the way UNESCO has repeatedly called for. In its latest document, recently reported by CIN-CG, UNESCO explicitly calls for an end to so-called “administrative silence” in key heritage protection decision-making procedures.

In late 2025, the Environmental Protection Agency concluded that a new Environmental Impact Assessment was not required for the Pržno I tourism complex because the project had already been assessed. The agency relied on the environmental approval issued in 2020 and said that neither the project documentation nor conditions at the site had materially changed.

The Municipality of Tivat, however, warned that a new assessment was necessary given the scale of the project, its proximity to the protected beach and the potential cumulative impacts. Local officials said the large complex could not be assessed in isolation, based only on plot boundaries and earlier permits, but had to be considered in the context of broader pressures on the coastline, infrastructure, the protected beach and the Bay of Kotor’s landscape.

The project is now being developed by Blue Investments d.o.o. Tivat, formerly known as Qatari Diar Hotel & Property Investment Montenegro d.o.o. The company confirmed to CIN-CG that it is the same legal entity and that “the company name was changed while its legal continuity was maintained”.

The project, which for years has been presented as an investment worth about €270 million, envisages a hotel and residential complex comprising adjacent buildings, residential villas, restaurants, a beach club, swimming pools, sports facilities and supporting infrastructure.

The planned development is located on the Tivat side of the Bay of Kotor, an area important to the wider landscape and coastal setting of the Kotor region and its UNESCO buffer zone. The cumulative impact of major tourism and residential developments has for years been one of the central concerns surrounding the protection of the area’s Outstanding Universal Value.

In December last year, media reported details of a proposed five-star hotel, adjacent buildings, residential villas and a wide range of additional facilities. The complex would have 246 rooms, while the hotel buildings would be no more than four storeys high, apart from a central seven-storey “tower”. Plans include 300 parking spaces, a spa and wellness centre, a swimming pool, restaurant, beach bar and restaurant, tennis club, sports grounds and playgrounds.

The Agency Claims Project Has Remained Unchanged

In a decision dated December 16, 2025, the Environmental Protection Agency concluded that the project did not require a new Environmental Impact Assessment. In response to questions from CIN-CG, the Agency said it had already decided on the matter in 2020, when it approved the Environmental Impact Assessment, after which construction permits were issued.

After the approval linked to those permits expired, the investor approached the Agency again, asking whether a new assessment procedure was required.

The Agency said there had been no significant changes either at the site, which remains undeveloped, or in the project documentation, which it said

was unchanged from the documentation on which the earlier building permit had been issued. It therefore concluded that a new Environmental Impact Assessment was unnecessary. The Agency also said that the mitigation measures set out in the earlier assessment remained in force.

The Municipality of Tivat submitted a contrary opinion, telling the Agency that a new assessment was necessary because of the scale of the project and its proximity to the protected natural site of Pržno beach.

In a letter dated December 9, 2025, the Tivat Secretariat for Spatial Planning and Development warned that the documentation did not provide sufficient information on possible impacts on the sea, air, noise, landscape and vegetation, nor did it assess the cumulative pressure on the area.

The municipality also pointed to planned interventions affecting vegetation. According to the documents reviewed by the local administration, the project envisages the removal and transplantation of additional trees compared with the measures envisaged in the earlier 2014 study on the treatment of existing vegetation. The letter says 132 additional trees were planned for removal, while another 107 would be transplanted.

The Secretariat also noted that the documentation did not set out the scale and spatial extent, nature, intensity and complexity of potential impacts, or their interaction with other existing or approved projects.

The municipality therefore concluded that the complex could have negative effects on air and seawater quality, noise levels and landscape characteristics

during construction and operation, as well as in the event of an accident. In its view, a new assessment would provide more comprehensive data, measures to prevent or reduce harm and a programme for monitoring impacts.

The Environmental Protection Agency, however, told CIN-CG that most of the relevant plots are outside the protected area. It said the exception was cadastral parcel 460/1 in the Nikovići cadastral municipality, which lies within the protected belt outside the protected area.

Old Opinions, New Protection Rules

The Municipality of Tivat forwarded the Agency's information to Morsko dobro (the state-owned company responsible for managing Montenegro's coastal zone), the Institute of Marine Biology, the Administration for the Protection of Cultural Property, the Montenegrin Electricity Distribution System (CEDIS), the Tivat Water and Sewerage Company, and Komunalno Tivat (the municipal public utility company).

The Administration for the Protection of Cultural Property confirmed that it received a request from the Municipality of Tivat in December 2025 for an opinion on whether an Environmental Impact Assessment was required for the Pržno complex, but did not respond until July 17, 2026.

The Administration said it had issued an opinion in 2014 on amendments to the Pržno I Urban Development Plan, but that the opinion predated the application of provisions of the Law on the Protection of the Natural and Culturo-Historical Area of Kotor. The Administration therefore effectively indicated that its 2014 opinion could

not be regarded as an assessment of the project under the rules that now apply to the protection of the Kotor area and its UNESCO buffer zone.

Despite this, the Environmental Protection Agency relied in 2025 on earlier permits and documentation when determining that a new Environmental Impact Assessment was not required.

The Administration for the Protection of Cultural Property also said that no proceedings had been initiated for the relevant plots to issue conservation requirements or approve the project documentation. In practical terms, this means the Administration did not set specific requirements for protecting the cultural landscape for this particular project, nor did it assess whether the project documentation complied with such requirements.

According to further documents provided to CIN-CG, the Administration cited a 2014 record containing the perspective of the former Regional Institute for the Protection of Cultural Monuments Kotor. Back in 2011, this institute evaluated the Urban Development Plan drafts for Pržno I and Pržno II, emphasizing in its formal opinions that the inherent natural qualities of the bay must be safeguarded to the greatest extent during the planning process.

Earlier documentation from the Administration for the Protection of Cultural Property also shows that Pržno's importance extends beyond development to landscape protection. In a 2014 opinion on the draft amendments to the Pržno I Urban Development Plan, the Administration noted that the plan covered Pržno beach, "which is a legally protected site because of its exceptional natural features".

The same document said that the rocky shores forming the cove from the open sea to the sandy beach made Pržno "one of the most beautiful coves and beaches on the Montenegrin coast", and stressed the importance of preserving valuable trees to maintain the landscape's characteristics.

Although the administration concluded at the time that the draft plan amendments were acceptable from a conservation perspective, the document confirms that the area's natural and landscape values require particular attention. The Municipality of Tivat likewise referred to the protected beach, vegetation, landscape and potential cumulative impacts when it asked the Agency in 2025 for a new Environmental Impact Assessment.

Who Is Behind Plavi Horizonti?

The project has, for years, been publicly associated with Qatari state investment fund Qatari Diar, but new documentation and the investor's response show that its ownership structure has since changed.

According to data from the Business Network, the sole owner of Blue Investments is the Cypriot company Blue Adriatic Ltd, formerly known as Q. Hotel and Marina Ltd. Earlier records listed Tariq Khalid A. A. Al-Abdulla as a director of the Cypriot company. He also appears in the Cypriot registry as a director of 58 other companies. The Montenegrin public had previously been told that the project was backed by Qatari state investment fund Qatari Diar.

In 2010, Qatari investors acquired approximately 270,000 square metres of land in Pržno Bay for a sum of €25 million. Following the demolition of

The Institute Did Not Have Access to the Assessment

The Institute of Marine Biology said it could not determine whether additional research was required compared with the 2020 Environmental Impact Assessment because it had not reviewed either the assessment itself or the underlying data on the state of the marine ecosystem presented in the document.

“As the Institute did not have access to the Environmental Impact Assessment or to the data on the state of the marine ecosystem presented in it for the Trašte Bay area, it is not possible to provide an expert assessment of whether additional research would be necessary compared with the assessment prepared in 2020,” Mirko Đurović, PhD, director of the Institute of Marine Biology, told CIN-CG.

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Captions:



Rendering of the future hotel. Source: Environmental Impact Assessment

the old Plavi Horizonti hotel complex in 2011, the completion of a new luxury resort, with an estimated value of €270 million, was initially projected for 2014.

Subsequently, in 2013, the investor secured a 30-year lease agreement with Morsko dobro to utilize the coastline and waters of Pržno Bay for an annual fee of €50,000. However, the develop-

ment faced a prolonged standstill for years due to an unresolved property ownership dispute over a private plot located within the complex.

The new investment structure was confirmed to CIN-CG by both the Municipality of Tivat and Blue Investments. Municipal officials said they were aware that a new investor had taken over but

had not been formally notified.

“Whoever decides to develop this site, the conditions prescribed by the planning document remain the same,” the Municipality said.

Blue Investments said the transition did not involve the sale of the land or the transfer of the project to another local legal entity, but took place at the level of Cypriot company Blue Adriatic Ltd, which owns 100% of Blue Investments. According to the company, the project is now supported by a group of international investors led by U.S. investor Richard Gadbois, a member of the Blue Investments board.

The company did not, however, answer CIN-CG’s questions about the current shareholders of Blue Adriatic Ltd, the size of their respective stakes, whether Gadbois is the direct or ultimate beneficial owner of the Cypriot company, or who the other investors in the group are. It also did not disclose when the ownership transition occurred, from whom the shares were acquired, or whether Qatari capital has fully withdrawn from the project.

The company said the project remains identical to the one previously approved and that no amendments have been made to the documentation for which all necessary approvals and a building permit had already been obtained. The project is therefore moving forward on the basis of the existing approvals, while the Environmental Protection Agency has determined that a new Environmental Impact Assessment is not required.

Blue Investments said it would continue cooperating with the relevant authorities throughout the project and comply with all measures and obligati-

ons established by applicable permits, approvals and regulations.

Asked by CIN-CG whether the project’s potential impact on the UNESCO buffer zone of the Bay of Kotor had been specifically assessed, Blue Investments did not confirm that a separate assessment had been conducted. Instead, the company said that “all specific requirements were incorporated through the urban planning and technical requirements” and addressed through revised technical documentation used to obtain the building permit.

Blue Investments also said that public access to Pržno–Plavi Horizonti beach and the surrounding coastal area would remain unrestricted, in line with applicable legislation, planning documents and the rules governing the use of the maritime domain. “The project does not envisage restricting public access to the beach and coastal area,” the company said.

Regarding vegetation and infrastructure, Blue Investments did not provide precise figures on the number of trees planned for removal or transplantation. The company said that an assessment of the existing vegetation had been carried out before the landscape architecture project was prepared, and that olive trees, as a protected species, had already been relocated to a temporary nursery before being replanted at new locations within the complex.

The company added that a detailed assessment of the project’s infrastructure requirements was still underway, covering water supply, sewage, electricity, waste management, traffic and parking. Precise data on the number and condition of trees, as well as individual infrastructure investments, would be available after the expert assessments

were completed, it said.

This is significant because the investor maintains that the project has remained unchanged from the previously approved documentation, while also acknowledging that further expert assessments of vegetation and infrastructure are still ongoing and that more detailed information will only become available later. This raises questions about whether the full impact of the planned complex on the protected beach, landscape, coastline and existing infrastructure had been assessed before the decision was made that a new Environmental Impact Assessment was not required.

ARCHITECT
LED THE
PREPARATION
OF KOTOR'S
SPATIAL-URBAN
PLAN, THEN HIS
COMPANY
PREPARED
CONCEPTUAL
DESIGNS FOR
HOTELS IN KOTOR
AND TIVAT:
Keeps designing
despite UNESCO
criticism

Architect Mladen Krekić led the preparation of Kotor's Spatial-Urban Plan, and less than a year later his firm designed a hotel in Orahovac, where the plan allowed tourism development. He had done something similar earlier in Tivat, all within an area that UNESCO has for years warned is threatened by excessive construction

Andrea PERIŠIĆ



Architect Mladen Krekić led the preparation of the Spatial-Urban Plan of the Municipality of Kotor, adopted by the Government of Montenegro in August 2020, which determined land-use designations and development possibilities. Less than a year after the document was adopted, his private company “BusinessArt” produced a conceptual design for a large hotel complex in Orahovac.

The conceptual design for the “Orahovac” hotel, which the Centre for Investigative Journalism of Montenegro (CIN-CG) reviewed, was produced by “BusinessArt” in April 2021, and the Ministry of Spatial Planning, Urbanism and State Property (MDUP) approved it on 6 December 2024.

Urban-planning and technical conditions for cadastral parcel 446/1 in Cadastral Municipality Orahovac were issued on 15 January 2021, five months after the adoption of the Spatial-Urban Plan of the Municipality of Kotor. They state that the 6,837-square-metre parcel was recorded in the real estate folio in the land register as third-class pasture, while the Spatial-Urban Plan assigned it the D1–T1 tourism designation, allowing the

construction of hotels, resorts, villas and other tourism facilities. The plan allowed a gross building area of up to 13,674 square metres at the site, a plot coverage ratio of up to 50 per cent, a G+2+Attic building height and underground levels. “BusinessArt” designed a complex covering 8,364 square metres, or about 61 per cent of the maximum permitted area.

In a decision adopted in July 2025, the UNESCO World Heritage Committee (the Committee) called for a halt to further approvals of new construction and development projects within the protected area of Kotor and its buffer zone until the planning, legal and institutional framework is harmonised with protection obligations. A document prepared for the 48th Committee session in 2026, recently held in South Korea specifically urges Montenegro to halt proceedings for the ‘Orahovac’ Hotel pending a review of the updated design documentation by the World Heritage Centre and UNESCO’s advisory bodies.

The project holder and landowner is investor and businessman Slaven Milić from Podgorica, who, according to data from the “Poslovna mreža” platform, is

the owner and authorised representative of the company “Simes Inženjering”. Documentation that CIN-CG obtained from Milić shows that the project was developed on the basis of urban-planning and technical conditions issued by the state, received the approval of the Chief State Architect, and that the investor carried out the procedures and prepared the documents required by the competent authorities.

“Following comments about the hotel’s possible impact on the cultural landscape, the project was amended and supplemented with impact-mitigation measures, including adapting the buildings’ dimensions and design to the terrain and landscape,” Milić told CIN-CG.

Despite state authorities issuing conditions and approvals and accepting the continuation of procedures, UNESCO and ICOMOS, the organisation that advises UNESCO on cultural heritage protection, subsequently determined that the submitted documentation was insufficient and called for the project to be halted pending a new expert assessment.

Milić explained to CIN-CG that the updated documentation had been submitted and that they were awaiting a response from UNESCO.

UNESCO’s demands for stricter control over construction in Kotor’s protected area are not new. As early as 2016, the Committee called for all planning documents to be harmonised through a comprehensive Heritage Impact Assessment, while in 2018 it warned of weaknesses in the existing spatial and urban plans and called for the moratorium on new construction to be maintained. As head of the team drafting Kotor’s Spatial-Urban Plan, Krekić was responsible for planning the area to which these recommendations immediately applied.

By the time of publication, Krekić had not responded to CIN-CG’s questions regarding his role in drafting the Spatial-Urban Plan, nor about his company’s subsequent projects within the area covered by the plan, which UNESCO explicitly demands be protected from overdevelopment, nor regarding a potential conflict of interest.

Asked whether, when “BusinessArt” was hired, he knew that Krekić had previously led the preparation of the Spatial-Urban Plan that established the land use and urban-planning parameters for the hotel site, Milić said his company was aware of Krekić’s professional experience and international reputation.

“At the time we engaged him, we were aware that architect Krekić was a renowned, internationally recognised author of buildings and projects of the highest professional standing. We were also aware that his studio authored conceptual designs for projects that had already received the green light from UNESCO, which we regarded as an objective confirmation of our subjective impression of the professional team’s expertise,” Milić said.

He also explained that an investor is not required to know the names of members of the authoring team that worked on planning documentation, nor to assess whether there is a conflict of interest.

“Since you have raised the question, we looked into the practice both in Montenegro and Europe and learned that it is not uncommon,” he said. In well-regulated countries, however, professional codes require architects to preserve their independence, avoid conflicts of interest, and disclose any circumstances that could call their impartiality into question.

The Code of the Croatian Chamber of Architects, for example, stipulates that an architect must immediately disclose

to the client and other relevant persons all significant circumstances that could give rise to a conflict of interest, as well as circumstances that could appear to another person to constitute a conflict of interest.

The Croatian Chamber's Rulebook on Competitions in the Fields of Architecture and Urbanism defines a conflict of interest as a direct or indirect financial, business or other personal interest that could compromise the impartiality and independence of a participant in the procedure. Persons involved in the preparation and decision-making before the competition sign declarations regarding the presence or absence of a conflict of interest.

Italian professional regulations do not introduce an automatic ban on all subsequent engagement, but instead require the protection of public interest, professional independence, and disqualification in situations where an architect participated in preparing the conditions of a public procedure and could subsequently act as a private competitor in that same procedure.

European professional standards also recognise an apparent conflict of interest, which refers to a situation where misconduct has not been proven, but the circumstances may raise justifiable doubt about the expert's impartiality.

For this article, CIN-CG contacted the Association of Architects of Montenegro (Savez arhitekata Crne Gore – SACG), but no response had been received by publication.

Received €45,000 for preparing the Spatial-Urban Plan

Krekić was appointed head of the preparation of the Spatial-Urban Plan of the Municipality of Kotor by a 2018 Government



decision. Under a contract concluded at the end of 2018 and an annex from August 2020, he was paid €45,000, the Ministry of Spatial Planning, Urbanism and State Property told CIN-CG.

The ministry, headed by Minister Slaven Radunović, said that the prohibition prescribed by Article 132 of the then-applicable Law on Spatial Planning and Construction of Structures did not apply to Krekić as head of the preparation of the plan.

"When he was engaged in preparing the plan, Krekić did not submit a declaration stating that no conflict of interest existed," the ministry told CIN-CG.

Krekić graduated from the Faculty of Architecture at the University of Belgrade and pursued further studies at the Polytechnic University of Milan.

Krekić's company "BusinessArt" operates not only in Montenegro but also in Italy, Croatia and Serbia. According to data from "Poslovna mreža", the Podgorica-based "BusinessArt" was founded on 25 March 2004 and registered for engineering activities and technical consultancy. Krekić is the company's sole owner, executive director and authorised representative.

In 2025, the company generated just over

€1.07 million in revenue and a net result of around €22,000.

Among the projects in Kotor listed on “BusinessArt’s” website are the “Orahovac” hotel, the “Muo” hotel, “Marriott”, “Vardar” and many others, as well as “Bigova Bay”, villas and marinas.

CIN-CG received no answers from Radulović’s ministry as to whether Krekić disclosed his private business interests upon engagement, including his ownership and managerial roles in “BusinessArt”, or whether the ministry was informed, after the Spatial-Urban Plan was adopted, that Krekić’s firm was designing buildings in the area covered by the plan.

There was also no answer as to whether an internal review of a possible conflict of interest had been carried out in connection with those engagements.

The Agency for the Prevention of Corruption told CIN-CG that Krekić does not have the status of a public official under the Law on the Prevention of Corruption and that, for this reason, it is not competent to issue an opinion on the case.

The same in Tivat: Drafted the Plan, then his company designed the projects

Orahovac is not the only case in which Krekić worked on a planning document and his company subsequently designed a project in the area covered by that plan.

In 2019, according to reporting by the Vijesti news portal, Krekić was the responsible planner for amendments to the State Location Study on the “Arsenal” site in Tivat, a planning document for the development of the Porto Montenegro marina and nautical-tourism resort, owned by Dubai’s state investment fund ICD. At the time, the relevant ministry, the



Concept design for the “Orahovac” hotel, prepared by Krekić’s company. Source: BusinessArt website.

Ministry of Sustainable Development and Tourism, was headed by then-Minister Pavle Radulović of the Democratic Party of Socialists (DPS). Following his resignation after the release of a recording showing corruption by two building inspectors within his department, he was replaced in managing the ministry by then-Prime Minister Duško Marković.

Under Krekić’s amendments, the total planned building area within the “Arsenal” State Location Study increased from 89,000 to around 145,000 square metres. The permitted building height was also increased, in some locations to as many as ten above-ground stories; buildings whose foundations extend into the sea were mapped, while the plan also envisaged removing part of the state and local cultural heritage to free up space for commercial residential construction.

As a result, a group of residents of Seljanovo filed a criminal complaint with the Special State Prosecutor’s Office at the end of 2022 against Krekić, in his capacity as the then-head of the drafting team and responsible planner, as well as against the responsible officials within the former Ministry of Sustainable Development and Tourism.

The complaint was filed over suspicions

that official position was abused during the preparation and adoption of the amendments to the plan.

Krekić and his team also planned two eight-storey towers on either side of the main entrance to Porto Montenegro from the Adriatic Highway.

“Greater building height gives us opportunities and flexibility to work on the architecture,” Krekić said, according to Vijesti, while representatives of Tivat’s Secretariat for Urban Planning warned him that increasing the building height could cause the planned structures to exceed the maximum plot development coefficients. The amendments envisaged a total of 386,344 square metres of gross building area within the State Location Study, with 900 hotel beds, 4,711 permanent residents and 1,495 employees.

The “BusinessArt” website lists the amendments to the “Arsenal – Porto Montenegro” location study as a company project from 2019. The type of engagement was specified as “conceptual design,” with the project area spanning 168.52 hectares, including 29.49 hectares of land and 72.5 hectares of the port area.

Krekić’s company also states on its website that from 2008 to 2015 it worked on the Porto Montenegro project, carrying out urban planning, conceptual and detailed designs, as well as construction supervision for the investor “Adriatic Marinas”, the company that operates the Porto Montenegro complex.

UNESCO and ICOMOS Advisory mission also requested documentation for “Bigova Bay”

A joint UNESCO and ICOMOS Advisory mission that visited Montenegro in February 2025 asked the state to submit detailed project documentation for the

“Bigova Bay” project to the UNESCO World Heritage Centre as well. Krekić’s firm “BusinessArt” produced the conceptual design for the project in 2022, along with a Heritage Impact Assessment (HIA), so that it could be reviewed by UNESCO’s advisory bodies. The mission recommended that the documentation be submitted before decisions that could be irreversible were taken.

In the 2025 mission report, the “Bigova Bay” complex was cited as an example of the potential risks envisaged by the 2020 Spatial-Urban Plan in the Bigova coastal zone, known for its natural cove, protected archaeological site and natural peloid deposits.

The “Bigova Bay” tourist development project, planned on Cape Trašte over an area of approximately 120 ha, is envisioned as a unique luxurious tourist complex in the form of a semi-gated community, organised into four minor tourist zones of different character and integrated in the natural environment. The plans include the construction of various types of accommodation facilities, a marina, numerous high-standard supporting and sports facilities.

“In light of the need to protect and conserve the World Heritage property’s OUV and based on evidence gathered during site inspections, the “Convergence scenario” presents risks that could undermine the property’s integrity. These risks include visual intrusions, altered settlement patterns, and increased urbanisation and environmental pressures. In the short to medium and medium to long term, this already adopted scenario is likely to have an adverse impact on the authenticity and integrity of the property by reshaping traditional social, functional, architectural and landscape characteristics,” the report states.

STATE SEEKS TO LEGALISE DAMAGE IT FAILED TO STOP IN KRAŠIĆI: Legalisation of urbicide

No one is likely to be held accountable for the urbicide that has transformed the Krašići coastline into a string of private walls, piers and buildings, some almost extending into the sea. Now, authorities are considering how some of the chaos can be legalised

Đurđa RADULOVIĆ/
Andrea PERIŠIĆ



For years, Zoran Đukanović, who runs a hospitality business in Krašići, had been looking for a place where he could start a new chapter of his life and build a family business in Montenegro after spending several decades in the Netherlands. In 2011, he chose a plot along the rocky coastline, drawn by the unobstructed view of St Mark's Island and the Bay of Kotor. "Back in 2011, it was empty. There wasn't a single house here," he says.

Today, that view has almost disappeared. In place of the rocky shoreline and the landscape that once defined Krašići, multi-storey buildings now line the coast, some built almost into the sea, blocking the horizon and transforming the face of what was once a quiet seaside settlement.

"Last year, I had half as many tourists as the year before, and this year, the number has fallen by half again," Đukanović says, convinced that the area's deteriorating condition is one of the main reasons visitors are staying away from Krašići.

Along the shoreline, villas rise directly from the water, their foundations extending into the sea, while unfinished buildings have remained abandoned on piers for years, exposed to the waves and gradual decay. Swimmers now share the water with rusting railings and concrete structures that were never completed. Rising above the beaches and the few tourists are multi-storey buildings of varying sizes and architectural styles, ranging from luxury villas to unfinished concrete shells and glass complexes.

Krašići offers a stark example of a wider problem unfolding across Montenegro: unchecked construction and the gradual degradation of the landscape are increasingly taking a toll on the country's tourism industry.

It All Began in 2009

The foundations for the urban disaster that has befallen Krašići were laid with the adoption of the State Location Study "Sector 29 – Krašići", approved by the

Montenegrin government in late 2009. The planning document covered almost the entire settlement and coastal zone, and envisaged the construction of a promenade, effectively opening the area along the waterfront to development, albeit under restrictions that were supposed to be enforced by the state.

The location study was clearly abused, as buyers of plots along the coast began extensive construction, exceeding the permitted floor areas and number of storeys.

At one of the waterfront villas, large glass openings on the ground floor look directly out onto the sea. A parasol and sun loungers are arranged in front, while a few steps lead down to a concrete platform washed by the waves. The living room seems almost to extend into the water, and the building is enclosed on both sides by the tall concrete walls of neighbouring properties.

Elsewhere in the settlement, the scene is even bleaker. Unfinished buildings with scaffolding descend to the water. Piles of broken stone, freshly infilled sections of the shoreline and tracks left by heavy machinery are visible nearby. In one stretch, an excavator and a truck stand on a scarred slope that ends at the sea, while several dozen metres away old stone houses are still visible, reminders of the landscape that once dominated the area.

One access point to the sea is particularly striking. A narrow concrete passage, squeezed between two high walls, leads directly to the water. A flight of steps descends through a corridor so narrow that two people can barely pass each other, before opening suddenly onto the blue expanse of the bay.

In some places, the shoreline has been divided by concrete structures and metal

fences. Even high up on the green hillside, glass structures have appeared, seemingly out of place in the surrounding landscape. This suggests that intensive construction is no longer confined to the immediate waterfront.

In one part of Krašići, swimmers gather on a broad concrete platform directly beneath an abandoned building featuring rows of glass doors and terraces. Above them, the said structure has been turned into a parking area.

Although the Ministry of Spatial Planning, Urbanism and State Property (MDUP) issued several demolition orders for these buildings in 2025, it told CIN-CG that the orders have not been enforced because authorities are awaiting the adoption of the new Law on the legalisation of illegal buildings. The law will allow the legalisation of buildings shown on the 2025 Orthophoto imagery. "Buildings recorded on that orthophoto will be eligible for legalisation if they meet the conditions prescribed by the Law on the legalisation of illegal buildings," the ministry said.

The Ministry explained that an illegally constructed building can be legalised under this law "if it is recorded in satellite and aerial-photogrammetric imagery, entered in the real estate cadastre, is not located in an area designated by planning documents for infrastructure or other projects of public interest, its surface area, or part of it, does not extend beyond the regulation line or the boundary of a privately owned parcel, is located in an area without a valid planning document, and has resolved property rights concerning both the building and the land on which it stands".

Legalisation, however, cannot undo the consequences of construction that has already completely transformed the Krašići coastline.

Tivat Mayor Željko Komnenović told CIN-CG that the Krašići case shows that the entire system for managing land and the coastline has failed, and that accountability begins with the 2009 decision to open the coast to urban development.

“The authorities began issuing building permits to individuals, investors, private owners and companies that fenced off the coastline and prevented the public interest from being upheld, namely: free access to the waterfront for Krašići residents and visitors. This is easy to prove,” Komnenović said.

He also claims construction exceeded the planned boundaries and dimensions, while state inspections did not stop such work. The local administration, he said, was left to deal only with the control of temporary and auxiliary structures.

According to the Tivat Tourism Organisation, 2,707 visitors were registered in Krašići in July 2026, about 6.5% more than in the same month last year, when 2,542 were recorded.

“The question is whether anyone ever asked these people how they see Krašići. Many of my friends who used to come here are horrified by what they have seen,” Emica Stefanović, a Krašići resident, told CIN-CG.

Stefanović, a lawyer by profession, says virtually every relevant law and international convention has been violated in Krašići.

“Someone should be held accountable for what has been done to this area,” she says.

She says it is particularly troubling that construction continues. “There is no vision, no sense, no taste, and no one is doing anything about it. It’s terrible.”

“We Have Nowhere to Swim”

Đukanović says that people used to come to Krašići from all over Europe. “Serbs, French, English, Germans – everyone used to come here. This is the first year that I had no guests in May or June. I used to have regular guests, but now they don’t want to come anymore. They ask me, ‘What are we supposed to do in Krašići? We have nowhere to swim.’ And they’re right. Those who have piers down by the water have filled them with sun loungers, leaving no space for anyone else to get through,” he says.

Komnenović warns that this kind of development threatens not only people’s right to access the coastline, but also tourism, the mainstay of Tivat’s economy. “Overdevelopment will have the opposite effect. We will no longer be able to protect the quality of our tourism offering, and no one will be interested in coming to Tivat,” he said.

“If we fill Tivat with high-rise buildings encroaching on the maritime domain, people will no longer want to spend their summers here. We are doing everything we can to prevent that,” Komnenović added.

The Worst Offenders Led the Way

The Municipality of Tivat acknowledged to CIN-CG that the degradation of the Krašići coastline as a result of the adoption of the State Location Study “Sector 29 – Krašići” is a problem that the local administration cannot resolve on its own, given its current powers and jurisdiction.

The municipality said its project to build the Lungo Mare promenade, envisaged by the State Location Study Sector 29, began in 2018 intending to make the waterfront public and accessible to



everyone. “However, the project stopped at the first illegal building along the route. The owner is in a legal dispute with the Municipality of Tivat, and the local administration can expect more similar actions when the project resumes,” the municipality said.

“Buildings were constructed directly on the waterfront, in accordance with the aforementioned State Location Study, but in practice, many exceeded the prescribed dimensions and failed to meet other applicable requirements. Part of the solution is and has been the responsible and diligent work of state inspection authorities, including the construction and spatial-planning inspections, who should promptly halt unlawful construction and order the removal of illegally built structures along the waterfront, thus allowing the Lungo Mare promenade to be completed as a public space accessible to everyone” the municipality argued.

The Municipal Police and Inspection Service of Tivat acted within their respective jurisdictions when it came to temporary and auxiliary structures.

“Year after year, the same problem persists: residents and property owners in Krašići, as well as their guests, are unable to access the waterfront. Through the Spatial-Urban Plan, we will seek to identify an alternative route for the Lungo Mare promenade that would resolve this issue,” Komnenović said.

He added that his goal is for the entire Tivat coastline, from Lepetane to Krašići, to eventually become accessible by foot.

Among those who bought land and built along the Krašići waterfront after the adoption of the State Location Study were people connected to the country’s political and judicial establishment at the time.

The most controversial cases involved the villas of Miloš Medenica, son of former Supreme Court president Vesna Medenica, and Tivat businessman Rado Gago Arsić, who has close ties with Medenica. Their properties were built from 2011 onward and, according to earlier documents and reports, exceeded the dimensions permitted by the relevant planning regulations.

The issue, however, extended beyond the villas themselves. Two walls were subsequently built below the properties along the planned route of the Lungo Mare promenade, obstructing public access to the waterfront on land owned by the state and the municipality.

In 2020, the urban planning and construction inspectorate demolished the walls, allowing the promenade to be reopened. Two years earlier, in 2018, the Municipality of Tivat had rejected Arsić's application to legalise his villa on the grounds that it exceeded the dimensions permitted under the applicable plan. Work on the property resumed several years later, highlighting the longstanding overlap of institutional powers and responsibilities in Krašići and the absence of a definitive resolution.

Former Central Bank governor Radoje Žugić was also among the property owners in Krašići. However, unlike the cases involving Medenica and Arsić, there is no comparable body of documented evidence indicating irregularities concerning his property.

Soon, other waterfront property owners began independently enclosing parts of the shoreline, modifying the area and restricting access to their piers. The cumulative effect was to further obstruct public access to the sea and ultimately led to the suspension of the Lungo Mare promenade project.

No Construction Inspector Anywhere in the Bay of Kotor

According to Komnenović, one of the most serious issues is the near-total absence of state construction inspectors.

“There is currently not a single construction inspector serving any of the municipalities in the Bay of Kotor. Municipalities cannot hire them, and no one

is willing to do that job for €1,000,” the Tivat mayor said.

He said that only three or four inspectors at the relevant ministry are currently responsible for the entire coastal area from Ulcinj to Herceg Novi.

The Municipal Police and Inspection Service have, on several occasions, removed improperly installed posts, planters, chain barriers and illegally parked vehicles, according to the local administration. They have also issued two orders for the removal of piers constructed without the required notification and documentation. However, local authorities have no jurisdiction over many of the structures along the waterfront.

Residents have for years warned that the natural rocky shoreline is gradually being transformed into building land, with structures appearing directly beside the sea, in some cases with foundations extending into the water, while public space is steadily disappearing.

“When you read the State Location Study for Sector 29, you might think it is a well-conceived plan, but when you see what its implementation has produced, you realise it is nothing more than the outright plunder and seizure of the coastline by individuals who were allowed to illegally privatise the seafront,” as stated in an initiative previously submitted by the residents to the Constitutional Court.

In 2012, the government established a working group to assess the implementation of the plan and propose amendments following numerous complaints from residents. Four years later, in 2016, a group of residents initiated proceedings before the Constitutional Court, challenging the constitutionality and legality of the Location Study and arguing that it had enabled the degradation

of the coastline.

The Constitutional Court rejected the initiative in 2017, finding that the planning document had been prepared in accordance with the Marine Spatial Plan of Montenegro and the regulations in force at the time, and that the relevant state authorities had been consulted during its preparation.

Residents subsequently filed criminal complaints, appeals to inspection authorities and other grievances. In 2024, the Basic State Prosecutor's Office in Kotor opened a case following a complaint by Novica Knežević, a property owner in Krašići, alleging the unlawful occupation of land.

The Kotor Basic State Prosecutor's office told CIN-CG that the case remains in the preliminary investigation stage.

"We appealed to everyone, every possible institution and decision-maker. We did not receive an adequate response. That is why we will take the matter all the way to Strasbourg if necessary," Knežević

told CIN-CG.

Habitats Destroyed, Barcelona Convention Violated

The transformation of the Krašići coastline has concrete consequences. It affects access to the sea, the possibility of building a public promenade and the area's tourism offering, but also natural habitats found precisely at the boundary between land and sea.

Rocky-shore habitats (littoral habitats) are dynamic ecosystems at the interface between land and sea, characterised by constant exposure to waves and tidal fluctuations. They support unique plant and animal communities adapted to extreme conditions such as high salinity, strong sunlight and wind exposure.

Limpets, snails and shellfish attach themselves to the rocks, while crabs and other small invertebrates shelter in the crevices. Sea urchins, starfish and other species associated with hard seabeds can be found in shallow waters. Algae covering the rocks provide food and shelter for nu-



merous organisms. Concreting, infilling and breaking up the natural shoreline does not merely alter its appearance; it also destroys microhabitats that have been developing over decades.

Illegal concreting, infilling with sand and the construction of piers directly violate the Law on the Maritime Domain, which guarantees free access to the coast and prohibits altering it without a permit. At the same time, destroying natural rock formations violates the Law on Nature Protection by permanently damaging geomorphological features and destroying protected coastal ecosystems.

If such works also involve breaking rocks to harvest date mussels, they violate the Law on Marine Fisheries and Mariculture, which strictly prohibits the activity because of the permanent destruction of living rock. Finally, any construction work along the coast without adequate documentation also violates the Law on Spatial Planning and Construction of Structures, which within the maritime domain can constitute a serious criminal offence under the Criminal Code of Montenegro.

Krašići does not lie within the core boundaries of the UNESCO World Heritage property “Natural and Cultural-Historical Area of Kotor”, but it is within its wider protected area, or buffer zone, which includes Tivat Bay and the rest of the Bay of Kotor. The buffer zone exists precisely because the value of the UNESCO property does not end at Kotor’s administrative boundary but also depends on the preservation of the wider landscape of the Bay of Kotor and the relationship between the sea, coastline, settlements and mountain hinterland.

In recent years, the UNESCO World Heritage Committee has repeatedly called on Montenegro to ensure that appropriate impact assessments and documentation

are prepared for projects in the buffer zone and wider surroundings that could affect the Outstanding Universal Value of the Kotor area, before decisions are made that are difficult to reverse. UNESCO has paid particular attention to planned interventions on the Luštica peninsula, St Mark’s Island and other parts of Tivat Bay.

By ratifying the Barcelona Convention and its Protocol on Integrated Coastal Zone Management (ICZM), Montenegro assumed an international obligation to protect the natural coastal zone from uncontrolled urbanisation. The ICZM Protocol has been in force in Montenegro since 2012 and, among other things, it calls for the preservation of the natural characteristics of the coast, restrictions on construction, prevention of degradation and protection of public access to the sea, with a protected strip of at least 100 metres from the highest winter waterline, except in cases provided for by law.

“The case in question does not fall under the jurisdiction of the Environmental Protection Agency. The Ministry of Ecology, Sustainable Development and Northern Region Development is the lead institution responsible for implementing the Barcelona Convention in Montenegro. We remind the public that, as stated in an official announcement by the then Ministry of Sustainable Development and Tourism, the Water Management Inspectorate issued a decision in 2009 ordering an investor in Krašići to remove material that had been dumped into the sea,” the Environmental Protection Agency told CIN-CG.

The Agency claims its responsibilities include issuing environmental approvals and opinions on construction, and that in the Krašići case it had not received a request for an opinion. “It would therefore be best to contact the Public Enterprise for Coastal Zone Management of Monte-

negro,” the Agency said. The Public Enterprise (Morsko dobro) did not respond to CIN-CG’s questions.

Failure to meet these obligations could trigger an international compliance procedure before the Barcelona Convention Compliance Committee. The Committee can examine alleged violations, request an action plan and progress reports from a state, issue recommendations and present a case to a meeting of the party states. The mechanism is primarily aimed at bringing a state back into compliance.

“We believe that through inter-institutional cooperation we will be able to resolve the problem in Krašići without the involvement of international institutions, which would certainly be a last resort,” the Environmental Protection Agency said.

A similar procedure has already been used in the case of Spain’s Mar Menor lagoon, where the Committee examined Spain’s compliance with the Barcelona Convention and, among other things, the ICZM Protocol. Spain was asked to take concrete measures and provide regular reports, while the committee continued to monitor the situation after the country amended parts of its legislation to strengthen the protection of the area.