

## **Biodiversity Protection in Montenegro - a catalyst for a sustainable and inclusive economic growth**

### **Montenegro's biodiversity vs economic growth**

Montenegro has a species-area index of 0.837, which is the highest recorded of all European countries, two World Heritage sites, one Man and Biosphere and four national parks therefore not surprising that Conservation International includes Montenegro in one of its 4 European and Central Asian Biodiversity Hotspots. In fact recently in Ireland the Government produced a study showing the value of Biodiversity to the economy and found that the lowly Irish Earth contributes 700 million Euros to the Irish Economy each year, while a value of biodiversity to Ireland is estimated to be at least 2.6 billion euros a year<sup>1</sup>. However, the development boom over the past several years in Montenegro has placed significant pressure on biodiversity, including: increased urbanization, notably along the narrow coastline, across the central lowland plain and the natural lake systems; illegal construction and development in and around protected areas, across much of the coastal zone and around the mountain resorts; drainage and pollution of wetlands as a result of intensive agricultural practices; and illegal harvesting of forest products, river bed gravel, fish and other natural resources.

### **The ideal kind of tourism?**

The key to Montenegro's sustained and inclusive economic growth lies in development of tourism, the type that corresponds with the natural resources that Montenegro has been endowed with. So what is the ideal kind of tourism or to be more specific the ideal guest or visitor? In Montenegro, tourism has been a significant vehicle for income generation. In 2007, tourism amounted to 21% of GDP, and is projected to increase to 28.5% by 2018. However, the bulk of that growth relates to 'sun-and-sand' resort tourism developed in the south of the country, and a segment of the global market whose future growth is projected as flat. The Ministry of Tourism and Environment Protection recognized this and consequently, the new Master Plan of Tourism will foresee a significant refocusing of the tourism industry in its emphasis on nature-based, adventure and special interest tourism. The natural beauty and high biodiversity of Montenegro offers an obvious potential, and according to most competitiveness survey's Montenegro's Unique Selling Point, with significant opportunities for the development of experiential or geo tourism, which encompasses nature, heritage, cultural, soft-adventure and related sub-sectors such as rural, community, and organic food.

### **Experiential or geo tourism and ecotourism movement**

#### **Vehicle for achieving 2010 Biodiversity Targets and inclusive, sustainable economic growth**

Since 2004, ecotourism as a movement has grown three times faster globally than the tourism industry as a whole. It has its own faithful demographics, the so-called LOHAS (life of health and sustainability) - who on average spend US\$1000-US\$1500 more per trip than do traditional tourists. LOHAS are characterized as experienced travelers with higher education and higher income bracket. They are generally opinion leaders in their own communities and they actively share their experiences with their friends and colleagues promoting ecotourism. An estimated 75% of LOHAS are extremely interested in environmentally responsible travel

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<sup>1</sup> Benefits and Costs of Biodiversity in Ireland- a government-commission study that investigates social and economic aspects of biodiversity in Ireland. The report can be found at <http://www.npws.ie/en/media/Media.6432.en.pdf>

and they usually have a lower impact on environment in countries they visit than other forms of tourist. They are willing to pay up to 20% more for products made in a sustainable manner, and up to 95% of money they spend goes into the local economy, compared to some 20% from all-inclusive package tours, from which 80% may go to airlines, hotels, and other international companies<sup>2</sup>.

In addition to recognizing that biological diversity is a 'common concern of mankind' and an integral part of the development process, UNDP acknowledges that Montenegro's biodiversity constitutes its comparative advantage in the global ecotourism market. In recognizing that protection and conservation knows no borders and therefore focusing on regional interventions, UNDP is assisting the Government of Montenegro to conserve its environment and utilize its benefits in a fair, equitable and sustainable manner through a programmatic approach that goes hand in hand with meeting identified 2010 Biodiversity Targets. As I will show below, fulfillment of the 2010 Biodiversity Targets essentially provides a base for the launch of a sustainable inclusive economic growth based on the ideal type of tourism in Montenegro.

### **UNDP Montenegro and 2010 Biodiversity Targets Golden Triangle of World Heritage Sites**

Target 1 Protect the components of biodiversity

**(Fulfill a growing tourism demand through effective protection and sustainable management of protected areas)**

Target 2 Promote sustainable use of consumption

**(Local authorities capable to manage biodiversity and cultural heritage)**

Target 7 Ensure provision of adequate resources

**(Private sector equipped to contribute to conservation and protection in order to utilize protected areas in an environmentally sustainable manner)**

UNDP will utilize regional linkages of the three World Heritage Sites (Dubrovnik, Mostar, and Durmitor) in order to achieve long-term sustainable regional and economic development that is socially equitable and culturally respectful. UNDP will utilize the focus on economic development and environmental sustainability to enhance trans-boundary cooperation and partnership, reconciliation and regional stability. Through this initiative, UNDP will seek to:

a) address a growing tourism demand through creating a value added offer where each site's comparative advantage is complementing each other - religious, urban, and nature based tourism through creation of a joint brand whose goal is sustainable economic valorization of the protected areas (target 1: protect components of biodiversity); b) engage private sector in promotion and utilization of the joint brand through socially and environmentally responsible initiatives (target 7: ensure provision of adequate resources); c) equip local authorities to more effectively manage biodiversity and cultural heritage (target 2: promote sustainable use of resources).

### **UNDP Montenegro and 2010 Biodiversity Targets, cont. Regional Environmental Hot Spot Clean-Up**

Target 3 Addressing threats to biodiversity

**(environmental hot spot clean up)**

Target 4 Maintain goods and services from biodiversity to support human well-being

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<sup>2</sup> United Nations Environment Programme, "Economic Impacts of Tourism," at [www.unep.org/pc/tourism/susttourism/economic.htm](http://www.unep.org/pc/tourism/susttourism/economic.htm). Martha Honey, TIES, "Ecotourism: A Tool for Sustainable Development," Workshop on Ecotourism, conducted by Eco Tourism Society of Sri Lanka (ESSL) In Association with The Tourism Cluster & The Competitiveness Programme/USAID BMICH, Colombo, Sri Lanka, November 22, 2004.

**(development of organic agriculture and designation of protected areas in spatial planning)**

Target 5 Protect traditional knowledge, innovation and practices

**(development of adventure sports)**

Through this \$15 million regional project funded by the Dutch Government, UNDP in Montenegro so far has achieved the following: a) began a technical clean up of the tailing pond impoundment in Mojkovac that remained from the closing of the 1991 Lead and Zinc mine and that represented the key barrier to investment in the municipality (target 3); b) used spatial and urban planning process to conserve and protect nature and in that way position the municipality to reap benefits of the ecotourism (target 4); c) set up the infrastructure for development of adventure sports (target 5); d) reached consensus with the local stakeholders on development of organic agriculture (target 4). Through this area based development approach, UNDP demonstrated that natural endowment of the Montenegro's north is its key comparative advantage on a global market and only its continued protection and responsible valorization will keep the country on the top of the world's best ecotourism destinations.

Within this regional initiative and a broader effort to highlight the importance of biodiversity and overall protection of environment for development, UNDP and MoTEP with the support from the Dutch Government will organize the Western Balkans Ministerial Conference on Climate Change (Addressing Global Warming Through Adaptation, Pollution Prevention, Reduction and Control) in November 2008.