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STIMULASANJE RAZVOJA SJEVERA (STARS)

Supporting Sustainable Economic Development in Northern Montenegro

Global Sustainable Tourism Alliance

Final Report

July 2010

Stimulasanje Razvoja Sjevera (STARS) Program

Contract Information

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Prepared By

Global Sustainable Tourism Alliance

Submitted By

Polly Grant
The Academy for Educational Development
Center for Environmental Strategies

Submitted To

Vladan Raznotovic
Chief Technical Officer, USAID/Montenegro
Podgorica, Montenegro

For More Information

Global Sustainable Tourism Alliance
C/o Academy for Educational Development
1825 Connecticut Avenue, NW
Washington, DC 20009 USA
Tel: (202) 884-8000 / Fax: (202) 884-8997
E-mail: gstacoordinator@aed.org / Web site: <http://www.GSTAlliance.org>

STARS Montenegro Final Report

Introduction

In-country operations for the Montenegro STARS program came to an end on June 30th, 2010 with closeout activities (administrative and management) continuing through the end of July, 2010. The following report summarizes the program achievements at the completion of the implementation period.

The first year of the STARS program focused on laying the foundation for the rapid progress in the second year toward the program goal of private sector tourism and agriculture industry development of northern Montenegro products, distribution networks, and expansion of markets. The program's initial priority was to assess, map, and inventory the assets of northern Montenegro, determine the constraints and opportunities and to identify areas with the greatest potential for further growth. This included review of USAID and other donor activities, reports, analysis of available data, consulting with key players in the field, and meetings with ministries, municipalities and local authorities to get a picture of the realities in the field. The STARS team conducted over 100 meetings with tour operators, hotels, home-stays, enterprises, NGOs and clubs, farmers, dairy and meat processors, and buyers.

STARS conducted a strategic planning workshop with stakeholders and partners in December 2008 and January 2009. The workshops provided the foundation for the strategic directions adopted by the program. Phase One of the STARS program is characterized by the efforts and activities in generating broad buy-in from a diverse group of stakeholders. Activities conducted during this phase facilitated public-private partnerships targeting the tourism and agriculture industries.

The STARS program applied the SCALETM methodology, a systems approach to program management that catalyzes simultaneous action allowing a program to make strategic interventions among multiple players from multiple sectors at national, regional, community, and family levels.

Phase One Achievements included:

1. **Mapping the Context** provided STARS a vehicle to define and understand the larger "system" around the development goal by identifying the related environmental, economic, governance and social issues, and the multiple stakeholders related to each one.
2. **Economic Forum using the Whole-System-in-the-Room (WSR)** planning workshop to catalyze coalitions and partnerships by bringing 80 stakeholder representatives to collectively define their common vision of economic development for northern Montenegro and commit to actions to achieve their shared goals.
3. **Life of Program Implementation Plan**, a document built on collaborative actions and setting the context for activities which build the social and economic capital needed for sustainable change.

In Year 2, by mutual agreement, GSTA/STARS and USAID envisioned a new course of program implementation, whereby a network of Business Service Centers was created across northern Montenegro. STARS was instrumental in supporting the establishment of the centers as public-private partnerships. Further, STARS provided targeted assistance to build the capacity of these centers as well as support and services to local entities through the centers.

As part of the realignment of the STARS program, program activities were adjusted to reflect a more focused approach to supporting private sector stimulation and growth in Northern Montenegro. While the program description and the STARS program was narrowed, the overall goals of fostering private sector growth in the North as well as linking private sector producers and entrepreneurs in the North with investors and customers in the southern and central regions remained valid. As such, the STARS program focused its efforts and resources on the establishment and sustainable operation of two Centers: The Center for Hospitality and Tourism Education and The Center for Entrepreneurship. In association with these two Centers, STARS implemented an intensive set of activities that built the capacity of tourism providers in the region and thus growing the sustainable tourism market in northern Montenegro. Further, STARS implemented a Small Grants and Fast-track Subcontracts program that strengthened and supported the growth of the sustainable tourism offering in the region.

HOSPITALITY EDUCATION CENTER

Aim: The aim of the Center for Hospitality and Tourism Education is to provide hospitality and tourism-specific skills and training on topics, such as: culinary arts, tourism operations, environmentally-sensitive tourism management, financial management, customer service, basic business and organization training for micro-enterprises, and marketing.

Activities and Results: In 2009, STARS initiated discussions with The Hospitality Education Center (based in Milocer) and the municipality of Pljevlja to establish a hospitality education center in the northern city of Pljevlja, to train students from Montenegro's northern municipalities with a view to attracting students from the surrounding areas of Bosnia Herzegovina and Serbia. The Hospitality Education Center Pljevlja was opened in September 2009, with an intake of 22 students.



In June 2010, STARS completed the renovation of a municipality owned building that is used as an academic café/restaurant for the Hospitality Education Center. The café restaurant is a student operated establishment where students of HEC have the opportunity to carry out the practical elements of their training course. Students are responsible for the management, public relations, catering, accounting, and general running of the center, under the close supervision of professors at the HEC.

Funding provided by STARS was in the amount of 72,409 Euros. Matching funds were provided by HEC in the amount of \$66,390 and an agreement has been reached between the municipality of Pljevlja and the Government of Turkey for approximately 40,000 Euros to provide catering equipment and furniture for the academic café/restaurant.

Next Steps for the Hospitality Education Center:

- **Developing operational structure for the academic/café restaurant.** With the academic café/restaurant in place, HEC will next be focusing on developing a

management and operational structure to ensure the business is both profitable, and able to provide suitable training experience for the current students of the center and the new intake of students that are due to begin in September 2010.

- **Diversifying funding for economic development projects in Pljevlja:** STARS is following up with interest from the Spanish government on investment opportunities in the Pljevlja region.

Recommendations for future programs:

- **Expansion of partnership models.** The STARS-HEC-Municipality partnership that brought together expertise from the coastal region, funding and international expertise and a “can-do” approach by the municipality, has led to the establishment of the center and the academic café/restaurant. This partnership model serves as a best practice example that may be replicated in other northern cities.
- **Support for regional internship program.** The academic restaurant/café provides an excellent opportunity for students to gain additional training and practical experience in the hospitality industry. Additional opportunities are needed for students training in other sectors of tourism and agriculture to prepare them for the increasingly competitive job market.
- **Tailored “executive” training courses for hospitality industry in the north.** It has been emphasized time again by STARS workshop participants and international visitors that the service sector in the north requires improvement if tourism is to succeed. The HEC center in Pljevlja is well placed to offer tailored executive training courses for medium to large businesses operating in the sector.

CENTER FOR SMALL BUSINESS AND ENTREPRENEURSHIP

Aim: The aim of the Center for Micro & Small Business Development is to act as a hub for practical and environmentally sensitive business development and enhancement advice and services.

Activities and Results: The Center for Micro and Small Business Development, established in 2010 in Berane, by the Center for Entrepreneurship and Economic Development (CEED) has achieved the following:

- Completed two studies to inform investors and producers of the potential for growth in organic agriculture and mini hydropower plants.
- Conducted seven trainings for 26 businesses throughout the north on business planning, The training emphasized how to recognizing business opportunities, market research, and managerial skills.
- Conducted analysis for investment opportunities for the municipality of Rozaje.
- Conducted outreach to companies in the north which has resulted in various contracts for CEED which will generate income. These include running training on Corporate Governance for Mesopromet, (one of the largest meat producers in the north of Montenegro) and researching investment opportunities in Rozaje for UDI Montenegro.
- Completed an analysis of the business environment of five municipalities in Northern Montenegro (Mojkovac, Andrijevica, Savnik, Pluzine, and Plav) which will be used as the basis to develop an advocacy agenda on communal fees.

The total funding provided by STARS to CEED to set up the Business Center was: 45,964 Euros. Matching funds were provided by CEED in the amount of 39,69 Euros.

Next Steps for the Center:

- **Launch a mentorship program:** Due to delays caused by local elections in May, CEED were unable to launch the planned mentorship program during the program period. Pending funding, CEED will launch the program in late 2010.
- **Advocacy for the growth of organic agriculture and mini hydro power plants** (in cooperation with MBA).
- **Advocacy for reduction in communal fees:** Having completed the analysis of the business environment in the north, CEED will partner with MBA, and develop an advocacy agenda to reduce communal fees which hampers the growth of small businesses in the region.

Recommendations for future programs:

- **Provide capacity building support to the Center.** CEED has vast institutional experience and skilled expertise to deliver services to large and medium sized enterprises. Working with small businesses and entrepreneurs in the north requires a novel approach. Methods of achieving this need to be explored and assistance should be provided to enable the center to identify the specific needs of small businesses and entrepreneurs and tailor training accordingly.

OFFICE FOR LOCAL TOURISM AND ENTREPRENEURS, BIJELO POLJE

Aim: To promote entrepreneurship and tourism in Bijelo Polje

Activities and Results: STARS partnered with the Municipality of Bijelo Polje to establish the offices for young entrepreneurs and the Local Tourism Office (LTO). In May 2010, STARS completed the building renovation for office space and equipped the office with all necessary computers and office furnishings.

The STARS contribution to the project was 30,843.10 Euros (approximately US\$ 40,095), and the municipality of Bijelo Polje donated the space for the offices and is hiring all staff for the two organizations.

Recommendations for Future Programming:

- **Develop Strategic Plan for LTO Bijelo Polje.** The LTO is in need of a strategic plan on how to promote tourism in the area without duplicating efforts of local tour operators. Recommended actions include:
 - a. Develop network /catalogue of local tour guides.
 - b. Develop catalogue of private accommodation.
 - c. Join National Tourism Office (NTO) efforts in organization of familiarization trips, and other initiatives to increase tourism to northern Montenegro.

- **Fundraising support to be provided to the Office of Young Entrepreneurs.** Support is needed to assist the Office of Entrepreneurs in identifying and accessing funding, both for the organization's longer term sustainability and support in raising and/or accessing seed money for potential entrepreneurs.

ROAD SIGNS IN THE ZABJAK REGION

Aim: To improve road signage to tourist attractions in the Zabljak area.

Activities and Results: STARS partnered with the Municipality of Zabljak to produce and install 54 new road signs in the Zabljak region. The total amount of funding provided by STARS for this initiative was in the amount of € 19,996.95 (approximately US\$ 25,995).

RAPID RESPONSE GRANTS

Aim: To build the capacity of tourism related organizations through the provision of goods/equipment.

Activities and Results: Thirty two grants were awarded to tourism related organizations in two rounds of grant competition. A total of 97,607.65 Euros (approximately US \$126,887) was provided to NGOs, LTOs, tour operators, and associations to enhance their tourism offerings. In addition to the provision of goods and equipment to build their organizational capacity, one-on-one training was provided to interested organizations to improve their marketing capabilities.

Grants Awarded (listed by municipality)

Andrejvica

Kom Mountaineering Club: With the purchase of mountaineering equipment, Kom is able to improve both summer and winter tourism offerings in the region of Bjelasica and Komovi. In addition to enabling additional tours, the equipment will support the Mountain Rescue Service to provide safer and easier journeys through difficult routes in Komovi and Bjelasica.

Berane

LTO Beran: With grant funding from STARS, the LTO Berane produced information brochures highlighting the area's attractions.

Bijelo Polje

Rams Tour Agency: RAMS is targeting the European travel market by attending numerous international events and fairs. The STARS grant provided equipment (data projector and projector screen) to enable RAMS to professionally present at these fairs, thereby providing a strong visual image of northern Montenegro's natural beauty and tourist offerings.

Avoko Mountaineering and Caving Club: With new equipment, MSC "Akovo" is able to offer new tours— canyoning and caving allowing tourists to explore the Djalovica gorge, Vranštica river gorge, Dalovića cave (the longest cave in Balkan - 12 km long), and the Novakovic and Osoje caves. The equipment will ensure the safety of participants, both club members and tourists. Further, the Club will be able to generate revenue by charging for equipment and guide services.

Danilovgrad

Katunski Dom Agricultural Cooperative: Grant support to this agrotourism initiative was provided through the provision of display cases to showcase products and furniture to establish a seating area for tourists that visit the cooperative to learn about the winery and other agricultural process.

Prekornica Mountaineering Club: Procurement of alpine equipment is provided to the club to improve the safety standards for tourists visiting Prekornica mountain.

Kolasin

Kolasin Sport Fishing Club: Fishing equipment was provided to the club. Rental of the equipment to tourists will provide a source of sustainable income for the club. Promotional material was developed for the club to promote the sport of fishing throughout the area.

LTO Kolasin: Production of marketing materials including a catalogue of private accommodation, to promote the Kolasin area.

Natura (NGO): STATES support the production of brochures on flora and fauna specific to the Bjelasica mountains and the Biogradska National Park. The brochures support Natura's work to educate the local population and tourists on the local surroundings and promote interest in the natural habitat.

Bjelasica Mountaineering Club: Mountaineering equipment (GPS, tents, crampons, ice axes, snowshoes and skis, ski sticks, and shoes for Nordic skiing) was provided to improve satellite navigation for mountaineering tours, its signage and safety; and increase club activity in the winter months.

Eco Tours: Provision of laundry facilities to enable Eco tours to accommodate the increasing numbers of tourists visiting the eco village located 3 km outside Kolasin.

Niksic

Javorak Mountaineering Club: STARS supported this NGO to develop orienteering as a new tourism offer in Montenegro. Orienteering is an event in which participants, with the help of special maps and a compass find specific points on the landscape. Orienteering is often a competitive event that requires participants to locate the points within a designated time frame.

LTO Niksic: STARS provided assistance to the LTO in producing marketing materials to promote key events in the Niksic area, including the World Cup of parachuting and the European Handball Championship.

NGO Nevidio: Grant support from STARS assisted in developing the sport of canyoning in the Niksic region. In addition to promoting extreme sports, club members actively promote protection of the region by organizing cleaning of the Nevidio canyon every year.



Anitra: STARS supported this NGO to develop a new activity for tourists in the Niksic region: Hydro speeding. Through the STARS grants program, hydro speeds (river boards) were acquired by Anitra. Hydro speeding is possible when water levels are low thereby offering an alternative to rafting during period when the water levels are not sufficient.

Montenegro Trophy: Grant funding was used to purchase equipment such as tents, sleeping bags, and GPS equipment needed to implement the Montenegro Trophy event, a three day jeeping tour competition in which participants tour through the mountains in the area surrounding Niksic.

Perun Biking Club: Grant funding supported the purchase of additional mountain bikes, and related equipment (helmets, tools) that will enable Montenegro's leading Bike club to lead tours of children, teenagers, the local community, and tourists to explore the natural beauty of the area, by bicycle. Further it will allow the club to widen participation in competitive races which are of increasing interest to foreign tourists.

Mojkovac

LTO Mojkovac: STARS supported production of a guidebook which presents all the tourism facilities of the Mojkovac municipality.

Mojkovac Kayaking Club: The club was provided with kayaking equipment which will not only increase services for tourists and groups of young people, but also increase participation in events such as the Northern Challenge, an annual kayaking race and excellent opportunity to promote the region.

Plav

Plav Lake Angling Club: Provision of fishing equipment, clothing and supplies for the boats to improve the professional image of the club thereby enabling an improvement in the ability of members to patrol and protect the lake.

Hrid Mountaineering Club: Provision of plotter printer to meet demand in the area for printing for small businesses. Revenue from the printing will provide sustainable income for mountaineering club activities.

Pluzine

LTO Pluzine: With grant funding the LTO Pluzine will produce a tourist guide and information flyer about the region.

Pljevlja

Breznica: STARS supported Breznica by producing promotional material to educate the local population of potential herb collectors regarding the different types of herbs in the region and their usage. As medicinal herbs are a potentially valuable resource in the area of Breznica it is critical that the local population be informed of the use or the value of such herbs.

LTO Plevlja: STARS assisted the LTO Pljevlja to write, design and print informational brochures on Pljevlja's restaurants, accommodation, and cultural highlights.



Sarenica: With grant funding Sarenica was provided with two sewing machines to enable its employees to produce embroidery work which will improve the quality of their products.

Rozaje

Pogled Mountaineering club: Through the STARS grant program, the club was provided equipment for hiking and biking, including mountain bikes, in order to lead tours in the target region.

Praviput: STARS supported the production of the printed materials to promote the Rozaje area. These included: *Cultural Guide of Rozaje; Flora and Fauna Guide of Mountain Hajla; Traditional Cuisine; Mountain Hajla Guide; and the Catalogue of Accommodation in Rozaje.*

Savnik

LTO Savnik: Through a grant received from STARS, LTO Savnik procured computer equipment that will be used to produce tourism promotional material, for example flyers, brochures, prospects, maps, photo – monographs, improve their website, make videos, and promotional film - and present tourism attractions and the natural beauty of the region (Savnik, Pluzine and Zabljak).

Zabljak

Durmitor Raft: Durmitor raft were provided with a grant for new waterproof suits and waterproof boots, thereby enabling them to serve a greater number of adventure tourists interested in rafting in the Zabljak region.

Friends of Tara and Durmitor: Through the grant program, the club was equipped with mountaineering gear that will assist them to in meeting the needs of the Mountain Rescue Service. The new equipmen will support the club’s training program for the rescuers and offer guide services for tourists. Further, the equipment will improve the safety of those on mountain expeditions.

Tara River Express: New Kayaking equipment has been procured for Tara River Express in order that they can create a new tourist service in the area. Kayaking options in this area are currently limited.



Caparkapa Private Accomodation: Mountain bikes have been provided to this establishment in order that their guests an expore the Zabjak region by bicycle.

Recommendations for future tourism grants programs

The STARS grant program was implemented within a short timeframe (5 months) and was therefore constrained in the types of grant support that could be provided. It is recommended that future programs commit to a longer time frame, focusing on the following areas:

- Development of English language skills.
- Training for organizational sustainability and management (including leveraging funds).
- Technical assistance for tour operators on how to link to markets in Europe, Middle East and Americas.
- Networking grants to foster destination management centers.
- Grants to sponsor environmental awareness education

Ambassador's Agricultural Fund for the Support of the Agricultural Sector

Aim: Grant funding was provided to agricultural producers with the aim of improving production levels and quality of produce; creating recognizable brand of agricultural producers from the north of Montenegro through initiatives in marketing and branding, and encouraging innovations in agriculture production.

Activities and Results: In partnership with the Foundation for the Development of the North (FORS), the STARS program launched an open competition for registered agricultural producers, for grants of up to 8,000 Euros. A total of 12 grants were awarded. The businesses receiving grant funds were:



Berane

Vrbica

Sector: Cereal, flour

Equipment provided: Line for integral flour production, Ribbon transporter, Beater mill, Maize separator;

NGO “Agrosjever”

Cereal, animal feed, wool exports.

Equipment: Tractor TAFE 42

Bijelo Polje

Vranesanin

Potatoes, feed and milk.

Equipment: Machine for manure spreading
SIP-ORION 35 semi-automatic potato
Planter-two rows, Machine for potato
extradition;

Gubavac

Milk Producers

Equipment: Collector of hay with the tractor
shaft connection, milking machines, Sprayer
for fruit-Atomizer 400-500 l.

Danilovgrad

UPBUZPCG

Vegetables

Equipment: Fumigator for greenhouse
spraying(compact-star for ULV cold
blurring);

Pet Systems

Milk Collection

Equipment: Refrigerator for raw milk
2000L. Capacity 2000L.

Niksic

Nika

Milk collection and processing

Equipment: Milking machines (16 pieces)

Milking machines will be provided to 16 of
Nika’s partners (primary producers).

Pljevlja

Zlatno Zrno

Flour, cereal

Equipment: Drying machine for grains;
Procurement of grain dryer will decrease the impact of weather conditions on production and is improve efficiency and quality.

RM Commerc

Milk processor, cheese, cream

Equipment: Line for Yogurt production;
RM Commerce was producing milk cream and cheese for domestic market, and with procurement of this equipment they will be able to produce two more products - yogurt and sour cream.



Rozaje

Bioplod

Non forest Timber Products: berries

Equipment: Moto cultivator IMT 414, with two soil milling machines.

Kolasin

Beekeepers Association

Beekeeping

Equipment: Bee Hives (Dadan-Blatt)

Procurement of equipment for the association will 1) increase the number of beekeepers in the association; 2) increase the quantity of quality honey

Plav

Fruit Growers Association

Juice.

Equipment: Line juice producing (Blueberry and Blackberry);

Grant Support for the community of Bukavica

Aim: To support economic growth and promote community cohesion in the community of Bukavica, through the provision of agricultural equipment.

Activities and Results: The STARS program facilitated a multiethnic community dialogue in Bukavica to determine the priority needs in the area of agricultural growth.

As a result of this dialogue, a committee was formed to make the final selection of agricultural goods required by the community to increase the agricultural productivity and improve the community way of life. The most pressing need identified by the group was to provide storage facilities for milk as the time between production and collection of milk resulted in vast quantities being wasted.

The STARS program engaged legal support to register the committee as an Association and assist with the terms of reference for the management board of that association.

With grant funding from STARS, the Bukavica Community Association received refrigeration units to store milk and a tractor which is to be used not only to till the land to support improved agricultural production as well as be used to clear the roads of snow in the winter.

The amount of the grant funding to Bukavica was 16,342 Euros.

MARKETING

TAILORED STRATEGIC MARKETING AND OUTREACH TRAININGS

Aim: STARS provided tailored marketing trainings to recipients of the program's grants programs to build their capacity to attract more business, generate interest in their offerings, and engage marketing partners.

Activities and Results: STARS conducted four initial workshops for grantees in Kolasin, Niksic, Berane, and Djabljak which introduced basic concepts about marketing and outreach such as developing effective messages, determining channels and vehicles of message delivery,

identifying target audiences, and engaging partners in marketing efforts. These workshops were followed by one-on-one meetings in which STARS staff helped the participants gather the information needed to continue the trainings based on needs specific to each organization. Next, STARS conducted twelve tailored training consultancies based on the specific needs of each organization to address their upcoming marketing efforts, stressing target identification and innovative message delivery. Twelve organizations completed the training program and expressed satisfaction in how the training empowered them to face their unique upcoming challenges. Several trainees requested further assistance by the STARS team.

Recommendations for Future Marketing Trainings: The marketing and outreach training program was realized by the STARS program in the final two months of implementation. It is recommended that future programs commit to a longer time frame and begin the activity earlier in the program so that the “mentoring” approach used can endure several years. The participants responded very well to the fact that the trainings were tailored to respond to their specific needs, one-by-one. It is recommended that generic marketing trainings be replaced by tailored mentoring efforts that best equip organizations to plan, prepare and capitalize on their own specific marketing opportunities, as they arise. Trainings must be based on learning-by-doing and should be conducted on a one-to-one basis, when possible. By helping organizations focus on the basics of marketing, using the simple worksheet which was used in program trainings, even un-experienced organizations can quickly improve how they involve others in their activities.

AGRICULTURE

Agricultural Fairs in Budva and Novi Sad

Aim: To provide networking opportunities for agricultural producers to identify markets and learn about technological developments in agriculture.

Activities and Results:

STARS provided financial support and technical assistance to 6 agricultural producers to exhibit their produce at the agricultural fair in Budva in March 2010. The selected businesses were:

EcoMont, Agrovita, Mivex, Dona, and Vrbica. STARS worked with these businesses to develop marketing materials for distribution to potential buyers at the Budva fair. The contacts made at the fair resulted in 22 new contracts between northern based producers and buyers on the coast.

Further, STARS sponsored 22 farmers in the dairy, meat, and non-traditional forest products (NFTP) sectors to attend the annual agricultural trade fair in Novi Sad. Accompanied by STARS Agricultural advisor, the producers were provided the opportunity to see the latest in agricultural technology and learn about appropriate machinery for the Montenegrin farming sector.

Recommendations for Future Programming in Agricultural Marketing Support:

- **Provide opportunities for networking** with buyers in the central and coastal areas of Montenegro and regional buyers.
- **Develop brand for northern Montenegrin agriculture.**

TOURISM

Circuit Strengthening

Aim: To develop and promote travel itineraries throughout northern Montenegro to drive sales in tourism sector in the region.

Activities and Results:

From June 25-26, 2009, a workshop was held with 22 representatives from northern Montenegro's tourism industry. The workshop focused on enhancing marketing capabilities, providing resources to boost tourism sales, and developing dynamic, ready-made packages that can be delivered to European or North American tour operators.

Six new tourism packages were developed that highlighted the cultural and natural beauty of northern Montenegro. The packaging activity brought together hoteliers, restaurant owners, tour operators, and members of local and regional tourism organizations to cooperate in identifying the very best of Montenegro's northern region. The seven to ten day adventure packages were presented to tour operators and travel agencies based in Europe and North America in an effort to

increase tourist flow into the region. Many of the routes developed by the workshop participants connected the more developed coastal areas with the north, an area that receives comparatively few visitors per year. Tying together all of Montenegro's tourism assets is a way to buffer the country's tourism industry against the threat of the economic downturn.

STARS collaborated with the NTO to promote two winter packages featuring mountain routes - introducing this new itinerary concept to operators not yet offering winter trips.

STARS worked with Montenegro Adventures and RAMS Travel to create itineraries to be packaged with Montenegro Adventure Series events occurring before the end of June. These circuits have been integrated into product offering by Montenegro Adventures, a local tour operator, and have been used as complimentary packages for the Montenegro Adventure Series.

Montenegro Adventure Series (MAS)

Aim: To collectively market a series of five sporting events as a new tourist attraction in northern Montenegro.

Activities and Results:

- Montenegro Adventure Series was soft launched in May 2010 to collectively market 5 distinct sporting events taking place during the summer months: Paths of King Nikola Biking Event; Trophy Trebjesa; Montenegro Mountaineering Days; Trophy Montenegro; FAI World Parachuting Championships; Off Road Discovery; Adventure Race Montenegro; and the Montenegro Expedition Challenge.
- STARS facilitated the development and legal registration of a new organization led by the organizers of the five main events in an effort to solidify the effort and provide an organization to carry on the activity after program completion. The Association will continue maintenance of the website over the next years. The Association provides a transparent management structure that will allow the MAS to better elicit sponsorships and grants in the future. The development of bylaws and regulations allows each member to better understand the potential benefits.

- The MAS website was created and launched at www.montenegroadventureseries.com. The website features descriptions of each of the events, means to register for participation, and a number of corollary tour packages that can be booked with local operators that provide opportunities to explore the region while also being a spectator at the events. The website will be handed over to the MAS Association on July 1, 2010, to continue to grow as rich media is collected for race organizer and new itineraries are developed. The website has been linked to a number of online and social media outreach initiatives, including Facebook, Twitter, and coverage in Adventure Travel Magazine online.

The website has yielded the following results:

- 1,100 unique visitors.
 - 4,000 unique page views (4 pages per visitor).
 - Website is 85% optimized for search engines
 - Ranked #1 on Google SEO for "Montenegro adventure series".
 - Ranked #8 on Google SEO for "Montenegro adventure". However Adventure Race Montenegro is ranked #4 and there is a direct link from ARM.com to MAS.com
 - Regular cross links with United States Adventure Racing website and Facebook pages
 - Registration: Off Road Discovery, Adventure Race Montenegro, and 48 Expedition Series are all SOLD OUT.
 - 25 request for information from MAS.com.
-
- A sponsorship package has been prepared and has been used among several domestic and international organizations, including Promonte, Podgoricka Banka, and AquaMonta. Talks are ongoing and interest is being gauged for the 2011 season.
 - The Montenegro Adventure Series entered into a formal partnership with the United States Adventure Racing Association so that:
 - the Adventure Racing Association of Montenegro will host the USARA 2010 National Championship Team

- USARA will advertise MAS on the USARA homepage
 - USARA will pay for a 1 page print joint-advertisement
 - USARA will develop and print flyers to advertise MAS during the National Championship
- Technical assistance was provided to race organizers by a world- renowned adventure race expert. He provided advice to race organizers on race management best practices and assisted in the development of complimentary circuits and trails. His specific recommendations focused on short-term plans for equipment procurement, best practices in timing and racer monitoring, development of race paths, and means to increase opportunity for sponsorships. At the time of this writing, Montenegro Adventure Series had secured commitment from Patagonia, one of the world's largest adventure outfitters, to assist with promotion of MAS 2011.
 - As part of the effort to build awareness of MAS and its affiliated events STARS has developed a comprehensive media strategy to reach print and media outlets throughout the region and abroad. The strategy was developed by a group of international marketing experts from Europe and North America. This is being implemented in a two prong strategy: international outreach based in the United States and local media outreach by a local Montenegrin. After only a few weeks underway, MAS was covered in *Adventure World Magazine* and its website, VisitEurope.com, Vijesti Newspaper, on the EuroNews Channel and the RTCG Network.
 - MAS is also growing its social media presence with an active Facebook community of 85 members and regular Twitter updates that link interested parties around the world with up to the minute information on MAS.

Bed and Bike Program

Aim: To support small hotels in northern Montenegro to meet the bed and bike standard. The National Tourism Organization is bringing to Montenegro the "Bed and Bike" standard developed by the German Cyclists Federation (ADFC) and used as a mark of quality by independent cyclists throughout Europe. Lodging service providers with the Bed and Bike logo are recognized by cyclists as places with exceptional service and possessing all of the equipment necessary to support their activities.

Activities and Results:

- STARS adventure tourism advisors met with several tourism businesses in the region to identify local businesses that would be the best candidates for the program, provide technical assistance on the application process, and facilitate approval and audits by the NTO. The next round for certification will be in August 2010, and all ten businesses are expected to be confirmed.

Participating Businesses:

Zabljak: Hotel Bjelobor, Hotel Enigma, Hotel Javor, Ski Hotel.

Kolasin: Hotel Brile, Hotel Cile, Hotel Vila Jelka, Eco Village

Pluzine: Milogora, Eco Village Montenegro,

Plav: Eco Village Kula Damjanova

- STARS supported the program by procuring bike repair kits for 10 accommodation providers who require them to meet their obligation under the international standard. The kits include a number of specific tools that are not often carried by cyclists but are critical for repairs and tuning. Bike Kits were distributed to businesses across Northern Montenegro.
- Training on best practices for bike travelers and how to use the equipment was provided

Tour Operator Website Support

Aim: To increase exposure for northern based businesses by upgrading their websites.

Activities and Results:

- **Developed/upgraded websites for five tour operators.** Agencies received editorial review of their written content, a revision of site layout and design, and translation into English, German, Italian, French, and Montenegrin (where appropriate).

Anitra Travel Agency (<http://www.tara-grab.com>)

Eco-Tours Kolasin (<http://www.eco-tours.co.me/>)

RAMS Travel Agency (<http://www.ramstravel.co.me>)

Montenegro Explorer (<http://www.montenegroexplorer.co.me>)

Montenegro Adventures (www.montenegro-adventures.com).

Familiarization Trips

Aim: To increase awareness of northern Montenegro's tourism offerings among foreign tour operators.

Activities and Results

Summer Familiarization Trip

In June 2009, STARS sponsored a familiarization trip for 20 organizations from the European and North American markets focused on soft adventure in northern Montenegro. Participants were part of two itineraries focused on hiking and biking. Of those attendants, 70% agreed to include the region in their offering in the next two years, creating a totally of 15 new packages.

Winter Familiarization Trip

STARS and the National Tourism Organization (NTO) collaborated on two winter familiarization trips in February 2010, focusing on the uptake of two new winter itineraries in the Balkan, Western European, and North American markets. The new itineraries are *Tourski: Sinjajevina to Durmitor* and *Snowshoe: Bjelasica, Komovi, and Prokletije*. Tour operators and media representatives from Germany, the United States, the United Kingdom, the Netherlands, Albania, and Montenegro participated in the two trips, from February 20 - 26. Professional photographers also joined the trips, capturing images of the FAM trip participants with Patagonia hiking equipment and gear for future placement in company catalogs and websites.

The trip concluded with a media event and a workshop in Kolašin on February 26, 2010. At the workshop local travel agencies interested in offering the new itineraries learned about the trips, received feedback from those who participated in the event, exchanged ideas about how best to market such adventure tours, and met the companies who led them.

Based on early reports from the National Tourism Organizations, three companies in target European Markets (Netherlands and Germany) have signed on to add northern Montenegro to their product offering, with a total of five packages.

Northern Montenegro Web Portal

Aim: To improve marketing of Northern Montenegro and the capability to easily transition interest into sales. STARS will be developing a new multi-faceted portal “northernmontenegro.com” to meet these immediate needs.

Activities and Results:

- **Collected content from 117 registered tourism businesses.** The local STARS team spent nearly one month traveling to each of the 13 northern municipalities collecting detailed descriptions of product offerings and photographs of every registered tourism business in the north, 117 in total. This was the first effort of its kind to collect a comprehensive inventory of northern Montenegro’s tourism businesses and it provides a library of information that will be transferred to the National Tourism Organization.
- **Designed and launched the web portal.** The new portal, located at www.northernmontenegro.com, provides a central location for travelers to gain information about the region’s offerings – including new events, festivals, points of interest, and featured events. The website does an excellent job of encouraging exploration of the region by telling the unique story of northern Montenegro through insights to culture and history. Visitors interested in lodging or booking a tour can do so directly through the website, a functionality that creates an important point-of-sale for the region that never existed before.
- **Integrated the web portal with social networking sites.** The portal has been integrated with social networking sites such as Facebook and Twitter. This interactivity is critical

for quickly increasing word-of-mouth advertising and growing interest in the portal in key target markets.

- **Provided training to businesses.** STARS provided five trainings throughout northern Montenegro to interested businesses on how to use and manage their individual pages on the portal. StepUp Travel, Solimar, and Xola Consulting are sponsoring ongoing maintenance and support for no less than six months after the close of the program to ensure the website's longevity and success. Two on-ground personnel will remain active to answer questions and provide troubleshooting for businesses.

Marketing Distribution Process

In addition to the web portal, STARS increased awareness and sales capabilities of northern Montenegro businesses by entering each business into the main distribution and search currently being used by North American and European travelers. Research has demonstrated that savvy adventure travelers are likely to triangulate their travel choices by searching multiple sites. More than 1500 entries have been completed, optimizing all of northern Montenegro tourism businesses for keyword searchability and growing opportunities for sales. Key sites are:

- google.ca
- google.it
- google.de
- google.uk
- google.fr
- google.ru
- google.rs
- google.ba
- yahoo.com
- bing.com
- wikitravel.org
- tripadvisor.com
- kayak.com/hotels