DALMATIA

Sustainability is Responsibility





EBRD, €3.7 BILLION INVESTED IN MORE THAN 200 PROJECTS

The European Bank for Reconstruction and Development (EBRD) is leveraging the benefits of Croatia's EU accession to advance transition and restructuring and commercializing public sector enterprises.

Victoria Zinchuk Director for Croatia EBRD

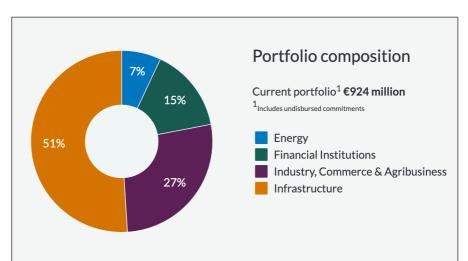


The EBRD forecast for Croatia's real GDP growth in 2019 is 2.5%. What sectors are most likely to contribute to this growth?

Croatia's economic expansion in 2018 moderated from the post-recession high of 3.5 per cent to 2.6 per cent. We expect growth to stay at moderate levels in the near future at around 2.5 per cent. We believe that sectors such as tourism, trade

and transport will continue to drive growth. However, long-term growth prospects depend on the implementation of structural reforms. Public and private corporate debt levels remain high and governance in the state sector as well as the general business environment need improvement. Continued emigration and an aging population are leading to labour shortages in certain areas.

66 In Croatia we focus on mitigating the impact of the crisis and restoring sustainable growth.



The EBRD has developed 207 projects in Croatia to date. In your opinion, how is the country leveraging the benefits of EU accession?

Croatia became an EU member state in 2013, which was a strong signal to investors about the political and economic maturity of the country. Membership also meant access to EU funds and programs which constitute an important anchor for advancing reforms and closing investment gaps. Despite significant progress there remains space to further improve the absorption speed and capacity. This is also one of the areas where the EBRD can make an important contribution to unlock growth potential by strengthening the vital private sector.

UNWTO, WHEN POLITICAL COMMITMENT IS TRANSLATED INTO EFFECTIVE TOURISM STRATEGIES

A responsible, sustainable and universally accessible tourism is encouraged to maximize tourism's socio-economic contribution while minimizing its possible negative impacts.



Zurab Pololikashvili

Secretary-General United Nations World Tourism Organization (UNWTO) A year ago, the closing ceremony of the International Year of Sustainable Tourism for Development took place in Geneva. What is the UNWTO balance on the initiatives that were launched during that year? What achievements can you highlight for us?

The International Year was a unique opportunity to highlight tourism's contributions to sustainable development. Against the backdrop of tourism's impact on global GDP of 10% and representing one in ten jobs around the world, the International Year of Sustainable Tourism for Development identified key areas of impact, ranging from immediate socio-economic impact such as economic growth, employment and poverty reduction, to the environmental sphere around resource efficiency, environmental protection and climate change, but also intangible assets, like cultural values, heritage, or mutual understanding, peace, and security.

inclusive cities must
mean creating cities for
all: citizens, investors
and visitors.

What are the best measures to manage urban tourism growth and 'overtourism'?

Cities can only claim to be sustainable and inclusive if they are conceived and managed as cities for all: from citizens to visitors.

Long before the emergence of buzzwords such as 'overtourism', UNWTO defined tourism's carrying capacity as "the maximum number of people that may visit a tourist destination at the same time, without causing destruction of the physical, economic and sociocultural environment and an unacceptable decrease in the quality of visitors' satisfaction". Thus, urban tourism

is among UNWTO key areas of work in the context of advancing our contribution to the 17 Sustainable Development Goals, in particular, Goal 11: "Make cities and human settlements inclusive, safe, resilient and sustainable". Our work accompanying this area ranges from a series of international conferences on urban tourism, to dedicated publications offering bets practices and conveying meetings at different stakeholder levels.

The recent growth of urban tourism requires the sector to ensure sustainable policies and practices that maximize tourism's socio-economic benefits. By the same token, potential adverse effects need to be tackled – on natural resources, infrastructure, mobility and congestion, and the socio-cultural impact on residents. Urban tourism is multifaceted and requires a citywide strategy with cooperation between all stakeholders and the inclusion of tourism not as an annex to the urban agenda, but from its very beginning.

Against this backdrop, UNWTO commends Dubrovnik's 'Respect the City' project initiated in 2017, geared towards managing tourism growth including all relevant stakeholders.

How would you assess the steps taken by the Croatian government towards a sustainable tourism policy?

Minister Cappelli has on several occasions made very clear the clear political commitment to ensuring that the tourism sector grows sustainably. Indeed, Croatia's commitment to sustainability has been emphasized in its Tourism Development Strategy 2020, and this commitment is particularly important in a fast-growing tourism destination like Croatia, which has been traditionally known for its stunning coastlines.

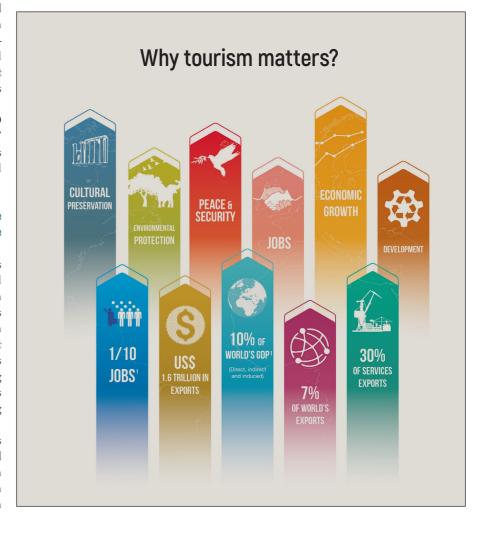
And their political commitment has translated into effective strategies focused on developing selective forms of tourism based on full quality and destination management involving all stakeholders. In

particular, we see great results in developing local gastronomical offers, which is key to promoting the destination's heritage, sports tourism – including the opening in 2020 of one of the longest cycling routes in the world, and health and nautical tourism, taking advantage of the natural heritage of the country.

Many measures are also being taken to address the challenges related to tourism growth and congestion, for example, changes to tourism laws which will give more power to local governments, thereby enhancing their ability to address local challenges, expanding flights services and connectivity which will improve the spread of tourism over Croatia, a

large focus on prolonging the tourist season, and capacity building and communication for locals, tourism stakeholders and visitors.

I would also add that UNWTO is very proud to count on the active involvement of a Croatian partner in its international network of sustainable tourism observatories. The Croatian Sustainable Tourism Observatory (CROSTO), hosted by the Institute for Tourism in Zagreb, is responsible for monitoring sustainable tourism in the Adriatic Croatia, and is a clear demonstration of Croatia's commitment to sharing the global strategic commitment to act responsibly and with care towards the spaces we live in.



INTERVIEW WITH

What role does tourism play in the city's economy?

Tourism is a central pillar of the Croatian economy, generating around € 10 billion euros in income the past few years and accounting for almost one fifth of the country's economic output. It has also been the main economic sector for Dubrovnik for many years now and the majority of the population lives off tourism. We've been continuously growing for the last 10 years, between 7% up to 14%. But now we believe we've reached our full capacity from April to mid-October, if we want to remain sustainable.

So how will the sector still grow?

We still have a few periods when we could receive more people: in winter, early spring and late fall; these are the only times we can still receive more tourists. We want to remain sustainable in the future, so we need the high peak periods to be lower and spread out the visits during the periods I just mentioned. Also, we want tourists to come not just to Dubrovnik, but go all around the region. If we achieve that, living in the city and the service that will be provided to tourists will definitely have more quality than what is currently on offer.

When you took office in June 2017, you said that the goal of the City of Dubrovnik was to have sustainable tourism and stated: "I guarantee that Dubrovnik will change."

When we took office, we knew we had to address the issue of sustainability otherwise everything would soon crash and fall apart. We knew that in the next two to three years, if we didn't change things, the quality of services would get worse and then, consequently, the number of tourists would definitely decrease and we did not want this to happen. To avoid that we decided that the best would be to have partners in all the different segments of the sectors. We wanted to work with the companies that were bringing tourists to Dubrovnik.

So first, we started talking to the cruise ship agencies. We made them aware of the problems we face when more than two cruise ships are in town at the same time; streets and entrances to the city are blocked. In the past few years, sometimes we had 6, 7 or even 10 cruise ships at the same time. In each ship there might be about 2,000 to 2,500

passengers, so we are talking about a crazy big number of people entering the city all at once.

We do want to have cruise-ship passengers here in Dubrovnik, but not all of them at the same time. First, we believe that their experience is very, very bad when the city is crowded; they walk around but no one sees anything - it is impossible to have a real feel of the town.

We already did some adjustments in 2018 and improvements were noticeable. The agencies are now spreading out the arrivals and the departures and, for 2019, we already have the rule that there cannot be more than two cruise ships at once. Same for 2020. We will achieve our goal because now there is a port policy, already sent to the cruise ship companies, which states that not more than 4,000 passengers can come to the city at the same time.

What I want in the future is a completely sustainable tourism. We want a tourism sector that, first of all, respects the citizens. If the citizens are happy and satisfied, then the guests will be happy and satisfied as well.

Are cruise ship passengers the type of tourists you want?

Some ships stay here from 6:00 am up to 6:00 pm and the passengers from these ships usually have a meal in Dubrovnik. We had a survey that showed that they spend around US\$65 to 100 here in Dubrovnik. There was a rumor that they are not spending at all and



Mato Franković
Mayor
City of Dubrovnik

were just walking around the city, but this is not true

What is more important for us is the experience they have while here because if they have a good experience and enjoy the city, they will come back by airplane and stay in a hotel or private accommodation and spend more money here. Now, if their experience is bad, then we have a problem. It is important the kind of experience the cruise ship passengers have because they can/will speak to



friends. Imagine if they say Dubrovnik is nice, but it's crazy, too many tourists, overcrowded, don't go there. The cruise ship passengers can be a good marketing tool for us because word of mouth is very, very important. Don't forget that we have around 1 million cruise ship passengers per year.

The entertainment sector can be a considerable foreign exchange earner. Dubrovnik became an ever more popular tourist destination with its success as the location site for Game of Thrones and the latest edition of Star Wars. What has been the economic and social impact of these productions to your city?

We haven't been able to quantify the definite economic contribution of Game of Thrones but let me point out that the US market is very important for us. Americans are the second nationality visiting Dubrovnik, so it definitely means that Game of Thrones did good marketing for Dubrovnik and opened the city to the world. Movies were made here before, even in 1918, but after Games of Thrones we really reached stardom. Other famous productions were filmed here, Star Wars for example, though Dubrovnik was not that visible in the film. We also had the last Robin Hood and Dubrovnik is very visible in this film. We are open for any new big production that would like to come here. It is a positive experience for Dubrovnik but all they have to take place in the off-season period because in the peak season it would be impossible.

Dubrovnik is now, after Venice, the second most popular cruise-ship destination on the Mediterranean. When are the best months to come to the city by cruise ship?

Late spring or early fall. Dubrovnik is always beautiful, but at these times it is not too hot, the sea is already warm enough for swimming, and there are not a lot of tourists around. You can then really explore the town. If you are not a big fan of swimming or warm weather, then the winter can also be very nice in Dubrovnik, especially when it is sunny.

What are the most important projects that the city is undertaking at the moment?

We are now starting to invest a huge amount of money in infrastructure, especially in the sewerage and water systems. Another focus is



sports infrastructure. We need to invest money in soccer fields, tennis courts, bowling lanes, etc. not just for the people of Dubrovnik but also for foreigners to come and play or train here. We also want a stadium.

We want to build a bigger conference

FACTS

13th century

city becomes an important Mediterranean sea power

1979

Dubrovnik joins the UNESCO list of World Heritage sites

+44,000 population

2 km

of ancient walls and fortifications surround the city

3 meters above the sea level

21.35 sq km

center that can host around 5,000 to 6,000 people. We currently have three conferences in Dubrovnik a year and they are good for our economy.

Another important investment for us is the Dubrovnik Airport. More than €300 million has been invested at it and it will certainly be one of the best airports in this part of Europe.

We also need to invest on our roads. We need to be connected with Croatia. At the moment we need to cross Bosnia and Herzegovina to go to other parts of Croatia. We are building a bridge that is going to connect the peninsula of Pelješac and this will make life easier for the locals. We are also seeking from the government a highway to Dubrovnik as currently there is none.

What legacy would you like to leave when you finish your first term as mayor of Dubrovnik?

The first and most important thing for me is to be an honest mayor. Regarding the tourism sector, I definitely want to leave a mark because I am the first mayor that is coming from the tourism sector.

Another important issue for me is to improve the quality of life for the people in Dubrovnik. Everything that the city earns from tourism I want to invest in better quality of life for the people. Investment in infrastructure, schools, sports facilities, this is what I want to leave as my legacy.

What makes me proud is that the city is going forward, and we are investing our money in good visible projects for the local people.

What is your final message to our readers?

Dubrovnik is going to be the same beautiful city as it was 1,000 years ago.

STUNNING KORČULA DRAWS TRAVELLERS FROM AFAR

The legendary birthplace of Marco Polo is rich in history; when the ancient Greeks first came across this pine-covered island, they named it Black Corfu. Today, its black pines, white wines and historic traditions attract tourists from around the world.

> sk anyone to name the world's most famous traveler and chances are that the 13th century explorer Marco Polo will come near the top of the list. But while everybody recognizes the name, few people will know that his most probable birthplace was not in Italy but on the Dalmatian island of Korčula, then under the sway of the Republic of Venice.

Now, nearly 800 years after Marco Polo was born, Korčula is once again moving to the center of the world's travel map. One of the largest islands in the Adriatic, Korčula is rich in cultural and natural attractions that appeal to almost every type of tourist, from young travelers and families in search of beaches and crystal-clear waters to culture vultures drawn here by architecture, arts festivals and folk dances, to hikers keen to ramble through the island's glorious pinecovered hills.

Whatever their interests, all visitors to Korčula delight in wandering the historic streets of the island's capital and main port of entry, Korčula Town. Protected

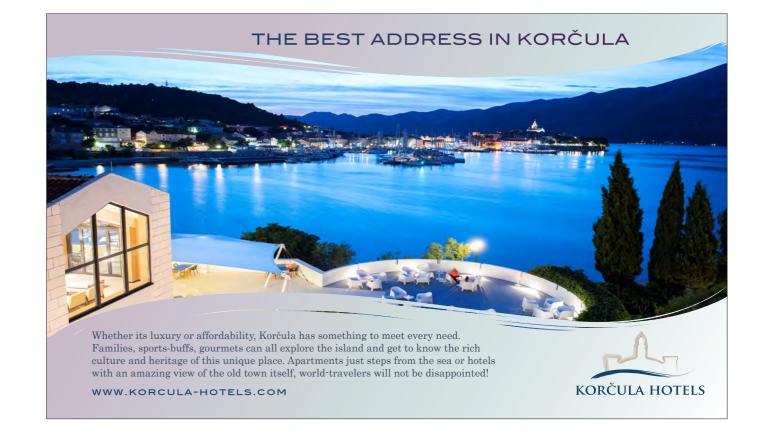






from attack by imposing sea walls and by a series of land gates and towers, this compact town boasts architectural treasures that are reminiscent of a less-crowded Dubrovnik. Chief among them is St construction which looks down in majesty upon grand palaces that were once the home of merchants, nobles and governors. On the long evenings of the Dalmatian summer, visitors gather here to watch locals perform unique sword dances which

date all the way back to the Middle Ages. Such is the appeal of Korčula that discerning travelers are now coming not only from Europe and the USA but from the lands of the Silk Road and the Far East Mark's Cathedral, an ornate 15th century first explored by the island's most celebrated son. "Visitors from as far away as Japan and Korea are travelling to Korčula to experience our culture," says Andrija Fabris, the city's mayor. "We now aim to extend our tourist season so that they can come here at any time of the year."



Did Korčula benefit from Croatia entering the Furnnean Union?

Yes! The government units who worked on the admittance of Croatia in the European Union understood that once the country was a member of the union, there would be many possibilities of financing projects with the help of European funds. We all had projects in our development plans, but couldn't materialize them with our own city or state budget. This applied to Korčula too, so once we joined the European Union our bigger investment plans could be accomplished more easily.

I became mayor of Korčula in 2015 and together with our township team we started an agency called Kora to deal with the development of Korćula. It was founded with the idea of withdrawing accession funds from the European Union. For the past 4 years we managed to get over 4 million euros, for development projects. It is a significant amount for a town of our size.

This amount is only for projects in Korčula town, but if we include county and state investments, for the last six months, we have managed to gather around 27 million euros. Almost 90% of these projects are related to and co-financed by European funds. I believe becoming a member of the European Union was a great advantage for us.

What projects are the funds being spent on?

I've always been impressed by the beauty of Korčula and the funds we managed to gather are being invested in giving life to the old town nucleus and the events related to our historical heritage, our culture and the splendor of our town. I was born near the cathedral of Korčula

which is located in the center of the old town and my whole life has been and is closely connected to Korčula.

It seems like lot of young Croatians left the country once it joined the European Union. Is this a problem in Korčula?

Emigration is a problem, but I don't believe it's a big issue in our town or island. First, because the quality of life here in the town of Korčula, as well as in the whole island is a lot higher than in other parts of Croatia. Second, because tourism, our main industry, has helped to keep our population on the island. Our tourist season is extending more and more every year and the benefits it brings are getting bigger and better, not only in our town but also in the whole region. Because of that, I believe that our young people don't really have a lot of reasons to leave their homeland.

What are you doing to extend your tourist

It is a part of our aspiration to make the season last longer. It should not last just 7 months. A lot of things, such as festivals, can be developed to make it longer. Also, different groups of tourists should be targeted. For example, the Japanese and Koreans - they don't come to see the beach, they come for the culture, so they can visit throughout the year.

This year we managed to start the catamaran line service earlier. This represents the beginning of the tourist season. This service is provided by a private company which doesn't get any subsidies; therefore, it strictly depends on the market and the number of users.





Andrija Fabris Mayor City of Korčula

We are also trying to extend the season by renovating our hotels which are still not in the shape we think Korčula deserves.

Additionally, we are developing pre-season events such as the Spring Food and Wine Festival, which started on April 26.

What can you tell us about the Spring Food and

During the Korčulanske pjatance, the Croatian name for the Spring Food and Wine Festival, we feature fantastic trademarked Croatian wines such as Pošip, the best Croatian white wine which is an autochthonous sort grown on the Island of Korčula; Grk, which means the Greek, the oldest Croatian white wine; our white Muscat wine; red wines from the nearby Island of Peliešac: to name a few. We also have excellent olive oil from the island which is becoming very popular.

Gastronomy in Korčula today is excellent. We have three Michelin recommendations: the restaurants Lešić Dimitri and Filippi, and the tavern Mate.

What other events are being created to attract people outside the high season?

We are organizing the Marco Polo Triathlon Challenge where visitors witness the beauty of the island while bicycling. We are also organizing the Marco Polo Art Festival in June



which will bring together various cultures connected to the history of Marco Polo. Dozens of ambassadors from the Silk Road countries such as China, India, Azerbaijan, Kazakhstan, Indonesia, Turkev will come to this event. With a mixture of films, music and fine arts of various cultures, for a few days Korčula will become the host of a really dance Moreška. One day I was dressed as unique and interesting cultural event.

Connectivity is essential for an island. How well connected is Korčula?

We are connected to Split and Orebić by ferry 18 times a day and have catamarans connecting us to Dubrovnik and Split on a daily basis during the tourist season, so we are satisfied with today's connectivity. As the island is located in the south of the country and far from Zagreb, our capital city, most of our guests come from Dubrovnik Airport which is becoming busier and has more and more direct flights from other destinations. And with the new bridge connecting Pelješac connectivity should be even better.

What are your challenges to make sure Korčula has sustainable tourism growth?

Our biggest and greatest challenge is the number of cars on the island because we only have one narrow road that connects the town. We need to avoid problems with traffic jams and new road connections should solve the problem.

What is your main market?

Our main market is Great Britain and then the US. The island of Korčula is a top destination that provides quality tourism. We don't want a lot of tourists; we are a small destination. We want quality tourism.

During the summer I take part in the sword the 'king' and waiting for the performance people recognize him.

FACTS

5,663 inhabitants in Korčula town

1214 year the town's statute was issued

1871 Hotel Korčula was first built as a cafe

18 ferries from Korčula to the mainland

to begin and somebody tapped me on the shoulder. I turned around and it was Bernie Ecclestone. He asked if he could take a picture with me and his two daughters. We took a picture together and then we had a short conversation. He told me that when he visits Korčula he is left alone and enjoys privacy, but when he visits Hvar with his yacht, dozens of

Otto Barić, the Croatian architect who designed the arena in Oatar asked us if he could bring the Emir of Oatar's family to Korčula for a few hours. Instead of two hours they stayed for three days. We never publicized it and again, they enjoyed the privacy.

For me and for Korčula that is important people come here to have a good time in privacy. We don't want to ruin the beauty of our town and our hospitality with any kind of unpleasant experience for our guests.

Not many people know that Marco Polo is from Korčula

Yes. We had a meeting with our minister of culture, Nina Obuljen Koržinek, and the secretary of the ministry of tourism. Frane Matušić, and they asked us to reconstruct Marco Polo's house in Korčula town so people could come and see it. So we started this project with the purpose of restoring the house in which Marco Polo was born in and turn into a museum. The renovation of the house was possible as we received funds through cooperation with Italy.

DALMATIA DESTINATION SUSTAINABILITY

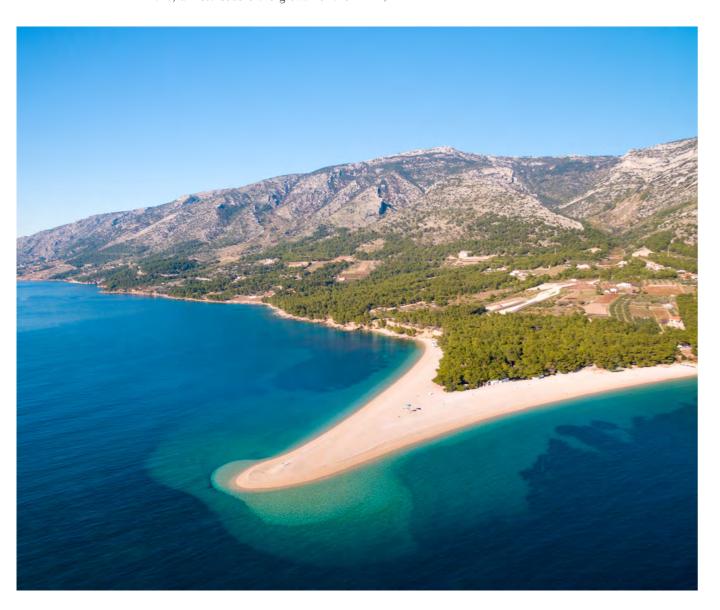
The region has come a long way since the country joined the EU in 2013, successfully transitioning to a market-driven economy aiming to deliver one of the most important UN SDG; decent work and economic growth

> s the new middle classes of Asia and Latin America discover the joys of international travel, low cost carriers proliferate and innovators such as Airbnb and Uber simplify the challenges of accommodation and transport, the world's tourism market is expanding at a traditional tourist hotspots such as South breathtaking rate.

> Organization (UNWTO), there was a 6% increase in international tourist arrivals in 2018, almost double the growth of the that, while the tourism sector is one of

global economy, with the number of visitors reaching the 1.4 billion level two years ahead of the UNWTO's forecast.

As anyone who has travelled in recent vears will testify, this rapid growth has created its own set of problems. With East Asia and Mediterranean Europe According to the World Tourism struggling to cope with the surge in tourist numbers, the UNWTO's Secretary-General Zurab Pololikashvili has warned



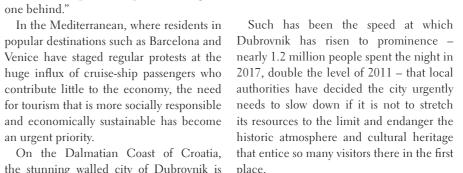


the most powerful drivers of economic development, "it is our responsibility to manage it in a sustainable manner and translate this expansion into real benefits for all countries, and particularly, to all local communities, creating opportunities for jobs and entrepreneurship and leaving no one behind."

In the Mediterranean, where residents in popular destinations such as Barcelona and Venice have staged regular protests at the huge influx of cruise-ship passengers who contribute little to the economy, the need for tourism that is more socially responsible an urgent priority.

the stunning walled city of Dubrovnik is leading the way towards this new vision of responsible tourism, a vision in which preserving heritage and protecting the community matters much more than making a fast buck.

Almost a decade after Dubrovnik was chosen as a major location for Game of Thrones, this architectural marvel on the Adriatic has become firmly established as one of the most compelling destinations in the Mediterranean. Tourist numbers have been increasing at around 10 % per cent a year and Dubrovnik has risen to become Europe's second most popular cruise port, behind only its Adriatic cousin Venice.



"We knew that if we didn't change the way we did things, then the quality of our services and the quality of the Dubrovnik product would begin to suffer," explains Mato Franković, who was elected the city's mayor in the summer of 2017. "Crazy numbers of people were entering the city all at once. We had to address the issue of sustainability or everything would crash."

One of the first steps that Franković has taken as part of his "Respect the City" initiative is to impose a limit on the number of cruise ships that can dock in the city at any one time. As of this year, only two cruise liners will be allowed in the port at **66** There is no such thing as 'away'. When we throw anything away it must go somewhere.

Annie Leonard Proponent of Sustainability





The greatest threat to our planet is the belief that someone else will save it.

Robert Swan Author the same time, down from as many as 10 ships just a couple of years ago. With some of the largest cruise ships having capacity of upwards of 2,000 passengers, the new limits will reduce the problem of overcrowding within the walled city and help preserve the tranquillity and magic of the Dubrovnik experience.

Meanwhile, the mayor has also cracked down on the number of day-trippers coming into Dubrovnik overland. In recent summers, at the historic Pile Gate entrance into the old town it was not uncommon to see more than 100 tour buses disgorge masses of people on the same day, causing build-ups of visitors and creating a frustrating first impression of this UNESCO World Heritage site. Now Franković has closed access to Pile Gate for tour buses on certain

days and is working with tour companies to stagger coach arrivals over the course of the week to help alleviate the situation.

In the much larger coastal city Split, which grew up around the spectacular Roman palace that Emperor Diocletian called home, massive investments in transport and hotel infrastructure are helping the city keep pace with rising tourist numbers. "We recognize that our residents are under a lot of pressure during the tourist season, so we are finding new solutions that will make their lives easier," says the city's mayor, Andro Krstulović Opara.

The region's response to overcrowding – which comes with the blessing of UNESCO – has helped position Dalmatia as a pioneer in the quest towards a more responsible and sustainable vision of tourism. Local



authorities say they are prepared to sacrifice some short-term revenue from tourists if it means protecting Dalmatia's unique heritage for the long-term and helps preserve the region's status as a high-quality destination.

As well as limiting visitor numbers, investing in infrastructure and raising the quality of life for residents, authorities in Dalmatia are also working to ensure that local communities receive greater benefits from the ongoing boom in tourism across the region. Representatives from the business sector played a major role in developing Dubrovnik's "Respect the City" plan and are in the main strong backers of the new direction for tourism.

By involving locals more closely in the industry, and attracting high-quality, high-spending visitors, Dalmatia hopes to avoid the backlash against tourism that is being experienced in other major destinations in the Mediterranean. In contrast to Barcelona and Venice, locals in Dubrovnik and Split are reaping tangible benefits from the success of the tourism industry, giving them a long-term stake in Dalmatia's continuing success as one of the world's most attractive holiday destinations.

"We want a tourism industry which respects local citizens, as this is the best way of making sure that guests are happy," Franković says. "I strongly believe that only those destinations that are focused on sustainable tourism will be tourism leaders in the future."

This summer there will be direct flights to the US. How will this impact tourism in Dubrovnik?

Establishing direct flights from the USA to Dubrovnik is of great importance to both Dubrovnik and Croatian tourism. The American market is of strategic significance to the city as tourist arrivals from the US are second after Great Britain. These flights that will begin in June will certainly increase the number of visitors from the US. We hope that this new seasonal connection from Philadelphia is only the beginning and that vear-round connections will soon become a reality. The Dubrovnik Tourist Board has initiated a marketing campaign, which starts in March and will last until August, with American Airlines to promote these flights and the city as a destination.

In line with the slogan of the Dubrovnik Tourist Board - Dubrovnik A City For All Seasons – our activities are concentrated around prolonging the tourist season. According to research carried out by eminent organizations, Dubrovnik is the most recognizable Croatian tourist brand and we are currently achieving a record number of overnight stays. However, we believe that there is room for additional tourist arrivals outside of the main season. At the Dubrovnik Tourist Board, we are actively engaged in negotiating with international airlines to increase the number of flights and connections during the winter months. We have been successful this winter in introducing flights to seven different European cities with

nineteen flights a week. With these winter flights we are also connected to a number of European hubs meaning that the catchment area is global.

We are currently running marketing campaigns with many major airlines, such as British Airways, Iberia and Turkish Airlines. Also, we are working closely on strategically important projects with Croatia Airlines and the Croatian National Tourist Board.

Of course negotiating flights and international connections out of the main season is only one chapter in our efforts to increase visitors in the winter months. In parallel with flight connections we are also working hard on creating new and exciting attractions for tourists, different entertainment programs, which will all be added motivation for tourists to see the beauty of Dubrovnik throughout the winter.

For example, the Dubrovnik Good Food Festival, which is traditionally held at the end of October, proved to be an absolute hit with our guests. Also, the Dubrovnik Winter Festival, which offers a range of festive attractions over the holiday period, has brought a new dimension to winter tourism, just like the other winter festivals you can find in Europe such as Christmas fairs and concerts.

Each year we create ever-more interesting events and an increasing number of people come to the Christmas fair and the Winter Festival. On our website visitors can find over twenty different main events that are held every



Romana Vlašić Director Dubrovnik Tourist Board

year, and importantly throughout the whole year. Once again I would like to emphasize, Dubrovnik is truly a city for all seasons.

Along with traditional tourism Dubrovnik has been working hard to extend the season by bringing congresses and conferences to the many top-class facilities we have in the city. In fact, Dubrovnik has been recognized as a leading destination for congresses and we are placed in the top 100 world conferences venues.

The introduction of direct flights with American Airlines, especially if they continue through the winter months, gives the city and the region a new opening to an important market.

Have you seen a positive impact on the reduction and re-allocation of the cruise ships to the city?

Absolutely. The Dubrovnik Tourist Board has been very much involved in the project since the very beginning. The mayor of Dubrovnik introduced a project entitled "Respect the City" which has both short-term and long-term goals and the results until now have proved extremely positive. The overall goal is sustainable tourism and the effect so far has been encouraging. In 2018 the emphasis was put on the organization of private coaches and buses that bring cruise ship passengers to the city which resulted in a much better and more fluid flow of the traffic

previous years. And with the introduction of a partnership between the City of Dubrovnik and the largest cruise ship organization in the world, Cruise Lines International Association (CLIA), a new possibility of organization has become a reality. With the overall aim of better control and movement of cruise ship passengers, and of course to lighten the load on infrastructure, the City of Dubrovnik proposed a number of measures and CLIA reacted positively to these. Meaning that cruise ships will now adjust their arrival and departures times as well as limiting the number of cruise ship passengers arriving in the city at a specific time. You need at least two or three years to change itineraries because schedules have already been published and people have already booked their trips. Thefore, we need to adapt slowly. This is what we succeeded in doing for 2018 and it will be even better in 2019 as we will limit the number of cruise ship passengers arriving at any one time. All these measures are just part of a longer strategy to create a better synergy between the city as a popular tourist destination and the cruise ships. Although without doubt the results are already visible and over the next few years, they will become even more apparent. The complete introduction of this project "Respect the City" is expected to occur over the next three years. But it is important to point out that after the very first year the international media and press have already recognized the impact and are pointing out that Dubrovnik is a great example of sustainable tourism.

infrastructure and far less congestion than in

And with the promotion of Dubrovnik as a year-round destination, which quite frankly it is, the burden on the tourism industry throughout the summer months will also be eased. Creating a steady flow of tourists through the whole year will not only make it easier to organize, but also create a sustainable environment without the peaks and troughs.

Are the financial resources earned from tourism being reinvested into infrastructure and improvements to the city?

Reinvesting back into the city's tourism industry is of vital importance and of course is at the top for both the city and the tourist board. The City of Dubrovnik is constantly investing



back into its infrastructure, as the main source of the city's GDP comes directly or indirectly from tourism. It is only logical that the majority of projects are connected to improving the stay of visitors and to raise the standard of living for locals. Numerous projects are ongoing at the moment, from an extensive refurbishment and enlargement of the Dubrovnik Airport, to the improvement of road connections, a public garage and more parking. It is important for the future that we not only develop tourism in a sustainable way, but in a way that works in harmony with the needs of the citizens. The investment into tourism should and must go hand in hand with improving the standard and quality of life of its citizens.

FACTS

8% increase in tourist arrivals in 2018

5% increase in tourist overnights

14 5-star hotels in the city

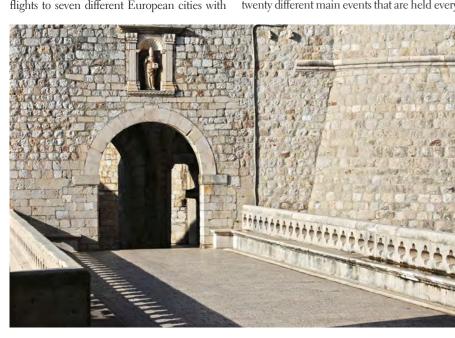
> # 1 MICE destination in Croatia

Sustainability equals responsibility. Is this a priority for the city and the tourism board?

Sustainability is an absolute top priority for all of the parties involved in the tourism industry. It is absolutely imperative that our tourism industry develops in a manageable and correct manner. Destinations need to understand their tourism capacity and their limits. Once you know what your limits are in terms of numbers, then it is much easier to organize responsibly. Ouality always comes first, especially in a destination like Dubrovnik. The majority of Croatian five-star hotels are in Dubrovnik and it has always been a luxury destination. Managing the destination is very much like a Swiss watch, every segment, no matter how large or small, is a cog and all the different cogs have their own action and reactions. There isn't a "one-size fits all" solution to managing destinations, every city needs to develop its own. It is an ongoing process that responsible institutions in Dubrovnik are involved in. You really need to collect as much information as possible, study it and then formulate a plan. We are more than aware that this takes time, and if the plan is well developed it will bring results, as we have already seen.

How would you describe Dalmatian culture?

The best way to answer this question would be from the feedback we receive every year from our guests. In my opinion the people of Dubrovnik are warm, welcoming and friendly and are always more than willing to explain to visitors the history and culture of the city. In fact, it is important to mention that Dubrovnik is not a museum but a living city and therefore its citizens are an important factor in the overall experience of our guests.



You wrote a doctoral dissertation 'Economic effects of maritime traffic and transport in function of economic development'. How do you assess the Port of Split's contribution to Dalmatia and Croatia's economic development?

Today, the Port of Split ranks as not only the largest passenger port in Croatia, but the largest in the whole Adriatic, as well as being the 11th largest European port in the Mediterranean. And it is not important just for tourism; we are a major transport of goods hub too. It's been of crucial importance for the development of tourism in Split and the region as well as a key influence on the regional and national economy.

Passenger traffic in the two last decades has more than tripled, from 1.7 million to 5.4 million passengers per year, while vehicle traffic more than doubled from 343,000 to 811,000 vehicles per year. In recent years growth amounted to more than 5% a year.

The port is a logistical link to several places due to its location. It's the major transport hub especially for Central Dalmatian islands cause it connects them in terms of passengers and cargo. A reliable connection with the Port of Split is a prerequisite for a sound economy, quality of life and development for the islands of Brač, Hvar, Šolta, Vis, Lastovo, Korčula, Drvenik Veli and Drvenik Mali.

The Port of Split is also key for connecting Croatia and Italy. It also provides top-quality service for cruise ships. The excursion programs offered to cruise ship passengers contribute to the development of those areas of our region that are not on the coast. So it plays an important role for the development of the interior of our region.

Besides being a passenger port, Split is also a significant cargo port. We have four cargo

basins and we use our rail and road links to transport goods around the region and further. We also work together with passenger and cargo maritime transport companies and grant concessions to various other businesses, so we are constantly generating employment.

What were the latest improvements to strengthen the port's performance?

The construction of wharves on the outer side of the breakwater in Split which started in June 2014. These works were divided in two phases. The first phase was completed in July 2016 and the second in March 2017.

What is the next infrastructure development planned for the port?

Any investment in the Port of Split's facilities and infrastructure has been a timely and optimal response to a steady increase in the number of passengers and freight travelling through the port. This partly reflects increased interest in the city of Split and the Central Dalmatia region as a tourist destination. It is essential that we continue to manage the flow of passengers and vehicles effectively. A growing number of vehicles entering the port causes heavy congestions in the city, especially in the center. This is particularly evident during the high season when the traffic within the port is the heaviest. More than 180,000 trucks per vear transporting cargo to and from islands and Italy cause major congestion problems.

Therefore, by investing in improving the infrastructure the PSA aims to reduce the congestion, especially in the city center. In the area of Stinice, we're planning to create a new operational area for Ro-Ro ships including



We are also investing in the new international passenger terminal building of around 25,000 m² which will be located at the breakwater of the basin in the city center. The project will revitalise worn out former industrial facilities, warehouses and office space through reconstruction. It will accommodate maritime passenger transport related facilities including Schengen border crossing and various commercial content including separate parking space. Most of the construction works will be financed with private capital based on a concession contract. The PSA has been preparing to issue an international public concession tender.

What makes the Port of Split one of the most competitive ports in the Adriatic?

The Port of Split is given a competitive edge by its strategic geographical location in the center of the eastern Adriatic coast, by the increased tourist demand and last, but certainly not least, by the fact that the Port of Split is the gateway to the Central Dalmatian islands.

Also, Split is located in the center of the recently established EU's Adriatic-Ionian macro-region and the Port of Split is a crucial hub for local and international maritime travel in this part of Europe. A sustained growth in tourist arrivals has been and will continue being a strong basis for further development.

How are innovation and technology helping to boost the port's performance?

Innovation and technology are certainly playing a huge role in the port's performance and the PSA is planning to develop itself as a "smart port" to increase its effectiveness, security and sustainability while preparing itself for the changing global environment.

The exchange of information within the port to increase the quality and efficiency of its services will be very important for the community and supply chain. The Port of Split is facing new challenges with the constant growth of ferry volumes and cruise ships. Due to limited port area and berthing spaces, congestion may, if unattended, become a problem. Therefore a "smart port" system is necessary for the Port of Split to reduce the congestion and improve the efficiency in the long run and to be able to handle both passenger and cargo volumes without disrupting neither the port users nor the citizens.

What have been the most important improvements the port has had with the implementation of innovative solutions?

By upgrading the system, optimal results in improvement of the business processes were achieved. In particular, this relates to planning processes and procedures. Data collection technical capabilities will also be increased. and additional training provided to employees. We will provide a comprehensive display of interactive information to users in real time, introduce a free Wi-Fi network, interactive displays, application for smartphone and OR codes for quick info-points. All of the provided information will be multilingual.

Initiatives have to be implemented to make the cities of the region more sustainable. What is PSA's strategy regarding sustainability?

All the major stakeholders in our region are aware of the need of implementing measures to make the region more sustainable, which is key for our future.

The goal is to make our Environmental Management System a comprehensive, effective and fully usable tool for managing environmental impact, which will contribute to the pollution reduction, amount of unseparated waste, energy consumption, noise and other negative impacts on the environment. A "smart



port" would account for both economic and ecological aspects of the port, with a special focus on infrastructure, traffic and trade flows. We also plan to be less dependent on conventionally generated energy by switching to renewables. PSA is aiming at promoting eco-friendly mobility by redistributing energy, thus reducing energy consumption and saving on costs. For instance, we are considering the possibility of providing fuel supply services to cruise ships and other ships using LNG fuel.

What is the Port of Split's role in the tourism sector?

Split is already a must-go tourist destination and specifically a cruise travel destination. Besides the UNESCO listed Diocletian's Palace in the city core, there are many shore excursion

FACTS

passenger port in Croatia

11th largest European port in the Mediterranean

> 5.4 million passengers per year

25,000 m² new international passenger terminal building

locations that are easily accessible from Split. For the cruise ships, the Port of Split completed the construction of two new cruise berths on the outer side of the breakwater. The berths accommodate cruise ships with a maximum length of at least 320 meters and 270 meters respectively, with 10.5 meters maximum draft, significantly increasing the capacity to handle large ships and raising the level of service, safety and security for passengers. In 2018, more than 307,000 cruise ship passengers passed through the Port of Split.

What is your view on the initiatives to improve the intermodal connectivity between ports and airports in the Adriatic-Ionian area to optimize the flow of passengers?

The port benefits from excellent opportunities to expand its current intermodal transport infrastructure, which serves both its passenger and freight port basins via railway and the Al motorway between Split and Zagreb.

What are the priorities the PSA board is focusing on and its short term-goal?

The primary objective of the Port of Split Authority is to provide the best possible port service for connecting the Central Dalmatian islands to the Croatian mainland throughout the year. The key challenge is to co-ordinate our efforts to raise the level of service with the local, regional, national, and cross-border stakeholders and to play a responsible role in the community by taking part in the new smart and sustainable development paradigm of Split and the region. The goal is that, by introducing new technologies, the Port of Split becomes a smart and sustainable port.



How much does the Port of Dubrovnik contribute to the region's economic development?

We contribute a lot. Cruise tourism is an economic activity which is showing an increasing expansion worldwide. The Mediterranean is globally recognized as a very attractive destination for maritime cruise tourism with high expectations for economic benefit from commerce, tourist services and operators.

What is Dubrovnik Port's role in the tourism sector and the importance of the cruise calls?

Dubrovnik has become one of the most desirable cruise destinations in Europe with a very diverse tourist offer recognized by UNESCO, a beautiful and preserved landscape and high-quality eno-gastronomy. The 2019 cruise season is shaping up very well. Cruise traffic is expected to reach last year's levels with a slight increase. The projected numbers for 2019 predict 488 cruise calls carrying 810,000 cruise passengers to Dubrovnik.

tax on cruise ship passengers?

The new proposal put forward aims at collecting tourist taxes from tourists on cruise ships with a set fee of €2 per passenger. This fee will certainly not deter people from coming to Dubrovnik, and the city and the citizens

of around 12 million Croatian kunas which the city would then reinvest back into the transport system of the city. It is important to notify the cruise lines in time so that the new fee can be calculated into future prices. The implementation of the new tax is expected to take place in 2021.

of per guest or per cruise ship passenger, the

connectivity between ports and airports in the Adriatic-Ionian area to optimize the flow of passengers are being implemented?

Dubrovnik Port Authority (DPA) participates as a project partner in EU funded projects which aim at improving intermodal connectivity between ports and airports and optimizing the flow of passengers. For example, the overall objective of the INTER-PASS project is to enhance the intermodal connections between ports and airports in the Adriatic-Ionian region in order to improve the processing of passengers, mainly cruise tourists and travelers reaching tourist destinations located on What are the benefits of the proposed new €2 Adriatic and Ionian coasts during peak season.

Is the daily limit of 8,000 cruise ship visitors helping solve the negative impact of too many

Since Dubrovnik as a cruise destination has limited carrying capacity, we have decided will certainly benefit from it. With a €2 tax to limit the number of cruise ship passengers

City of Dubrovnik would benefit to the tune What initiatives to improve the intermodal



Blaž Pezo General Manager **Dubrovnik Port Authority**

simultaneously with the aim of securing a pleasurable and memorable high-quality stay here for cruise ship's passengers. Previously, the defined daily limit was 8,000 cruise passengers, as suggested by UNESCO. However, in practice, DPA applies a daily limit of 6,000 cruise passengers, whenever it is possible. Considering given goals, as well as the characteristics of the cruise industry, we carried out a set of rules and criteria for cruise vessel booking in Dubrovnik that provide transparency as well as enough time for cruise lines to arrange their schedules.

What measures are necessary to make tourism in Dubrovnik more sustainable and offer more environmentally-friendly options?

Following the conclusions from working meetings held with Mayor Franković and all relevant public services with the aim of avoiding port and city congestion, regulating traffic and securing high-quality stay in the destination, we will endeavor contributing to the following objectives: reduction of the traffic congestions, extension of cruise season over the year, increase the number visits outside the main high season, daily distribution of cruise calls and longer cruise ship stay in the destination. We are aware that the collaboration with cruise lines is of crucial importance for success, so we hope

that our business partners will show their understanding and give their contribution in promoting these endeavors. Advancing of environmental sustainability is conducted through the Ordinance on Order at the Port which defines measures and regulations in order to make regulated environment at the port and environmentally-friendly port. Additional regulations are adopted in order to provide the above-mentioned conditions, protect the sea and port basin from any kind of pollution from shore or from the ship and their activities at the port.

How is DPA collaborating with Mayor Franković's "Respect the City" project envisioning a sustainable tourism development?

DPA in cooperation with the City of Dubrovnik is implementing the program "Respect the City" which aims to harmonize tourist flows and migrations through city's infrastructure, where cruise passengers represent a significant percentage of daily visitors. The aim of the project is to find optimal solutions for sustainable tourism development in the destination.

What projects and investments are necessary to strengthen the Port's performances?

Dubrovnik Port Authority is currently developing the project Batahovina 2 construction of 500 meters of new operative quays with two ferry ramps, which is now in the phase of project documentation preparation. Upon realization, expected in 2023, the capacities of the port for vessel accommodation will be significantly increased.

What are the port's competitive advantages?

The Dubrovnik brand, the city's tourist attractions as well as attractive surroundings are undoubtedly an advantage we have for our future development. As cruise tourism in the city grows, in an orderly way, we will also become more competitive and grow.

Which DPA board's priorities are you focusing

The biggest challenge is sustainable cruise destination development. DPA board is focusing on the planning and organization of accommodating the existing vessels and opening new possibilities for traffic increase with better distribution of cruise calls and



less impact on the city's infrastructure. The solution lies in communication and cooperation with all stakeholders involved.

FACTS

1997 establishment of **Dubrovnik Port Authority**

120,000 m² operative territory surface

1.4 million passengers expected in 2019

488 cruise calls expected in 2019

> 9% of the passengers come from the US

How are innovation and technology helping boost the Port's performance?

Concerning performance, the Port is up-todate. There were financial investments in order to reach environmental sustainability as well as raising environmental sustainability awareness. DPA is planning to obtain electrical vehicles and decrease air emissions through the EU funded project Adrigreen. There is also an air quality environmental monitoring station at the Port of Dubrovnik.

How do you see Croatia and Dalmatia's business-friendly environment to attract investors that will generate high-quality jobs?

In my opinion coastal tourism is vital to the economy of coastal destinations. Due to the increasing number of existing and emerging destinations, the development of these destinations has to be controlled through strategic planning and monitoring and based on the principles of sustainable development. Taking into consideration the development trends, natural resources, port infrastructure development projects, the level of cruise tourism development so far, as well as the strategic orientation to develop Dubrovnik into a cruise destination in the future. Dalmatia presents one of the most attractive business environment for



Šibenik has become one of the most popular tourist destinations in Croatia in recent years. How did this happen?

Even though Šibenik has always been a beautiful and attractive city for visitors, until 20 years ago it was only perceived as an industrial and port city. We were practically an unknown touristic destination. It had very few emblematic hotel options and most visitors perceived it as a transit hub. Back then, Šibenik already had the old city center, its fortresses and a beautiful natural environment around the city. However, have all sorts of festivals too, not only musical ones. its focus was not on tourism.

Due to the devastation caused by the war in the nineties, the companies related to heavy industry that was prominent in the city were destroyed. As a consequence, we had to start rebuilding the city's infrastructure and at the same time we began renovating historical and traditional sites and creating cultural programs. So we completely shifted our economic focus towards tourism which became one of the main economic sectors for us. And today, it is one of the most important activities in Šibenik as we do have historical, cultural and natural attributes to attract tourists

How can one differentiate Sibenik from other cities in the vicinity such as Zadar and Split?

Šibenik is the smallest city in the world which has two UNESCO protected sites: St. James Cathedral and St. Nicholas Fortress. It also boasts the biggest old town center in Dalmatia and four fortresses. We also have two national parks in vicinity of the city: Kornati National Park and Krka National Park.

Also, we are the leaders in the Dalmatian gastronomic scene. Our culinary offer is completely based on natural, organic and



homegrown products. And most important, Šibenik, unlike other cities in this region, never had a problem with mass tourism because not only did we enter the tourism market later than everyone else, but we had a lot of time to learn from the mistakes of others.

What special events can Šibenik visitors expect to experience this summer?

Šibenik is the City of Festivals. We have around fifteen festivals of different musical genres. We

The Travel Festival, for example, gathers all travel lovers and those that want to travel. The goal is to show people all the different ways to travel, to develop knowledge regarding the positive sides of traveling, etc. The concept of the festival is to learn and have fun through lectures with famous travellers and writers, gastronomy, concerts, international dance performances, etc.

Chef's Stage is the best gastronomic festival in the region. This event presents Croatian and regional cuisine to the international gastronomy scene. During the festival industry leaders come together to foster creativity and share their knowledge and experience through master classes, panel discussions, a gala dinner, a grand tasting lunch and guest speaker presentations.

Our International Children's Festival is also a unique cultural event and Šibenik trademark since 1958. The two-week festival features a full programme of arts and culture for children, including drama, visual art, music, puppets, film and television, and a host of performances and interactive activities.

FACTS

48,000+
inhabitants

UNESCO World Heritage sites

1290 obtained the status of a native Croatian town



Dino Karadole Director Sibenik Tourism Office

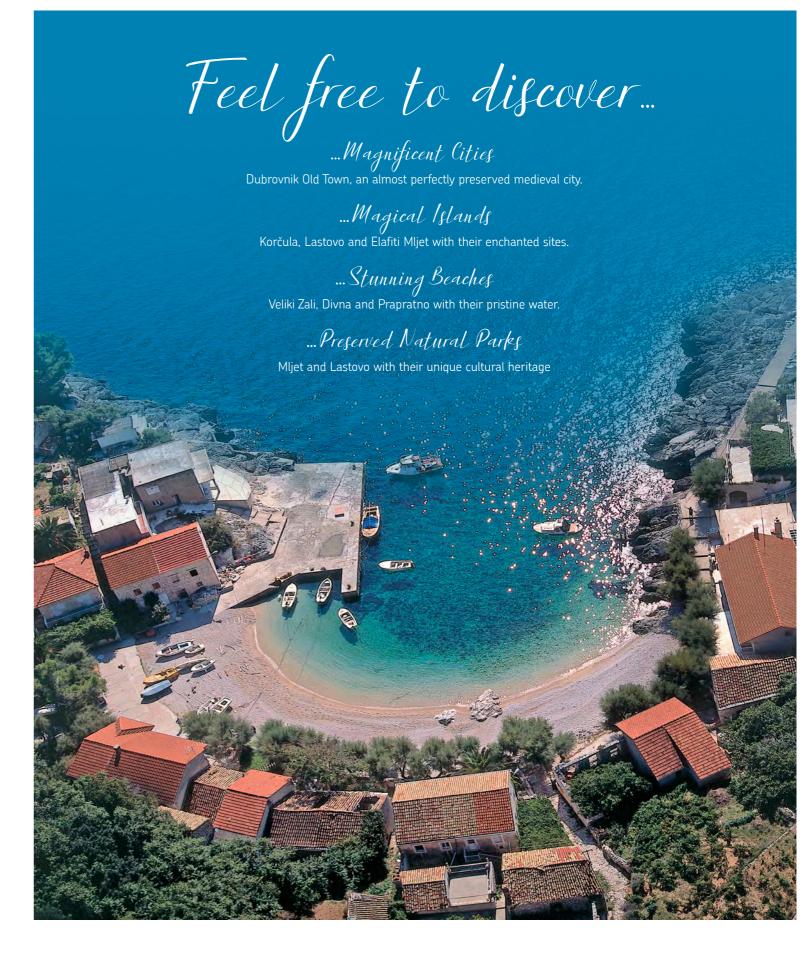
Along with Arena in Pula, Šibenik's St. Michael Fortress is the most attractive open concert space in the country. In the high season, there are up to 30 top programs to choose from. Concerts there are great due to the incredible acoustics and beautiful view at sunset or under

What are Šibenik's main markets for tourist

Our main markets are Germany, Austria and neighboring Slovenia. But because of our natural and cultural offer, we are now targeting new markets in Asia, mainly China, Japan and Korea as well as the Americas.

How are you making sure that the tourism product of Šibenik is being developed in a sustainable and responsible manner?

First, we have learnt from the mistakes of some of the other cities in Dalmatia, so we know what not to do. We are trying to focus our tourism development on being a high-end destination. We also started to plan our strategy on sustainable tourism development, which will be the base for further development. Our strongest resources, as well as potential, are our old city center and fortresses, which need to be preserved in their current state regardless of any other developments that may go on around them, their preservation is crucial for our future.





SHIPBUILDERS FLOURISH AGAIN

Dalmatian shipyards such as Brodosplit are building on a long and proud tradition of shipbuilding in Croatia, producing high-quality specialty vessels and carving out a niche in today's global marketplace



rom the trading communities of Roman times, to some of the most celebrated seafarers and shipbuilders of early modern Europe and the entrepreneurs of today's tourism sector, the sea and the maritime industry have long been among the major drivers of the Croatian economy.

Dalmatia in particular has a storied heritage in shipbuilding, with its shipyards emerging as European leaders in the late Middle Ages and early Renaissance. Centered on Dubrovnik, the most important port in the region, Dalmatian shipbuilders were renowned for the seaworthiness and quality of the vessels that they produced for use across the Mediterranean and beyond.

Such was the fame of boats built in Dubrovnik that the Shakespearean word for a merchant ship, "argosy", derives from Ragusa, the Italian name for the city. For much of this period, the trade and transportation of goods

economy of Renaissance Europe, and the Dubrovnik fleet outnumbered that of even

Dalmatian shipbuilding was somewhat eclipsed by the rising maritime power of England and the Netherlands in the 17th century and was hit hard by the devastating Dubrovnik earthquake of 1667. Nevertheless, seafarers from Croatia continued to play a disproportionate role in the European shipping industry, as shipowners, captains and ordinary seamen. Excluding England, the Dubrovnik fleet was the third largest in the world in the 18th century, employing tens of thousands of people in all aspects of the maritime industry.

Some of Croatia's sailors became legends well beyond the shores of the Adriatic. Foremost among them may be Captain Nikola Primorac, who in 1870 sailed across the Atlantic from Liverpool to New York on Dalmatian vessels was vital to the growing and back in a boat only 6 meters long,



accompanied by just one crew member and a Newfoundland dog, all to win a bet of £100. Despite terrible storms and misfortunes, Primorac successfully navigated the two legs of the journey and was received as a hero in both countries by thousands of well-wishers. The name of the epoch-making boat, in homage to Primorac's shipbuilding homeland, was "City of Ragusa".

Today, while Shakespeare's "argosies with portly sails" may no longer ply the waters of the Mediterranean, Dalmatia is home to Croatia's largest and most profitable shipyard, Brodosplit. Building on the legacy of hundreds of years of shipbuilding in the historic town of Trogir just north of Split,

luxury yachts all the way up to the world's largest sailboats, Brodosplit's

approach to quality and service make it a global leader and second to none.

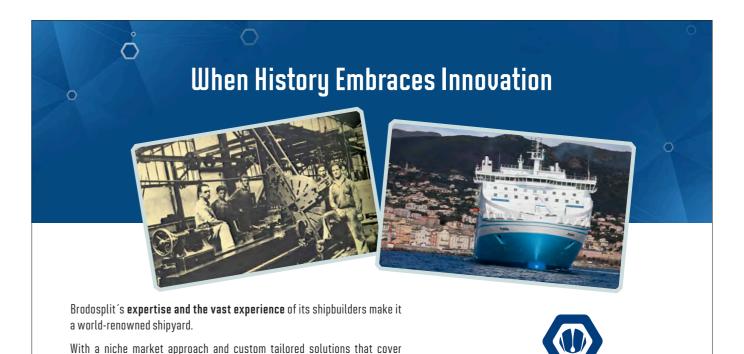
www.brodosplit.hr

Brodosplit is successfully carving out a niche for itself in an industry dominated by the giants of South Korea and China.

Following the completion of a privatization process, the shipbuilder has refocused its business on smaller cruise ships, the offshore energy sector and specialty vessels such as polar expedition ships.

Such is the strength of its business that early this year, Brodosplit confirmed it would participate in the restructuring of Uljanik, a state-owned shipyard based in the north of the country. As the company approaches the 100th anniversary of its creation in 1922, it is set to lead the Croatian shipbuilding industry into the future with new wind in its sails.

BRODOSPLIT



DALMATIA: A STRATEGIC SAILING DESTINATION

From yachting around the secret islets and bays of the Adriatic, to spending the night in a still functioning lighthouse, a nautical holiday in Dalmatia will create memories to last a lifetime.



or sailors of all ages and all abilities, from complete novices or even young families to teenagers on party boats or even hardened ocean-going skippers, there are few adventures in yachting which can match the experience of cruising along the Croatian coast.

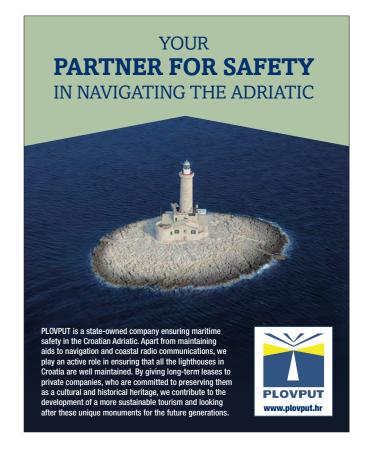
As well as the pure joy of discovering hidden beaches, islets, sheltered bays and historic harbors along the Adriatic, with the excitement of navigating these turquoise waters under ever-changing wind and sea conditions, Croatia provides sailors with some of the finest marinas in the region, with affordable berths and world-class facilities helping crews refresh and relax after a long day at sea.

From May to the end of September, as the sun comes out and the waters warm up, the Dalmatian Adriatic becomes one of the world's undisputed yachting capitals, with sailing schools and chartering companies welcoming tourists from all corners of the planet, many of whom will be experiencing the joy of sailing for the very first time.



The most popular option is for passengers to charter a boat with a qualified skipper, often starting from northern Dalmatian cities such as Zadar and Šibenik. The yachts will then sail leisurely along the Adriatic coastline for a week, visiting the sights of Dubrovnik and Split and making frequent stops for swimming off the beaches and coves of islands such as Hvar, Korčula and Mljet. More experienced, certified sailors can join a flotilla or charter their own boats for the ultimate Adriatic adventure.

For nautical visitors looking for an even more exclusive experience, Croatia also offers the one-of-a-kind chance to overnight in a series of heritage lighthouses all along the coast. Plovput, the state maritime safety company which owns and maintains the lighthouses, has begun working with private sector partners to renovate the structures and lease them as high-end holiday apartments. "It is a truly unique opportunity," says Mate Perišić, Director of Plovput. "All of our lighthouses are still functioning, with their lights spinning above our guests in the dark.



Tourism

DUBROVNIK IS ALWAYS WELCOMING

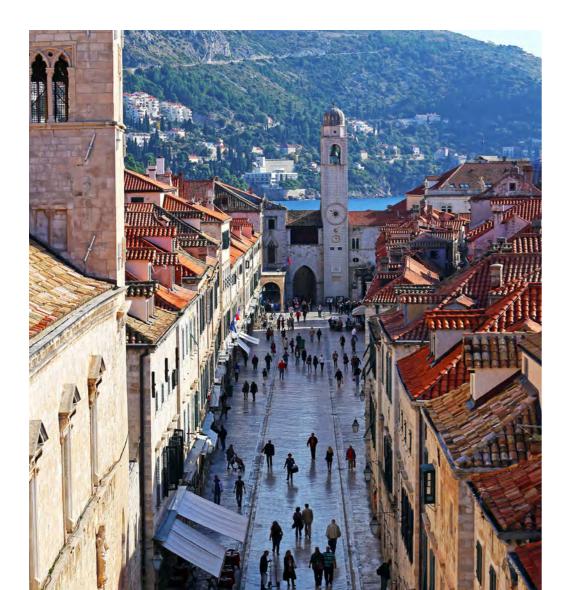
Talk to locals in Dalmatia and to travellers in the know, and they will tell you the best time to visit Dubrovnik is not in the sweltering summer months of the high season but in spring, autumn and winter.

↑ t these times of year, the streets are less crowded, the weather is more agreeable, and there is an increasing number of cultural festivals and events that make the most of Dubrovnik's magical atmosphere.

One of the new highlights of the cultural calendar of the city, which last year was voted the world's number one cultural destination in AFAR's Travelers' Choice Awards, is the Dubrovnik Winter Festival. From the lighting of the first candles for Advent to a traditional Christmas market and New Year's Day concert, the festival is drawing discerning visitors to the city from around the

world, all eager to experience the attractions of the old town under the unique spell of a Croatian Christmas.

Tourists from Asian countries such as China, Japan and South Korea are among the keenest connoisseurs of the pleasant temperatures and cultural offerings of the Dubrovnik low season. Traditionally averse to strong sunshine and to beach vacations, and eager to flee the rigorous winters of their home countries, visitors from the Far East have begun to flock here since the start of the Winter Festival some six years ago. To increase visitor numbers in the months





from October to March, tourist authorities in Dubrovnik are developing joint promotions with airlines and working with them to increase the frequency of direct flights. In recent years, major carriers such as British Airways, Iberia, Turkish Airlines and Vueling, alongside local flag carrier Croatia Airlines, have all added to their Dubrovnik schedules in winter, bringing new volumes of visitors in the low season.

Meanwhile American Airlines who

flights from the US to Croatia in almost 30 years, has said it will consider continuing flying its new Philadelphia-Dubrovnik route beyond the initially planned month of September.

"We have reached our full capacity in the summer but in the winter, early spring and late fall we can still receive more tourists," Mayor Mato Frankovi says. "At these times the city is not crowded, the weather can be perfect for exploring the old town and of started in June to operate the first direct course Dubrovnik is as beautiful as always."

THE LARGEST SHIPYARD IN CROATIA

NTFRVIEW WITH

Shipbuilding is one of the most important industries in the country. What is your assessment on its current state?

The Croatian shipbuilding industry has always been important. In the past, it boosted the country's GDP, contributed to our exports and employed many people as there were a lot of smaller companies servicing shipyards. But it faced a lot of difficulties too. First, the ownership structure, as all of them were stateowned companies. Second, the profitability, as it was not the main focus of the management. Third, the competition from the Far East. Also, we were mainly building cargo vessels and not catering for the cruise or offshore markets not to mention that the pricing was not good, so the shipyards were not making a lot of money. Then the sector also suffered the impact of the war we went through.

But in 2000, we started negotiations with the European Commission for the shipyards restructuring and in 2010/2011, all shipyards started looking for strategic partners. That is when Mr. Tomislav Debeljak entered into the whole restructuring of Brodosplit and completely changed the mentality of the company. The first measure was to choose the proper niche and the first goal was to be profitable, even if were to build only one vessel per year.

Today, we're in a good position but we can't say the same for all the shipyards in Croatia. Some of them are close to bankruptcy and

we, as Brodosplit, offered our assistance and partnership and expressed our interest to take over two yards. They could have been restructured under our guidance.

How big is Brodosplit nowadays?

Brodosplit is the largest shipyard in Croatia at the moment with 2,200 employees. DIV Group, our sister company, has around 1,100 employees.

What are you building today, what is your niche?

We completely left the niche of cargo ships and are now trying to position ourselves in the market as the best builders for small-and medium-sized cruise ships as well as offshore vessels and offshore structures. The reorganization of the company was difficult in the beginning and now we are in the process of implementing of our new strategy. It has been a dynamic process.

So Brodosplit is performing better than before?

Yes, in 2017 we had a €90-million turnover and 8% net profit.

Who are your competitors now?

Korea is still very big in shipbuilding. They are now merging two of the biggest shipyards in the world and they are going to be huge, but I doubt they will switch to the size of the vessels that we are building. We don't fear that they will interfere too much in the medium-sized



Zoran Kunkera CEO Brodosplit

cruisers that we build. On the other hand, the Chinese are trying to penetrate, as much as possible, in the cruise sector. But they are going for the large vessels, not medium-size that we build.

What are your competitive advantages?

We have several advantages compared to the Chinese. First, we have the knowledge that was transferred from generation to generation



of shipbuilding. Second, we have very good universities for the sector; unfortunately, not with the number of students that they could have. Third, we have flexibility. We can immediately be approached because all the vessels we build are more or less prototypes. So, knowledge and skills, these are our advantages apart from having very good design departments. We are shipbuilders mainly and are not competing in the repairs and maintenance business. We don't have the facility, a dry-dock, to carry out repairs.

You mentioned that there are good universities for the sector here in Croatia...

Yes, and we collaborate closely with a university here in Split in mechanical, naval and electrical engineering. We are trying to attract more and more pupils from high schools to go to these colleges. Unfortunately, shipbuilding is not such an attractive sector now as IT or even tourism, so we are trying to make it more appealing with some programs and scholarships. They do their Bachelor's degrees or PhD and come practice here at the shipyard. We are also trying to do the same with the University of Zagreb and have already attracted about 10 students from Zagreb to come to Split and we want to bring more.

What is Brodosplit policy in terms of environment and sustainability?

We have incorporated smart and green technologies. Some of our best designers have recently gone to Hamburg to learn more about green energy in the marine industry. And we already build vessels with hybrid power systems, combining diesel and electric power. And we are also doing some prototypes fully powered by batteries. It will be important to have vessels in the future that have no footprint, that are green-powered completely.

How is technology and innovation affecting Brodosplit?

We are implementing some technologies related to autonomous ships and unmanned systems, so we are definitely following all new technologies.

We want to attract small entrepreneurs, new engineers and fresh graduates to join us here at the shipyard. The infrastructure we have is huge; 0,65 mil square meters plus the sea area. We have many facilities that are now empty.



We had 8,000 employees in the 1990s, now it's one-fourth of that so we have a lot of free space. We really have very good infrastructure so we want to attract people from the IT sector, new start-ups, entrepreneurs to work with us on new systems and technologies, and not necessarily only related to the shipbuilding, but something that can be used in shipping. We are still at the beginning of this. As I said,

FACTS

+450

vessels built

nowadays, but we are persistent, and we believe that the situation will change in the future.

tourism developed very quickly so there is

more money in tourism than in shipbuilding

What are your the mid-term goals for Brodosplit?

First of all, from a sales perspective, we need to penetrate more into the offshore sector; not only vessels but also structures. We would like to be, for example, the contractors for windfarms in Europe, especially in Northern Europe. It is a promising sector that is growing. We would like that at least 40% of our capacity is dedicated to the offshore side of our business.

Another goal, a long-term one, is to establish some sort of collaboration with all the shipyards in Europe. Unite our workforces and have 'multi-country' shipyards, and depending on the peaks of each yard, exchange blue or white collars to support each other in project management, design, outfitting activities, etc. We don't recognize shipyards in Europe as our competitors, we want to approach all of them as a partner and then, all together, be able to compete with the Far East countries. We already started collaborating with Fincantieri; we have established a long-term partnership with them and we're building for them as they have a problem with capacity.

281 m

+2,000 employees

+13
award winning projects

UNESCO WORLD HERITAGE SITES ABOUND IN DALMATIA

With more than 1,000 islands, Croatia is not only beautiful, but also rich in history and culture. Incredibly, this small country boats ten UNESCO World Heritage Sites with ten other sites being considered. These four can be found in Dalmatia:

Historical Complex of Split and the Diocletian Palace

During the 4th century AD, Roman Emperor Diocletian built this palace in the city of Split. Later other ancient mausoleums, churches and fortifications were added during the Middle Ages and all have remained mostly intact. They are popular tourist attractions in the city of Split and form an integral part of the city's striking history.

Cathedral of St James, Sibenik

The Cathedral of St James is the fruitful outcome of considerable interchanges of influences between the three culturally different regions of Northern Italy, Dalmatia, and Tuscany in the 15th and 16th centuries.









Old City of Dubrovnik

Dubrovnik, the famous walled city, was a flourishing maritime republic and the only city in the Adriatic that could rival Venice. With its diplomacy and wealth, it was well ahead of its time during the 15th and 16th centuries. Its well-preserved buildings range from baroque St. Blaise Church to Renaissance Sponza Palace and Gothic Rector's Palace, now a history museum. Paved with limestone, the pedestrianized Stradun (or Placa) is lined with authentic shops and restaurants.

Historic City of Trogir

Trogir is a remarkable example of urban continuity that combines influences from the Romans, Greeks and Venetians. The complex within the historic city center is also one of the best-preserved examples of Romanesque-Gothic. This site encompasses the medieval core of the city that includes a series of dwellings, palaces, castles and towers and its churches are complemented by the outstanding Renaissance and Baroque buildings from the Venetian period.

What is your strategy regarding tourism development in Novalia?

Before I became mayor and worked for the city administration, there was no real strategy or plan regarding tourism development. The sector was growing, but it wasn't sustainable; once I was elected, we drafted a project in 2014: the 'Sustainable Strategy for the City of Novalja', which envisions its growth for the next 10 years. We were able to finalize this project after conducting many workshops and meetings, in collaboration with all the tourism stakeholders in Novalija: hotels, travel agencies, rental places, caterers, restaurants, etc. It was important that everybody had a say and was heard. The theme of these meetings was: Novalia and Zrće - two worlds, one future.

We had to deal with an important issue: the type of tourists we were getting. Zrće Beach is a Croatian summer destination for partygoers. A tourist product based just on youngsters and party tourism is not sustainable; this model was at stake. Also, it was creating some tension amongst the local population. Therefore, we had to think how to deal with it and solve this problem. First, we dealt with safety issues. Partying tourism is something that we don't want

to eliminate. We wanted to show our guests that they were welcome, but they had to behave properly. We brought in extra policemen and security to guarantee that everything was calm, and no one was misbehaving. After a while and just a few incidents, we managed to solve the issue of young tourists not behaving properly.

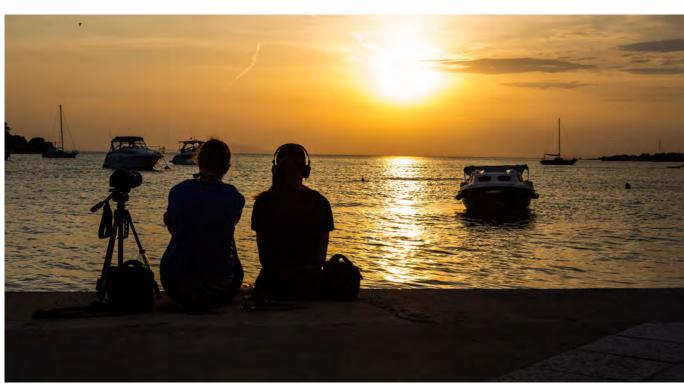
Secondly, we had to deal with accommodation issues, which is a strategic problem, not only ours, but in the whole of country. We lack hotels in Croatia; private owners provide about 60% of the available accommodation. La Luna was the first big hotel here in Novalja and it was built in 1978. We never had hotels here until recently. We need more, and in order to encourage that we have reduced the communal tax by 10 times for 4 or more stars hotels and start looking for investors. We are currently building 3 new hotels and we hope that they are open all year round. At the moment, we can offer 1,000 beds in 4-star accommodation, and our aim is to double that by 2025.

We believe that better hotels will attract tourists and therefore they will spend more money than the younger crowd. Perhaps in the short term we are losing some money, but it will certainly pay off in the long term. year with an average stay of 7 nights.



Ante Dabo Mayor City of Novalja

We also upgraded and improved our camping site. We have one of the most beautiful ones in Croatia nowadays and the investors spent a lot of money on it. It spreads over 50 hectares of land and more than 75,000 people stay at the camp every



To attract higher-end guests we have to have a great offer not only in accommodation but also high-end gastronomy.

Any other projects to up-the-game in Novalja?

One is our future marina; it is a big part of the whole strategic plan. We are in the process of getting permission to build it and we already have an investor, Croatian state-owned ACI Marina. We hope that it is finished by 2024.

Also, on the Lun Peninsula we want to embrace traditional tourism, no big hotels but only small, rural, boutique ones. We don't want huge hotels outside of Novalja, we need small traditional villas that can be rented for €1,300 a night.

With our development plan, in 5 years, Novalja will change its position on the touristic map. Right now, we are known for one type of tourism: which is party tourism. We want to change that, but we still want young people to come, of course.

To make a significant change in a tourist strategy you have to be patient and wait for at least 10 years to see the results. We are I am satisfied with the results so far.

for young people?

No, we just want to better and improve the product because we are known as a party destination for young tourists and we need to attract the right kind of party people. Like Ibiza in Spain. When I became the mayor, I visited Ibiza and met with all the club owners to talk to the local authorities and learn from them to up our game.

The club owners at Zrće Beach need to reinvest money in their clubs constantly. Also, some of them need to change their concept and improve their offer. Aquarius, for example, which is one of the best of them, wants to attract the 30 to 40-year-old guests. They will have cabaret nights and a fancy restaurant. It is clear to the investors that when quality is offered, they will get high-end tourists.

The high-end guests want good products and we want investors ready to provide that. Another example is an Austrian businessman who is building a €3-million home villa for 8 tourists which can accommodate 8 people. We want people like him to come to Novalja.



What else did you learn from your visit to

In Ibiza, you can have an open-air festival until midnight and after that everybody halfway there at the moment and I must say has to go inside the clubs. Our club owners realized that in Zrće, we could have openair festivals for the whole night until dawn. Will Novalja give up being a party destination This is kind of a special experience for

FACTS

1978 first hotel was built

3 new hotels under construction

1,000 4-star beds currently available

75,000 annual quests at camping sites

partygoers. But, to have this kind of festivals we would have to solve the issue of noise, which was a huge problem for us as guests started to leave the camping sites in the

We were the first one in the world to solve this problem with a smart software patented in Spain and made in Britain. Novalja was the first one to order it from the factory. We paid for the installation by British sound specialists, the club owners had to buy this software so the city and club owners shared the costs of solving the noise issues. When the noise reaches 104 decibels it automatically starts to be reduced.

What is your strategy to stretch the season?

Sports and gastronomy can help us extend our tourism season. Our moon landscape experience in Pag is also unique because it really looks like as if you were on the moon due to the lack of vegetation. Matajna and Barbati also have great potential with incredible trails for trekking.

We have 'Life on Mars', an event that is getting bigger and attracting more people each year.

Then we have Lun, with over 200,000 olive trees. We have classical music concerts in the olive gardens; also, this year will be the second year of a 7-day festival where eminent artists perform.

Croatia is encouraging sustainable tourism growth. How is your office dealing with this

Sustainability is not a problem that concerns only tourism, but the whole development of the city. We, at the Tourist Board, are very focused on sustainable tourism at the moment because, unfortunately, mass tourism was allowed in the past, and we need to resolve this situation. The former administration allowed too many construction works in our region which is subsequently overbuilt today. There was no urban planning. Another important issue regarding sustainable tourism is that there must be the right balance between the local population and the visitors. We cannot only focus on the benefit of the tourists and let the citizens standards of living being lowered.

What is being done to avoid mass tourism?

One of the biggest Croatian hotel groups. Valamar Riviera, has decided to invest in three hotels here; they will refurbish two and build one from scratch. These new hotels will certainly attract a more upscale type of tourists. We also hope that the private accommodation available here, around 15,000 will also be upgraded and that they will improve their facilities to be able to offer a better product to a more sophisticated customer. Makarska needs to change the presentation of its tourism: we don't want mass tourism: we want select tourism.



What is being done to be more sustainable?

We have a lot of new projects and measures in place.

First of all, we changed the public electricity which is now greener throughout the whole city. Second, we are educating our people, teaching them to be more environmental friendly. Also, we are trying to make our citizens be more conscious about using their cars. Our aim is to promote a healthier way of living and this project was funded by the EU.

We also got funds for a campaign to promote sustainable waste management which is a serious issue not only here but in the whole of Croatia. We need to learn more and be conscious about recycling. Part of this campaign focuses on tourism and as well as our tourists. We have this new application to tell tourists exactly how and where they should recycle. It is all about creating awareness. We need to encourage development towards a green and low carbon economy, not only in the public sector but also in the private sector.

We are also using education and training those private homeowners that are renting out to tourists. We need them to be more energy efficient, for example, by using solar energy.

How many tourists does Makarska usually

Last season we had 1.5 million overnight stays.

Where do most of your arrivals come from?

Germany and the Scandinavian countries: Norway, Finland, Denmark and Sweden. We also have many arrivals from Great Britain.

Geographically Makarska is a very unique place. What would you say is the most special thing

Our nature. The unique connection between the mountains and the beaches is amazing.

Makarska'area is not so big, but we have everything. Our seaside with plenty of pebble beaches, that can be over 2 km long, is really

Then Biokovo, 1,700 meters high and the second-highest mountain range in Croatia, is located here and Biokovo Nature Park, a protected area, is second to none. The park's flora and fauna are beautiful. The "New Adrion - Promoting the Sustainable Use of Natural Heritage at PP Biokovo", a European funded project, is a 3-year project that will



Hloverka Novak Srzić Director Makarska Tourist Board

revamp Biokovo Nature Park and make it more tourist friendly while preserving its

And finally the city of Makarska, though quite small, has a rich cultural heritage.

How do you perceive the cooperation small communities are getting from the Ministry of Tourism for their tourism development?

The government is providing enough support to small local tourism focused communities in order to implement our vision and ideas. We have new offices and backing to implement our projects. When they hear that we have a good idea, they will help us to collect all the necessary permits and documents and help us prepare the project to be submitted for EU

Can you tell us about one of these projects?

For many years, Makarska was all about sea and sun, but in the last few years, we decided to create a project to develop 'facilities'. This is because people are no longer just interested in going to the beach the whole, swim and have a good meal. They want more, they want 'experiences'. That is the new trend in tourism. And if you offer more than just sun and beach, you are able to extend the season.

One of the projects we have is called 'Heritage and Technology'. Taking advantage



of our rich cultural heritage we launched cultural projects in a modern and innovative way using new technology and multimedia. It is about the revitalization of the cultural and historical heritage of the hamlet of Kotisina.

The project encompasses the reconstruction of the 17th-century Veliki Kasteli, housed in the Botanical Garden of Kotisina. which is set between cliffs. There is also the cemetery Church of St. Martin from the second half of the 14th century, which is extremely valuable for the architecture of Makarska because it represents the only construction with partially preserved, intact medieval parts and the church of St. Ante, in front of which a stage will be set nature. The Church of St. Martin and Veliki Kasteli were previously archaeologically explored by the Makarska City Museum as one of the critical, starting activities. In addition to the renovation of valuable heritage, the project includes establishing a bicycle path, a signaling system, organizing two new tourism tours in the hamlet of Kotišina and the most attractive activity - developing a modern interpretation center for Veliki Kasteli.

What are the investment opportunities related to tourism in Makarska?

We would love to have a cable car here. So people can go swimming in the sea

and then later, be cycling at 1,500 high. Another opportunity would be the refurbishment of old houses in little hamlets on the slopes of Biokovo Mountain. They would make lovely heritage hotels. And these hamlets are all connected by cycling paths. If you are interested in ecotourism or agro-

FACTS

2 km

of sand and pebble beach in town

1,762 m height of Biokovo mountain range

1.5 million overnight stays in 2018

17th century when Veliki Kasteli was built

tourism, there are a lot of opportunities here.

We are also encouraging and promoting creative industries because they add extra value to tourism. We do have a lot of people involved with creative industries, but they need support so they can open small boutiques, shops with traditional food or local cosmetics. We need to encourage local artists and producers. We would like to create one place that could be where they work, exhibit their products and sell them. Like an atelier and studio design. We hope to be able to implement this soon.

What do you hope to accomplish in the short

I hope to change people's mindsets towards tourism. Only people can change the type of tourism we have here. Our people and tourists need to change what they do with their waste. our local citizens need to think carefully when they decide to build something, and so

Our focus is always on people; first local people and tourists, then change the way the think and treat tourism and finally take care of our heritage and nature.

How would you define Markaska in a few words?

Makarska: culture and nature. In Markaska the local experience is very authentic!

Could you give us an overview of Ployput?

Plovput is a company that was established by the Austro-Hungarian Empire in Trieste in 1810. With the fall of the Empire at the end of WWI, the company moved to Bakar in 1918. Then, in 1924 it was moved to the current headquarters in Split.

It was founded in order to ensure maritime safety on the Adriatic coast. The Austro-Hungarian Empire wanted their ships to be able to navigate during the day as well as at night in order not to lose money or waste time so they started building lighthouses. They built 65 lighthouses and 48 of them are still functioning today. The remaining 17 were devastated during WWI. These 48 lighthouses, which are today zero-category cultural heritage, are only a small part of the maritime safety business we are involved in nowadays.

Can you tell us a bit more about the lighthouses?

The first lighthouse was built on a small island near Pag island, but it has been destroyed. The second was in Losinj. The third one was built in Savudrija and it still is as it was when it was first built. Last year we celebrated 200 years of 'lighthouses' in Croatia and it is an anniversary that we are very proud of.

The lighthouses are still in their original state and it is our duty to maintain them. Today they are not crucial for the safety of the maritime sector; there are GPSs and other technological devices that are used for safety purposes. We have them as cultural heritage monuments and we want them to be unique

places where people can go to on holidays. It is an exceptionally exciting project.

Why do you believe it is an exciting project?

A lot of the old lighthouses are not in the best shape. They need renovation and refurbishment, and we are carrying out the works under the very strict supervision of the association for preservation of the cultural heritage in Croatia. They have a promising future as a touristic project. It is a unique touristic offer.

What is the current ownership structure of Plovput?

We are a 100% state-owned company.

What is the scope of the company's business now?

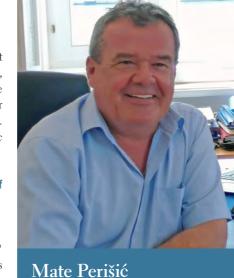
We are responsible for around 1,200 objects related to maritime safety aids to navigation. Those are all the lights, buoys, markings and everything that ensures safety in the sea. We are perhaps the best in Europe for sea coverage with signals and markings. In all maritime areas where we operate, we have about 7 speed boats. Our procedures are of international standards.

Where are you present?

We have branches in Pula, Zadar, Dubrovnik, Rijeka, Ploč, Šibenik and Korčula with the headquarters in Split.

Who is responsible for the lighthouses for the project you mentioned?

There is a department that oversees the use



the lighthouses as monuments and a touristic destination. But let me point out that we are not a touristic company, we are in the maritime safety business, with our secondary activity in tourism because we had the lighthouses under our scope – we manage them and we thought it would be a good way to use them.

Director

Plovput

They needed renovation, but unfortunately the government doesn't have the funds to invest in them. So I came up with this project ten years ago. We give long-term leases to third parties who are interested in refurbishing and



exploiting them. So in a way, we are generating investment, the lighthouse are being renovated for the next 100 years and we are preserving our cultural heritage, while at the same time, generating income for Plovput.

Now, not all of them are on the market. We ourselves are managing 11 as a touristic product and 17 of them are leased to a third party who is also using them for touristic purpose.

How satisfied are these third parties that have invested in this project?

So far, so good. Not a single one has complained about it, so we think they are happy with it. The people who invested in them are aiming for the high-end market because it is such a unique product. The lighthouses are mystic, and people are attracted to this mysticism. I am sure they are capitalizing on this.

What is the potential of this 'lighthouses' tourism?

Lighthouses tourism is a very small niche in the market. We still lack accommodation as there are only around 250 beds in them. So the operation is like a small hotel. But it does offer something different and unique. In the tourism market you always need to come up with something different, something that others don't have. And this is our advantage because no one can offer this type of tourism. We started this almost 20 years ago and it's been a rather successful story. And right from the beginning we decided to do it in a sustainable way, using solar power which was not usual then, and we are still using this type of energy.

Using the lighthouses as a tourism attraction means attracting funds for our core business which is safety.

How do you see the development of the tourism industry in Croatia?

The best way to do it is to keep creating something different. We have to develop those segments of the sector that are not covered by others, especially by our close competition. The lighthouse tourism is a good example of it. It has given us a special mention in the international tourism market. We need to come up with new products. At the same time, we need to develop more



hotels to avoid the use of private homes as vacation places. This problem has been creating congestion in the city centers. We should also create more and different kinds of nautical tourist attractions. We need to diversify our touristic offer to its maximum, but always trying to have unique products. And we need to avoid tourism which is uncontrolled, mass tourism without a plan, because that kind of tourism is determined to fail.

FACTS

200th anniversary of the

oldest lighthouse

100% owned by the Republic of Croatia

1,168
aids to navigation
along the coast

48 operational lighthouses on the coast

28 on offer for touristic purposes

How important are innovation and technology for Plovput today?

Very important and we're keeping pace with everyone in the business worldwide. We belong to the international association of maritime safety (IALA), so we need to keep up with all the international companies in the business as far as maritime safety technology is concerned. We have to be aligned with all other developed nations. The standards are the same in Portugal, Spain and everywhere else.

Technology has made some employees that were working in maritime safety redundant. By turning some of the lighthouses in touristic facilities, we somehow are helping to solve the problem of redundancy.

What is unique about spending a night in a lighthouse?

In Croatia, every single historic lighthouse building still works and every lighthouse still has its light spinning at night. When you book an apartment there, the light will spin above you in the dark all night and it's a very unique and authentic experience.

What message would you give to the readers about coming to Croatia?

The best message I can give to anyone who is thinking about coming to Croatia is that in our small country we have many different touristic places with several attractions and that it will take them at least ten days to see everything properly. Croatia, because of its geographic position, has different regions that look totally different one from another. So there is plenty to choose from even though it is one country but with different architecture, different people, different sight... everything is different in Croatia.

Mayor Andro Krstulović Opara mentioned how important it is to link Split's airport to its ferry terminal in the next five years. How do you perceive this project?

organized by our public bodies, is to connect the Split Ferry Port to the Split Airport. It's crucial for the development of our city. In December 2018, the contracts that will enable the realization of this highly anticipated project were signed.

Why is it so important? The amount of people that use both the airport and the ferry port proves the importance of this project. Last year, Split Airport had three million passengers while the ferry port recorded 5.5 million passengers by September. So, we are talking about nine million people who fluctuate between the ferry port and the airport and they need a better service to go from one to the other.

We strongly support this project especially because we will be one of the beneficiaries once it is completed. I believe the railway is always the best connection between an airport and the city center. Now, we need to identify the best corridor for this link and then look for its financing which should not be a problem.

In terms of finding the best corridor for the line, how limited or constrained are you by the airport's physical surroundings?

We always have to carefully plan any work and The ultimate goal of this long-term project, extension related to the airport because we don't have a lot of space around it. We are very close to urban areas and the sea, which should be seen as an advantage, but at the same time, sometimes works against us. We're constrained on one side by mountains, on another side by water and then the city. We don't have a lot of space for the biggest tools and machines to develop huge projects, so we need to be precise when planning any work around the airport.

What has been your most recent accomplishment?

The extension of the terminal which cost about €60 million. By the way, this was funded with our own resources. Split Airport is owned by the state (55%) and the local communities (45%). These local communities are Trogir, Kaštela, Split and Split-Dalmatia County. When you have enough resources to do a project, it is faster than applying for EU funding.

How did Croatia joining the European Union affect Split and your airport?

There was a big impact at our numbers when Croatia joined the European Union in July



Luksa Novak General Manager Split Airport

2013, almost 6 years ago. The number of tourists coming here increased a lot as there were no more borders, people felt safe as we were part of their community, etc. So in a very short period we went from 1.5 million passengers a year, a figure we had for many



years, to 2 and then 3 million. It was quite a big growth in such a short time.

How do you assess the tourism boom Split has experienced over the past few years?

Tourism is the main activity for the region of Split and without a good airport, it would be impossible to develop the sector. The more activity our airport has, the more tourism will grow. But we need to be careful and have a sustainable growth since our airport in very close to the city; we need to be a 'good citizen' and be responsible for the environment around us.

We might be perceived as an environmental problem for some as often airports are seen as a threaten to the environment, but in reality, we bring a lot of benefits to the local community and are very conscious about being sustainable. Our growth strategy is balanced considering both what we must bring to the people in the area and the environment. One of our goals is that people from this area have a quick connection to all parts of Europe.

You mention 3 million passengers in 2018l How busy is the airport in the summer months?

We had 3.1 million passengers last year, and almost 700,000 in July-August. During the a huge difference between the summer peak months compared to the winter months. We need to address that. I'd like to point out that we have the highest daily traffic of passengers in Croatia.

You mention a big difference in number of passengers during the summer months. What can be done to make sure that the growth is also noticed during the winter months?

One way to attract more tourists (and passengers) during the winter months would be to improve the quality of our infrastructure and accommodation. If you compare us to Dubrovnik, for example, they have a lot more five-star hotels than we do. We have only a few and our best offer, the Le Méridien Lav, is not even in our city but in Stobre . If we have better hotels, we will be able to tap into congress tourism which is an all-year tourism. We need quality hotels in the center of the city, walking distance from our main attractions in order to bring people during the winter months too

I think this is a great investment opportunity in Split as even though we have good private



accommodations, in the longer term, we need more hotel capacity and more developed and upscale hotel offers.

How important is the low-cost airline business for Split Airport?

We played an active role in negotiating with the low-cost airlines to get them to fly into Split. Today, the low-cost airlines are responsible for about 50% of our traffic. EasyJet is the first winter months we have about 40,000 so there's airline at the airport, Ryanair will start flying this year but just to one destination for the time being and then Eurowings, Norwegian,

FACTS

+3

million passengers

€60 million

cost of extension of

terminal

105

destinations from Split

55

airlines flight to Split

Volotea and Vueling also fly here. But we also serve major European players.

The low-cost airlines prefer airports that can offer low operational cost for them as well as a smooth traffic and turnaround and since we are a smaller airport, we can do that. Another advantage that we have is that we are easy to deal with, from the worker on the apron to the top management.

EasyJet only started flying to Split once our traffic reached 700,000 passengers a year. Once they commenced their operations, their results were good and improved every year; so they started increasing the number of the destinations, offering more frequency to each place they we flying to, etc. Today, they service around 19 destinations bringing almost 800,000 passengers. I think the same will happen to the other low-cost airlines, they will increase their flights from Split.

We are now working with 55 airlines flying to about 105 destinations and it is important to note that we treat all the airlines that fly here equally; they are all the same to us. So the price of our services is the same but each airlines will have benefits the more passengers they bring in.

Ten out of the 55 companies operating here bring 80% of our traffic so we really try to listen to these 10 best clients and see what they want, and we try to provide them with what they need.

What would you say in the most unique feature of Split?

Our coast, which you cannot find anything like it anywhere in Europe!

Why don't you discuss some of the most current issues for tourism in Hvar?

Last year, we celebrated 150 years of organized tourism in Hvar, which started in 1868 with the first association of tourism, which is today the Hvar Tourist Board. In the beginning, we started with winter tourism and the first hotel had 13 rooms. Last year, we hosted the Days of Croatian Tourism, which was a big celebration for Hvar as a quality destination with luxury tourism. This year, we started projects that would protect the environment and we started one called "The Whole of Croatia" with the Institute and Ministry for Tourism. Other projects include IQM, where we decide what apartments, hotels, restaurants are five-star in Hvar.

As for summertime we have a lot of cruise ships, and many of those ships want to spend one day or one night in Hvar. This type of tourism has given us a reputation as a party destination, but we are not, and we are always trying to change that image.

In Hvar's center you can enjoy different kinds of tourism offers such as the Carpe Diem Bar, targeted to younger demographics. It is a starting point for those who want to attend Ultra Festival on Pakleni Island.

Every night we have more than 10 boats that sail from Hvar's port to Carpe Diem's Beach. 2019 is crucial as we are aiming to get the Destination Management Organization and to create a brand "Island of Hvar" and thus make it easier for tourists to find us.

Are you able to handle so many tourists at once in the high season?

Yes, but our current infrastructure was made 40 years ago, which is no longer sustainable.

What are you doing in terms of environmental sustainability?

Our main goal is recycling. We're on the right path to create an official location for composting, which will be transported to the mainland by cars and ferries.

What's the population in the winter?

Approximately 3,500-4,000 but bear in mind that the whole island has approximately 10,000 citizens and in the summertime, we have more than 50,000 people on the island. We're facing a big issue because the population is not well educated in terms of recycling; therefore, we have to do the recycling for them, and we are working on the times of emigration?



Petar Razović Director Hvar Tourist Board

getting them up to speed and changing their habits through education.

How many people lived on the island before



Before de-population, at the beginning of the 20th century, the Town of Hvar had more than 11,000 people. During this period agriculture was the main source of income, however, our vineyards, lavender fields and other attractions brought tourism from America and Canada.

Who comes to Hvar?

Currently, millennials occupy more than 3,500 beds. Most of our guests are young people between the ages of 28 to 38 years old who work all year long and have the money to really get the best from their holiday destination.

A big issue you're facing is tourists choosing Airbnb over hotels. Another common issue we've heard is that hotels don't have a place for their workers to live in. Have you a honey cake called *medenjak*. It comes in encountered any of these issues as well?

It is certainly one of the biggest issues in Croatia and elsewhere. As for the hotel workers, we need approximately 3,000 people who need accommodation here. Suncani Hvar, the biggest hotel group, can host approximately 800.

Is it a dual economy, the summer economy and the winter economy?

Yes, summertime is especially good for people that work and live in Hvar, they enjoy it and of course they have an extra income compared had our first migrants coming from the Greek to the rest of the year.

Are you also benefiting from European funds to develop different parts of your tourism

As the Tourist Board we can utilize European funds and the Town of Hvar gets money for cultural events. We are about to start six different projects here in Hvar, which are also getting funds from Europe. This is paramount for the development of tourism in the island because we will be able to offer a more quality tourism experience.

Do you have any plans to create gastronomic events?

Hvar is under UNESCO's gastronomical "goto places for traditional cuisine". Especially for the quality of our fish. Our traditional dish, hvarska gregada, fish with potatoes is worldly recognized for its amazing quality. Also, in Stari Grad, we have the starogrojski paprenjok,



painted little boxes made out of sugar with different themes and models. Hvar cuisine depends on the quality of its food. With fish from the Pakleni Islands and delicious meats, our cuisine is very diverse, but mostly Mediterranean.

For tourists that haven't had the opportunity to visit the island, how would you differentiate Hvar from the northen or middle islands? What's unique about Hvar?

Hvar is the oldest island in the country, we

FACTS

206,734 Hvar per year

10,000 quests in summertime

luxury island in Croatia

island of Faros about 2,400 years ago and they built the town of Stari Grad. We are also the third longest island in Croatia and we are also known as the most luxurious destination within the country.

So, you are aiming to attract the high-end

Yes. When I speak with people who work in Croatian tourism, they always recommend Hvar as their ideal island to start a trip in

As a final message, what would you tell our readers to expect from Hvar in 2019?

2019 represents a year of challenges for Croatian tourism. As an example, we are the main destination for Great Britain. In the coming year we will have more beds on the island and attractions so that our guests get the most out of their vacation, and a unique cultural experience.

We are also a great sports destination for people who love being active during their stay.

This year we will be commemorating the 48th Hyar's Cultural Summer and I'm certain this year Hvar will continue to be in the spotlight as one of the best tourist destinations in the world.

I believe it is paramount to promote our island and showcase all the magnificent natural, cultural, gastronomic and other attractions we have to offer. We have a steady strategy to attract tourism and investment to Hvar and we will be seeing the results in the short and long term.

HVAR ISLAND: HISTORY & CULTURE ATTRACT NEW BREED OF VISITOR

The recognized epicenter of beach holidays in Dalmatia, the lavender-covered island of Hvar is also a treasure house of cultural riches, from local wines and seafood to cultural festivals and ancient architecture.

arely 20 years after readers of Condé Nast Traveller voted it one of the most beautiful islands in the world, Hvar's stunning beaches, clear waters and pulsating nightlife have turned this once undiscovered destination into Croatia's undisputed capital of sun-and-sea holidays for the millennial generation.

While Hvar still offers a warm welcome to young and carefree tourists from around the world, the island is also developing its appeal to older and more affluent visitors. New five-star hotels are opening to cater to this demographic and the frequency of ferry crossings to the mainland is increasing. Meanwhile, coastal and inland roads are being constructed to avert congestion and

make it easier for tourists to explore the natural and cultural heritage of the island that has been settled by human beings longer than any other in the Adriatic.

In recent years, to discover this history for themselves, many higher-income tourists have also chosen to discover the narrow streets and Renaissance buildings of Stari Grad or "old town", a relaxed and atmospheric port town which is lined with art galleries, icecream parlors and welcoming restaurants. One of the oldest continuously inhabited settlements in all Europe, around Stari Grad there are olive fields and vineyards that have been cultivated without interruption since the arrival of the first Greek settlers in the fourth century BC.

On the island of Hvar there are no fewer than five UNESCO-recognized cultural attractions that can be explored. Of these five, perhaps the most celebrated is the Mediterranean diet: it is hard to think of any cuisine that is healthier than Hvar's, which is characterized by light food, fresh fish, home-made olive oil and wines made from indigenous grapes that have basked in sunshine all-year-round. Meanwhile, authorities are also investing in an increasing number of sporting events and cultural attractions, such as the long-standing Hvar Summer Festival, all to help make sure that any visitor who comes to this most hospitable of islands returns home refreshed in body. mind and soul.





CYCLISTS & HIKERS DISCOVER PARADISE IN DALMATIA

The landscape and climate of the Dalmatia are ideally suited for walking and cycling, with the history and hospitality of the region ensuring the perfect vacation for the active and adventurous traveler.

In the last decade, Croatia has become one of Europe's most popular destinations for hikers and cyclists of all ages, with the hilly and rewarding terrain of the Dalmatian mainland and Adriatic islands among the most sought-after regions for the outdoors enthusiasts of today.

Here visitors can trek or cycle through rugged landscapes while admiring breathtaking views and architecture, before refreshing tired bodies with a swim in the Adriatic at sunset and then an exquisite meal accompanied by wines grown in the vineyards they may have visited earlier in the day.

In recent years, authorities have created thousands of miles of cycling trails across Dalmatia, with official maps available for the entire inland region and for all the major islands.

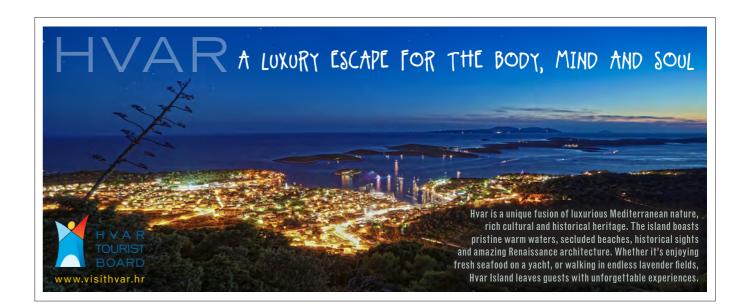
The mainland itself offers much more than just verdant landscapes of hills, rivers and lakes: here cyclists and hikers can explore the wine-growing region where the very first Zinfandel grapes were cultivated hundreds of years ago, at the same time as discovering historic villages and visiting anywhere in the Mediterranean.



castles and fortresses dating as far back as the Middle Ages.

Meanwhile, the islands of Brač and Hvar regularly feature among lists of the best coastal cycling destinations in Europe. Hvar in particular, with its endless lavender fields, vineyards and olive groves, offers some of the most scenic walks and cycling paths

With such a variety of options for bikers and hikers, the region caters for all tastes and all abilities. It is hard to think of two people more different than UK Conservative Party politician Boris Johnson and Opposition Leader Jeremy Corbyn, but in recent years both men have been spotted on cycling holidays in Dalmatia, the region that really does offer something for everyone.



Can you give us a brief introduction on the Port of Zadar?

In 2007 the municipality and the region of Zadar decided to move the port from the downtown area of Zadar city to another not so close to the center, Gaženica. Having the port in the downtown area meant too many trucks, cars, passengers that made circulation difficult. So a credit line of about €220 million was taken from two banks, KfW and the European Investment Bank (EIB), to carry out the project. The project started in 2009 and is still in progress; hopefully it will be finished by the end of this year.

Last year, the traffic at the port here in Gaženica was of about 465,000 cars and trucks and 1.6 million ferry passengers. The number of cruise passengers also grew to about 166,000 passengers. When we first moved to Gaženica, it was about 30,000 so this is quite an impressive growth. Our intention is to grow to about 235,000 passengers in the next few years.

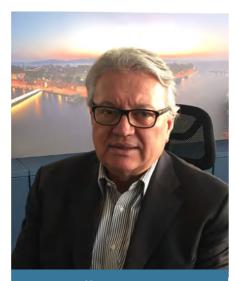
We hope to achieve this growth with the help of Global Ports Holding with whom we have signed a contract as they will manage the international passenger terminal. They are one of the biggest operators of passenger terminals in the world. The aim is that by 2022 we reach 240,000 cruise passengers. Having the airport

very close by the port, about 5 km away with a highway connecting airport and port, will also help us to increase the number of cruise passengers.

Zadar wishes to become a homeport for some cruise ships. Can you expand on that?

Last year the issue of both ports in Venice and Dubrovnik becoming overcrowded became very apparent. Venice had 1.2 million passengers and Dubrovnik about 900,000 passengers and those numbers are not sustainable. They needed to reduce the number of ships coming to their ports. So Zadar, as it is right in the middle of both cities, could be a solution as we still have room for growth.

The terminal is not only very close to downtown Zadar, just 3 kilometers, so it is easy for cruise passengers to visit the city but also very close to several national parks: National Park of Plitvice Lakes, National Park of Krka, Paklenica, National Park of Kornati Islands, etc. Being surrounded by nature makes Zadar a very interesting destination to become a homeport. The parks make a great day tour for cruise passengers as it does not take more than an hour to get to them from the port. Also, Zadar old town is a must, as it is a UNESCO heritage city.



Robert Škifić General Manager Zadar Port Authority

You also mentioned the airport being close to the port which could help Zadar being an ideal homeport.

Correct. We work very closely with the management of the airport and our intention is that in a very short time the Airport of



Zadar becomes an established international airport with several direct flights to the most important European cities and even to the United States. Having international flights close to the port is very important for the homeport business. The airport in Zadar has a business plan to expand its terminal building in order to increase its capacity. The government is fully supporting this initiative.

Zadar is one of few airports that has the capacity to grow because the land around is free for development, which is not always the case for some airports so close to cities.

This is just one of our great advantages, the airport can expand and is very close to the port area, just five kilometers by highway. And our link to the airport is direct, you don't need to go into town which really facilitates the movement of people and goods, saves time and even helps traffic flow.

Environment is a major concern to Zadar county prefect Božidar Longin...

And for us. It's important that our economy grows, and tourism can help that. We want tourism to increase but environment must be a priority too. So our strategy and plan is to become a 'green port' in the near future. We have started looking into using alternative energy sources such as LNG, hydrogen and solar power. We are also looking into using electricity for our domestic ferry transport. The ride from here to Preko, for example, is very short, just about 20 minutes so we could use ferries operated by an electric power system as it is being done in countries like Norway.

Your port has brand new infrastructure which makes it very competitive. How do you compare your port to the others in the region?

Zadar has one of the most modern terminals in the Mediterranean and our new terminal was not just built for cruise ships, it is also for domestic passenger transport to and from the islands. We are the second biggest port in Croatia after Split. Split has about 4.5 million passengers while we have 2.5 million passengers.

And our terminal also caters for international lines. We currently have connections to Italy, but we want to open the new lines, so we are in negotiations with other ports in the Mediterranean. We



are ready to be a Schengen terminal, and we have all the facilities here with custom police, port master, etc.

We also have a container terminal which is a project we are about to finish. We are

And we have a project to finish two fishing ports. This is very important for our economy

the cargo and the terminal port.

because in the Zadar Region, fishing is a vital and strong industry.

currently finishing the connection between

2019 is the first year that the terminal is operational, it will be our first season. The first cruiser will come on April 5th and we expect them to come until the end of November. We expect to have about 130 cruise ships and 185,000 passengers this year.

How to present Zadar to those that are not familiar with the city and region?

I always tell people that they just have to come and visit Zadar and see this part of Croatia for themselves since it is one of the oldest towns in the Mediterranean with Illyrian, Greek and Roman influence. It is one of the biggest Croatian historical towns and as I said before, surrounded by fantastic national parks.

And from here they can visit other parts of Dalmatia as we are connected to other cities like Split or Šibenik, by highway. And from Zadar, people can go to many islands that are very beautiful. The Kornati Islands, for example, are one of the most popular places for those interested in nautical sports. It is ideal for sailing.

FACTS

1997

Port of Zadar Authority was established

2.6 million ferry passengers in 2018

166,000

cruise passengers in 2018

5 km distance from Zadar Airport

ZADAR: A CROATIAN JEWEL WHERE HISTORY ABOUNDS

With a fascinating history that dates even back to the Stone Ages, the city of Zadar sits pristinely atop the Adriatic Sea and forms the seat of Zadar County in the Northern area of Dalmatia.

adar was an important Renaissance center between the 15th and 17th centuries, producing scholars, architects, painters and sculptors. It's considered to be a historical center in Dalmatia. It is also thought to be a time in Dalmatia. hub for everything from political thought to art, education, culture and events.

Today it is one of the most popular tourist destinations in Croatia. It has been named "entertainment center of the Adriatic" by The Times and "Croatia's new capital of cool" 3-week voting period in 2016 and Zadar was voted "Best European Destination".

There are numerous churches and cathedrals to take in while sightseeing and many people come for culture as well as the beaches. St. Anastasia's Cathedral was built with a Romanesque style basilica from the mild Mediterranean climate.

12th to 13th century and is the largest in Dalmatia. The Church of St. Donatus, built on the site of a temple of Juno in the 9th century, is the most important building of its

Other sights not to be missed are the Citadel which was erected in 1409 and has not changed to this day, the Land Gate, the Great Arsenal and the unique Sea Organ which is a major tourist interest.

Not only the city, but the region is full by The Guardian. Additionally, the Belgian of national parks with hundreds of islets portal europeanbestdestinations.com held a near lakes and waterfalls, karst barren land, endless forests, unimpaired and intact nature with thousand-year-old cultivated landscape of olive groves and vineyards.

> Beaches and hidden coves, pinewoods, endless dry stone walls and an abundance of herbs are all accessible in this pleasant and





The "New Port Zadar" project opening in 2019 includes the relocation of the ferry terminal and the construction of the new ferry port in Gaženica, south of the centre that has excellent access to the highway, railway and airport. These recent, massive strategic investments have set the port on a path for growth in passenger, cargo and cruise traffic that will positively impact the city and the entire region.



PORT OF ZADAR AUTHORITY

www.port-authority-zadar.hr



When was the company founded and where do vou operate now?

Jadrolinija was founded in January 1947, 72 years ago. The company has continuously grown ever since and today it is considered to be the leader in maritime liner in Croatia. We are also among the top 10 ferry companies in the world.

We have a fleet of 51 ships which operates on 34 local lines. We also have 3 international ferries connecting Croatia and Italy; from Zadar to Ancona, Split to Ancona and Dubrovnik to Bari. And for the past three years, we have been connecting the Port of Bar in Montenegro to Bari in Italy with high-speed crafts.

The past two years have been excellent for us as we reached record numbers transporting around 12 million passengers and over 3 million vehicles yearly. Our company has been experiencing steady growth as the economy of our islands grown as well due to increasing tourism.

What does Jadrolinija bring to the local islanders?

Croatia is famous for its numerous islands and 56 of them are populated so our main aim is to connect these islands to the mainland.

passengers demands, we've increased service from cities like Split, Zadar, Rijeka and Dubrovnik to our islands with the purpose of enabling more mobility to our local islanders

and improving life standards for those living both on the islands and the mainland.

We've been transporting children to school, islanders to hospitals and medical facilities in the mainland, to public institutions, etc. We also transport construction materials, water for those islands that aren't connected to land plumbing, food and whatever is necessary for a normal life on the islands.

In addition, we haul waste from the islands to the mainland's dump sites thus helping to reduce a number of illegal dump sites on the islands. We also transport fuel for petrol stations.

What are your current priorities and goals?

The company is currently going through a restructuring and modernization process.

We started with the renovation of the fleet, which is our main goal. We are constantly investing in the fleet, considering the versatility of our islands and the demands we are obliged to meet. Port infrastructure is developed differently from island to island, so we have to adjust our ships to each port's characteristics. The waters are also diverse - the winds are stronger in some waters meaning that the navigation is more demanding. Because of that, we always need to For the past five years, responding to have different types of ships in order to meet all the demands.

> Our business depends highly on seasonality and there is bigger pressure on our fleet during summer months. Also, the high season is



David Sopta CEO Jadrolinija

lasting longer so the workload on our fleet is increasing. However, during winter months the traffic subsides creating space for a different kind of challenge - an overhaul of our ships.

We've also invested a lot into digitization and modernization of our business. We opened an online tour booking and reservation system, introduced pre-paid cards, created a mobile application for selling tickets and





most important, we are constantly investing in our passengers' comfort with new lounges, kids corners in longer trips, etc. We are doing everything we can to assure our services provide pleasure and safety for our passengers.

What is one of your biggest challenges as the number of tourists keeping growing every year? Airplane tickets are cheaper now so more

tourists are coming to Croatia by plane. Split, Zadar and Dubrovnik airports have been experiencing a two-digit growth every new season. And a lot of these visitors want to travel to the islands using our catamarans and ferries. So one of the biggest challenges to our business is to properly plan how to transport them from the airports on the mainland to the hotels on the islands in the best possible and sustainable way. The government established new laws on sustainability in the islands and we definitely need to respect and consider them.

How are you solving the problems connected to the lack of people willing to work in seasonal jobs?

Jadrolinija is a 100 percent state company due to its strategic role in the national economy so we always hire our employees permanently and not by contract as other international shipping companies often do. And in order to keep our staff, we are constantly investing in their training and education in accordance with international certificates and rules. However, we do have a problem with the "white" staff - waiters, chefs, house maids, cleaners, etc, we do lack the workforce for these jobs.

Therefore, we started a campaign "Become a member of Jadrolinija's team" for the first time. We've been focusing on hiring "white" staff and have had really good responses so far. People didn't really know that Jadrolinija needed those types of workers, because Jadrolinija mostly reminds people of seafarers.

We are a respectable company in the country and for a lot of seafarers it's a prestige to be a part of Jadrolinija. We have a great In which areas do you see the greatest potential for foreign investments in Croatia?

relationship with the Faculty of Maritime

Studies in Split and we are able to select and

get our staff through them. We now want the

"white" staff to be proud of working for us too.

Croatia is a diverse country with beautiful nature so there is a lot of opportunities in tourism. I personally believe in a smart sustainable tourism development and I see potential growth in medical, nature, cycle, hiking tourism to name a few. We need to take advantage that we have a great combination of seaside with nearby

mountains and a good climate too.

Also, the sustainable development of our seafood production is an opportunity for investors. We are already exporting tuna to Japan. Some fish farmers are also already exporting their entire production to Europe.

What is it that makes this region different from the others?

Its geographical location and history. The influence of the Roman Empire, Austro Hungarian governance and Italy is noticeable in the region's culture, architecture and way

The climate variety, from the mountain Učka to flora and fauna of the islands of Cres, Lošinj and Krk also make the region quite different from others.

Kvarner and part of Istria is known as a treatment center, especially with thalassotherapy in Opatija, Mali Lošinj, the Island of Rab and Crikvenica. That is very unique too.

FACTS

1947

year it was founded

large car ferries (night ferries)

33

local-route car ferries

classic passenger ships

fast passenger ships

Tourism

REINVENTING NOVALJA: THE CITY GOES UPMARKET

There is much more to Novalja than the nightclubs of Zrće Beach. Trail races through the stunning landscape, new cultural festivals & luxury accommodation are all changing the face of tourism on Pag island.

n the long and rocky island of Pag just off the coast of northern Dalmatia, every summer the legendary clubs of Zrće Beach in Novalja welcome thousands of voungsters who come from afar to dance the days and nights away. But in recent years visitors have also been able to participate in an entirely different sort of workout, as hardened competitors flock to Novalja to take part in one of Europe's most scenic and demanding trail races - the so-called "Life on Mars" event.

Named after David Bowie's classic song in recognition of the spectacular rocky terrain of the Novalja region, this year's race in March attracted more than 1,000 competitors from Croatia and across Europe. Now an

established fixture on the European sporting calendar, "Life on Mars" is one of a series of initiatives that is helping to reposition Novalja as a destination not only for music lovers, but also for adventure tourists, gastronomes and culture vultures.

"This event is attracting more and more people every year," says Ante Dabo, the Mayor of the City of Novalja. "The moon landscape experience in Pag is unique and we have great potential for incredible trails.

By investing in sports events, cultural festivals and gastronomy, we can extend our tourism season and appeal to higher-end tourists."

The combination of a spectacular landscape and world-famous nightclubs calls

to mind that other Mediterranean capital of hedonism, Ibiza. Dabo has visited the Balearic island to discover how authorities there are managing to combine the two facets

Like Ibiza, Dabo has put safety, community relations and sustainability at the heart of his strategy for the responsible growth of tourism. Tax cuts have encouraged the construction of upscale hotels, rural properties across the region are being converted into luxury holiday villas, and a marina is being planned for 2024. "We still want young people to come and enjoy themselves, but within five years we are going to change the position of Novalja on the tourism map," Dabo predicts.





EXPERIENCING AUTHENTIC DALMATIAN CULTURE IN MAKARSKA

As well as offering some of the finest beaches in the Adriatic, the Makarska Riviera is rich in opportunities for hiking, cycling & exploring the historic villages of southern Dalmatia.



ocated in a glorious setting in the foothills of the Biokovo mountains, Makarska has long counted among the most popular of Croatian resort towns, beloved by local families, Germans, Scandinavians and Brits alike. Combining the best of Mediterranean beach tourism with easy access to the mountains, the Makarska Riviera enjoys an enduring appeal, welcoming some 1.5 million overnight visitors last summer.

To avert the menace of overtourism in this most attractive of destinations, and to increase Makarska's appeal to higher spending travelers, local authorities are the historical and cultural heritage of its

now developing authentic experiences that are opening up new parts of the region, preserving the environment and extending the tourism season.

In the celebrated Biokovo Nature Park, which offers spectacular views of the Makarska Riviera and the island of Brač, work is currently underway on an EU-funded project which will build a "skywalk" glass platform across the edge of a cliff, as well as limiting access to the park by cars and making regular and electric bicycles available to visitors.

Makarska is also working hard to showcase

mountainous hinterland. For the first time this year, in the stunning Botanical Garden in the hamlet of Kotiština inside the nature park, visitors will be able to witness the reconstruction of an imposing 17th century fortress and medieval church while exploring the village on a new bicycle path.

And all along the slopes of the Biokovo Mountains, plans are afoot to convert traditional rural properties into heritage hotels connected by cycling paths, adding an entirely new dimension to the experience of tourists who choose Makarska for their summer vacation



ITS SUBLIME BEACHES ACCOUNT FOR SOME OF THE BEST COASTLINE

For nature lovers, Biokovo Nature Park is an enriching excursion for hiking tours and perfect to discover the diverse vegetation and wildlife. Only Makarska from the island of Brač, while a catamaran line and numerous day-trip boats

www.makarska-info.hi

Can you give us a brief introduction on Šibenik?

Šibenik is the political, economic, social and cultural center of the Šibenik-Knin county in Dalmatia. The city is right in the middle of the Croatian Adriatic coast in an indented bay where the Krka River meets the sea. It is also very unique because while Solin, Trogir, Hvar and Vis were Greek, Roman and Byzantine, Šibenik is a "new city" and it is considered to be the oldest native Croatian town on the sea shore. Šibenik has a verv Mediterranean climate with mild, humid winters and hot, dry summers. We are the only city in Croatia, and one of the few in the world-five as a matter of fact—with two UNESCO protected monuments: St. James Cathedral and the St. Nicholas Fortress.

The city is famous for its fortresses. How many are there?

There are four fortresses, each of which has views of the city, sea and nearby islands. We have withdrawn about € 7.56 million from EU funds for their renovation, thanks to which all of them are now interesting and unique tourist sites. St. Nicholas Fortress is the one located on Ljuljevacat island at the entrance of Šibenik. St. Michael's Fortress is in the historic town center and has a unique open-air stage that hosts famous scientists.

world musicians. Then we have St. John which will ensure a gastro-visual experience after its ongoing renovation and the Barone Fortress with a virtual reality museum. Also, we recently started with the construction of a long-awaited cable car, which is supposed to connect the two Šibenik fortresses of St. Michael and St. John.

There is a new part of the city being planned out at the moment which is going to be called Nikola, after St. Nicholas Fortress. It's an investment by a Swiss investment fund; they've been buying land from private owners in order to develop this huge project.

Can you tell us about another project, the Croatian Coral Center on the island of Zlarin?

This project started in the summer of 2018 and involves the reconstruction of the Šare and Kažerma houses on the island. The Kažerma House will be an exhibition space with a permanent exhibition that will present an overview of the ecosystems and protected species of the Šibenik archipelago, the Zlarin coral traditions and a library with scientific papers. The Šare House will be reconstructed and turned into an educational research center with working space and accommodation for researchers and visiting



Željko Burić *Mayor*City of Šibenik

The project will establish a visitor tracking system, monitor the coronal genetic biocenosis, acquire electric vessels and passenger transport vehicles, create a set of unique souvenirs, conduct training for staff and partners, develop educational and tourism programs, and develop the brand.



The ultimate goal is to improve the quality of life on Zlarin throughout the year and create the conditions for the citizens to live and work on their island. The project is not only related to corals, but also aims to revitalize the whole area

What about the projects developed on Obonjan Island?

These are also very interesting because it is a glamping island now. It is located just six kilometers from the Croatian mainland and a 25-minute speedboat ride from Šibenik. Obonjan is now one of the most picturesque places in Europe.

Can you tell us about the national parks that one can visit while in Šibenik?

Two of our national parks are located here. First, Kornati, an archipelago with about 150 small islands with a nature preserve located in the north of the city. It's the densest archipelago in the Mediterranean Sea.

Second, Krka, named after the river which is famous for its several waterfalls. It is also an example of an extremely preserved nature and landscape located along the Krka River. This national park can be visited at multiple locations.

How important is tourism for the development of the city today?

It is one of the three main pillars for the development of the city and it is getting most of our attention because it has the fastest return on the time and effort invested. But although it is going to play an important role in the development of Šibenik, we won't concentrate our efforts only on tourism. We want to develop other sectors as well.

Our second pillar is our economy. We have an industrial park, PODI, that presents several opportunities to foreigner investors. At the moment there are 38 companies operating, around 1,400 people employed and it's completely infrastructurally equipped. We already have a very good example of a Slovenian company that is present in Sibenik with a successful aluminum plant. We were an industrial city in the past and we can certainly become an important industrial center again, but this time a sustainable and environmental conscious one.



And then we have our third pillar which is education. We are investing in our system of higher education. We would like to develop the science, technology, engineering, and mathematics (STEM) areas and anything related to renewable energy and energy efficiency.

FACTS

4 fortresses

38 companies operating in the city's industrial park

2021 completion of Šibenik infrastructure development project

You mentioned you also want to develop other sectors. Any specific one that is worth mentioning?

Croatia is not using its healthcare facilities enough. It could certainly be a medical tourism destination too because there are excellent hospitals, well-educated people and good climate. So this is another sector we can easily develop that would also provide jobs for the population all year round and not just the summer season.

Though in Dalmatia tourism is the main economic sector in most of the cities, in Šibenik we are not putting all our eggs in the same basket and it is important to diversify the economy.

What would you like to tell our readers about the city?

The nucleus of Šibenik old town is actually bigger than Dubrovnik's! And we are concentrating our efforts in solving infrastructure problems because without organized and reliable infrastructure—water, sewerage, gas and transport—there is no modern tourism. When we finalize our infrastructure development project in 2021, 99% of the citizens of Šibenik will be connected to a centralized water and sewerage systems. And all citizens are already connected to a liquid gas system.

Yes. And the first sign of positive growth comes from the construction sector which is doing well here at the moment.

What have been the advantages of Croatia joining the European Union (EU)?

We have definitely benefited from joining the EU and we can already see some of the results. Maybe it's not reflecting in the citizens' pockets yet as we would have liked it, but there are a lot of things that are being done with European funds that couldn't be done with our regional or even national budgets. I would say that perhaps 80% of today's public investments in Croatia are being done with European funds, that's a lot of money. We are a young European country with a lot of infrastructure needs.

Šibenik-Knin County, for example, has signed over €175 million worth of contracts with European funds. Not all of them have been concluded yet, but they will be carried out. We are among the top 20 Croatian counties that have managed to get a considerable amount of European funds.

Could you give us a couple of examples of infrastructure developments that the county is going to carry out with European funds?

We are currently investing and upgrading

our waste management as well as water and sewage systems. These are massive underground investments that cannot be seen and appreciated but they are essential. Any infrastructure development that is going to take place will help both tourism and entrepreneurial growth.

You just mentioned growth of tourism and business, meaning you are not betting on just one sector, tourism. Does the county have the potential to diversify its activities and develop a multi-sector economy?

We are expecting tourism to be the most important sector, but we can't base our development only on tourism; this would be very dangerous. In the past, during the Yugoslavian times, we were the 3rd or 4th town in the country with the biggest industrial park. We had a lot of heavy industry here. So, we can, and will develop our industrial potential again. The former factories of electrodes and ferroalloys, for example, have been transformed and today we have a huge factory producing aluminum here.

There was a big investment from Slovenia, about €100 million so far, in this factory and it has been a very successful investment example in a sector not directly related to tourism. And they are planning on investing



Goran Pauk

Prefect

Šibenik-Knin County

even more so they can produce aluminum for the car industry.

Another investment, also from Slovenia, happened a few months ago. Iskra, a globally recognized provider of intelligent industrial solutions and cutting-edge electro-technical products, bought a former military shipyard here in Šibenik.



So we want to industrialize our region as in the past, but adapting it to the present time. We will develop our industrial park along tourism, which is new for us.

How about the sector of agriculture? What's the potential here?

We can develop traditional agriculture and are now trying to brand some of our products such as pršut, a Dalmatian smoked ham. Drniški pršut already has the European denomination and branding, and protection of food products by the EU does help increase the value of your product. We also want to brand our lamb, which is very tasty because they eat grass by the seaside. The production of wine, cheese and honey should also be incentivized. We have a very specific mutton cheese, very strong in the taste, but very good, typical from here and made according to old traditions. And of course, the wine industry has a lot of potential. The vineyards got a lot of subsidies and help after the war because we knew our wines could be competitive.

Now, our agriculture can't be extensive. We have to think of niche markets, specific products with extremely high quality and small production but yet being profitable.

Please tell us more about all the construction work we see in and around the city.

Sibenik city has become a tourism destination and has really taken off in the last two years. So there is a lot of work being done in town. The fortresses are being remodeled, a town beach is being built, a lot of little and relatively big hotels are being constructed, etc.

Another successful foreign investment in Šibenik, D-Resort Šibenik, comes from the Turkish Doğuş Group. They invested €25 million in this hotel.

The Dalmatian Coast is being served by three airports with international flights. Will there be a fourth one here in Šibenik?

Yes, we are trying to establish our own airport, but it might take some time as we do have two airports close by, Split less than 50 km and Zadar not even 100 km. But we have the place for our airport, a flat area near the city. We are looking for a private investor to perhaps develop this project.

Šibenik-Knin County has an excellent nautical tourism offer...



Correct, around a quarter of the income generated by nautical tourism in Croatia comes from my county. We have about 4,000 places for the boats and about 12 marinas including the old marina in Šibenik.

What about the development of Šibenik-Knin County's rural area for tourism? Is the

FACTS

5,670 km² total area

+110,000 population

285 islands & islets

12

hinterland of the county as attractive as its coastline?

When we talk about sustainable development, it is important to disperse the tourists and to avoid the problem that some cities have nowadays. So in this sense, we need to offer some opportunities and encourage investments in the hinterland.

We have about 500 hectares of touristic zone in our county plan. A quarter or one third of these 500 hectares are already being used but we still have a lot of free space throughout the coast and the inland for tourism development. With the help of European funds, we are prioritizing projects inland, in the rural areas. By doing so we will raise the accommodation offer in the rural areas hoping to attract more tourists to the interior areas of the county and consequently help the local communities grow. There is a lot of potential in eco and agro-tourism, just like in parts of Istria.

Tell us something unique about your county.

My county, home of the city of Šibenik, is the only one in Croatia that has two UNESCO monuments. Not many cities in the world has two UNESCO sites and this is an excellent accomplishment that will help the growth of our tourism sector. People want to visit these special sites and they come from all over, especially from the Far East.

Tourism

ŠIBENIK STEERS COURSE TO SUSTAINABLE TOURISM

Careful development is helping to open up the historic city of Šibenik and its surrounding national parks to foreign tourism, and at the same time preserving the region's cultural and natural treasures

which a medieval center that is larger even than Dubrovnik's, the city of Šibenik, unlike the other historic towns which line the Adriatic coast, is unique in having been founded not by the Greeks, Romans or their Illyrian predecessors but by the Croats themselves.

Today this attractive city of fortresses, festivals and concerts, located a short drive to the north of Split, is emerging as one of Croatia's fastest growing tourism destinations. Sitting on the beautiful bay of the river Krka, Šibenik is the smallest city in the world to be home to two UNESCO World Heritage Sites - the Cathedral of St James from the 15th and 16th centuries and the St Nicholas Fortress built later by the

Venetians - as well as a whole series of other fortifications and Renaissance buildings.

But while major investments in new hotel infrastructure have led to a sustained surge in visitor numbers, authorities in the region are also taking preemptive steps to avert the risks of overcrowding in the city by developing the potential for tourism elsewhere.

"We want to disperse tourists across our rural areas, which have high potential for ecotourism and agritourism," explains Goran Pauk, the prefect of Šibenik-Knin County.

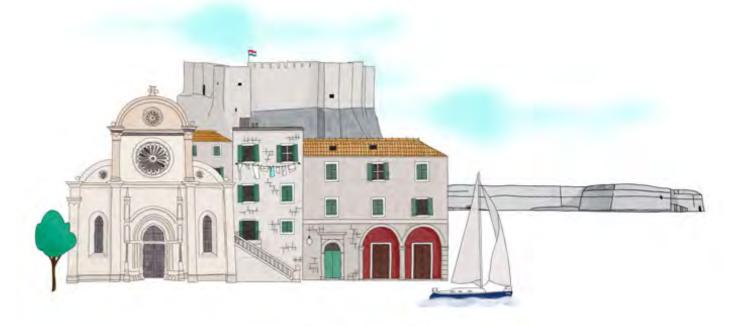
Already, the stunning waterfalls and swimming holes of the nearby Krka National Park are welcoming increasing numbers of foreign visitors looking for a more active

alternative to Croatia's Adriatic beaches. The region's other national park, the Kornati archipelago of c.150 small islands, has become one of the Adriatic's most sought-after destinations for yachting, scuba diving and other forms of nautical tourism. Meanwhile, the islands of Zlarin and Prvić, just a short boat journey away from Šibenik, offer perhaps the easiest chance for a secluded swim anywhere in the Adriatic.

"Our strategy from the start has been based on sustainable development," says Dino Karadole, the director of the Šibenik Tourism Office. "We have learnt from the mistakes of others and are completely focused on being a high-end, sustainable destination."



Šibenik: Where the city is a stage



The breathtaking city of Šibenik sits on the central Croatian Adriatic Coast, in a picturesque bay where the beautiful Krka River enters the sea. A jewel of the Venetian empire that was one of Croatia's most important human and renaissance centres. The world's smallest city to boast two UNESCO World Heritage sites.

The coast here is dotted with pristine islands and some of the best sand beaches on the Adriatic. Many national parks like Krka and Kornati offer guests an incredible natural experience.

And best of all, the city becomes a living stage in summer, filled with theatre and music events that cover a wide array of of styles from classical to electronic beats. With its own Michelin star restaurant and gourmet food events, foodies will not be disappointed.

VISIT ŠIBENIK, HAVE THE TIME OF YOUR LIFE

www.sibenik-tourism.hr









THE INCREDIBLE WINES OF DALMATIA

It's been said long ago that the entire history of Dalmatia is historically, economically & artistically tied to winemaking. Scientists estimate that wine was produced in this area as early as 3,800 years ago by the Illyrians; later perfected by the Greeks and then carried on by the Romans.

oday, this unbelievable legacy continues throughout the region, where small productions of highly artisanal wines and their descendants thrive in this unique climate.

DINGAČ Dalmatia & the Pelisjac's Peninsula's best kept secret

The Pelješac Peninsula is home to a variety of the Plavac Mali grape called Dingač. Considered one of the most difficult wines to produce in the world, only farmers on donkeys can access the steep, abrupt hills that tower above the sea below. Danger is never far away in the form of venomous horned vipers which hide themselves in the shrubbery and pose a threat to the grape pickers in these vertical vineyards. This strong and majestic red wine is considered a hidden Croatian treasure.





BOŠKINAC GEGIĆ Wine made from tradition and passion

The production of wine on the beautiful island of Pag has been nurtured for centuries. Gegić is a dry white wine produced from the variety of the same name. This is a gentle, aperitif wine with light floral and mineral aromas and a moderate alcohol.

Hidden in one of the island's vineyard, you can find the lovely Boškinac Winery, Hotel & Restaurant who produce Gegić. This vineyard-boutique hotel is family-run, with an incredible past of father to son winemakers whose love for Gegić and other local wines can be tasted in their exquisite blends. Boškinac is one of the loveliest places to stay and eat in all of Croatia, "It offers an oasis of peace, a wealth of aromas, magnificent views and an atmosphere embraced by the magic of the island."

POŠIP The super grape of Korčula & Dalmatia

Indigenous to the island of Korčula, the Pošip grape can now be found across all of Dalmatia; in the Pelješac Peninsula, the islands of Brač and Hvar, Pakleni, the Korlat region and the Biokovo slopes of Makarska. Although historically considered an "old-school wine", the Pošip grape is now considered to be one of the most prestigious super grapes standing shoulder to shoulder with the likes of the Chardonnays, Pinots and Rieslings.

In 1967, Pošip was the first white wine in Croatia to be bestowed a denomination of origin and has since won numerous awards and recognitions both domestically and internationally. With an intense aroma and flavor – think figs and dried apricots – it's a full-bodied white wine with a good balance of alcohols and acids.



GRK Korčula Island's unbelievable prized white wine

It's a wine with no vowels, grown on vines that have no pollination and most people have never heard of Grk, but its story reads like a legend. Brought by the Greeks, hence the name "Grk", this delicious white wine is produced against all odds and comes from vines that cannot even replicate themselves, having only female parts.

It is nurtured in special sandy soil on terraces high above the Adriatic and in only one tiny part of the island of Korčula in the Bire Winery.

BIRE

GRK

This is a wine so prized that it makes champagne look common and due to the very limited quantity of production, the wine is not exported, ensuring an exclusivity that wine connoisseurs across the globe hanker after.



There are six ports in Croatia: Šibenik, Dubrovnik, Ploče, Split, Zadar and Rijeka that play a special role in the national economy. So Šibenik Port contributes not only to the county's development, but also to the whole nation.

Šibenik Port is important to the city because of its two functions; as a cargo port and a passenger terminal.

Right now, the passenger terminal is extremely important because it connects, by ferry, all the islands near Šibenik to the mainland and it is also a stop for many mini cruisers that travel along the Adriatic. There is also a berth for bigger cruisers (up to 240 meters of length) and even bigger ships can anchor in our attractive channel. And since tourism is playing a vital role in our economic development, it is crucial that our passenger terminal works properly.

Unfortunately, the cargo terminal is a bit neglected at the moment, but due to the growth and development that Šibenik has had recently, the government has agreed to help us revitalize its infrastructure. Our aim is to have a modern, functional and visually pleasing cargo port. We aspire to have a port that is in every sense on par with European standards.

This renovation, which is a strain on our budget, is starting next year. Then it will take us another year and a half to finish the work.

How are the renovations being funded?

The European Structural and Investment Funds in cooperation with the Croatian Ministry of the Sea, Transport and Infrastructure is funding the works in the passenger terminal. We are

also getting funds from the Croatian Bank for Reconstruction and Development (HBOR).

How are the terminals being upgraded?

There will be a new passenger quay and a special building for those arriving from a Schengen country. This is necessary since we are now part of the European Union and we need to comply with all their requirements.

There will also be a new building which will host the port's administration, customs office, police station, those in charge of nautical patrols, etc. The idea is to have all those agencies that cooperate and work for the development of the port, and the city, under one roof. You will need to go to only one place for all those services.

Can you tell us about your "green port" strategy?

We want our cargo port to be a green one. The port has been handling imports of phosphates and potash and exports of fertilizers, timber and aluminum, but we will now ban all loads containing ores.

I can already say that about 90% of the current cargo going through the port is already 'clean' and doesn't contain ores. One of the reasons for going 'green' is that the port is quite close to the city center.

Does aluminum still play an important role in the city's economy?

Šibenik has a long industrial tradition in manufacturing of aluminum products, steel constructions and shipbuilding. Aluminum processing is the most important economic and export activity, with a tradition since



Čedo Petrina Director Šibenik Port Authority

1937. In addition to aluminum, the important industry branches are connected with the building and servicing of ships and steel construction.

There is an aluminum factory about 1 to 2 kilometers from the port and all of the aluminum they use in this factory as well as in some factories in Bosnia and Slovenia, go through our port.

What other important cargo goes through Šibenik Port?

Wood, sugar, fertilizers, to name a few. But due to our 'green' strategy we have changed the way a few things are shipped. For example, the fertilizers. In the past, it was an open-air cargo which could pollute the air, but now we use the 'big bag system' which means fertilizers are transported in closed containers.

You are situated close to important ports such as the one in Zadar which has been completely renovated. What is Šibenik Port's competitive advantage?

First of all, the Šibenik channel is a really attractive entry into the city, especially for cruisers. We also have a quay that goes right into the city center which means that visitors are able to go sightseeing right away.

Another important advantage is the location of our port, right in the middle of



the Croatian Adriatic coast with spectacular sites very close to us. Krka National Park, for example, is only 13 kilometers away. The towns of Skradin, Primošten and Vodice are all very close to our city and they are very appealing to visitors.

Šibenik is becoming more and more popular for cruise ships. As a matter of fact, Viking Ocean Cruises announced earlier this year that they will have 7 arrivals in our city in 2021.

And we don't mind the size of the ship that docks in our port, all are welcome, even if they are small ones.

How do you intend to attract more cruisers to Šibenik Port?

I believe we have a different approach to cruiser guests: we focus more attention on them. For instance, when they arrive, we welcome them with our traditional acapella singers and fritule, our local delicacy.

When tourists go to Dubrovnik, they are there almost exclusively for the city. But when they come to Šibenik, there is much more to do so we can offer more to the agencies and tourists. Only one third of the tourists stay in the city center while the other two thirds go to the fantastic destinations around the city in our county as there are plenty organized excursions on offer.

What role is innovation playing in the upgrading and improvements the port is going through?

We are just starting the renovation of the port and we have learnt a lot by observing others. After learning from their mistakes, we are now implementing better decisions. What we do know is that we want it to be as sophisticated as possible and would like our port to have

FACTS

2004

establishment of Šibenik Port Authority

> 13 km away from Krka National Park

berths with 10 m depth

510 m length of Vrulje Quay the same standards of those in Venice or Barcelona, which are two important ports in the Mediterranean.

Soon, we can expect cruisers to be connected to the power from the city generator and if you take a walk on our waterfront, you will find smart benches and solar trees that have Wi-Fi networks.

Also, digitalization is very important to us. We are connected to the CIMIS (Croatian Integrated Maritime Information System) network which ensures port authorities, coast patrols, customs officers, captains and pilots are integrated and connected and we can track arrivals and departures from the other ports and so on.

Apart from that we are also involved with a few smaller digitalization projects like Digilogs which will be able to give us feedback from our visitors, something very important if we want to improve our services.

I'd like to point out that the government is fully supporting us with the initiatives in every way.

What would you like to see taking place next at the port?

The port's management and the government see the importance of connecting the port, by railway, to several parts of Croatia and even to neighboring countries. This is something that we have to work on.



Tourism

DUBROVNIK-NERETVA COUNTY: BEAUTY ABOUNDS

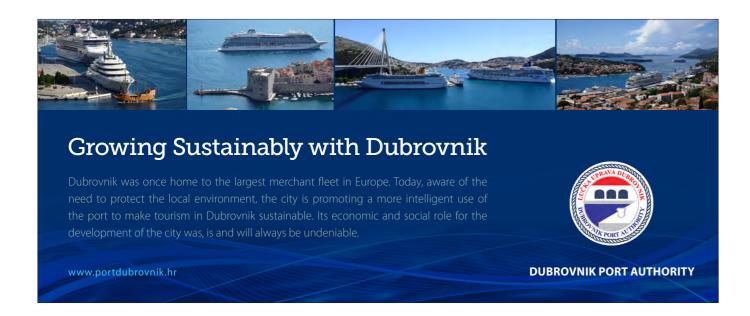
Southern Dalmatia is rich in opportunities for ecotourism and adventure, from the sparkling waters and forests of the Adriatic islands to the legendary wines and hospitality of the mainland.



or increasing numbers of visitors to Croatia every year, it is not just the fabled city of Dubrovnik that is their final destination but the spectacular islands, beaches and countryside of the region that surrounds it.

Including such natural gems as the verdant island of Mljet and the secretive archipelago of Lastovo, Dubrovnik-Neretva County is fast becoming one of southern Europe's most sought-after vacation spots for tourists in search of the rural life, hiking expeditions, adventure sports, authentic Dalmatian wines and cuisine, as well as sublime seaside holidays.

In recent years, the island of Korčula in particular has become a firm favourite for European families on vacation. With a slower pace of life than nearby Hvar, Korčula boasts countless sandy coves and beaches, pine-covered hills, charming Dalmatian villages, evocative folk traditions and one of the best preserved medieval walled cities in the Adriatic. Top this off with what are by common consent the finest white wines in Croatia, and it is easy to see why Fodor's travel guide says that Korčula is "quietly emerging as the most sophisticated and alluring island in the region."





Less known than Korčula, the Konavle region on the Dalmatian mainland is another one of the country's leading wine-producing areas. To the south of Dubrovnik, and bordering both Bosnia & Herzegovina and Montenegro, Konavle suffered terrible damage during the war, but has been attractively rebuilt with modern infrastructure and comfortable rural housing, transforming the region into one of Dalmatia's most enticing destinations for agro-tourism.

Meanwhile, to the far north of Dubrovnik-Neretva County, the vineyard owners and rural households of the Pelješac Peninsula are attracting ever higher numbers of foreign visitors with fine red wines and authentic Dalmatian hospitality. The peninsula is also one of Croatia's most popular destinations for windsurfing and scuba diving: divers here have the rare opportunity to explore the wreck of a German torpedo boat that sank in these waters in 1944.

For tourists who are not divers but who also have a thirst for activity and adventure, the hills, rivers and coastal bays of the Dubrovnik region are ideally suited to horse riding, hiking and kayaking. The lush vegetation and sandy

shoreline of the island of Mljet in particular attracts walkers from across Europe. It is also famous for its goat cheese and above all its honey – the name of the island is derived from the Latin word for honey. Honey from Mlje was a delicacy and was served at the court of the Roman Emperors.

Finally, to the west of Mljet and just south of Korčula, lies one of southern Dalmatia's least-known and most mysterious destinations: the archipelago of Lastovo. Sparsely populated and isolated, these islands are only now beginning to explore their potential for ecotourism and adventure sports. At the Dubrovnik-Neretva County Tourist Board, director Vladimir Bakić says that authorities aim to open up the islands for development while taking great pains to preserve their natural and cultural heritage.

Sustainability and responsibility will be the key to the future of tourism across southern Dalmatia. As Bakić says, "We still have room to grow, but we have to grow sustainably. We want to spread development all over our county but we will always do this in a way that protects our national parks and our natural environment."

How much is tourism contributing to the county's GDP nowadays?

We don't have an exact figure, but I would say about 40 to 50% including indirect contributions which are also very important. The impact of tourism in our economy is undeniable

Is there still room for further growth?

Yes, but we have to be very careful how we grow, it has to be sustainably. We should focus on, first of all, new hotels especially around Dubrovnik since there's not much room in the city. This would also help to spread development all over the county. We need to control future developments because we have to respect the areas around both Mljet and Lastovo national parks since they are protected areas.

What sort of hotels would you like to see being

Our strategy is to improve the quality of our tourism and aim for the high-end tourist so we would prefer four and five-star hotels. And this is happening, more high-end hotels are being built in our county than in any other part of the country. We are also seeing a higher occupancy and average rates, which is great for the sector.

What are the tourist board's priorities?

First of all, we need to promote ourselves

in various markets in order not to depend on just one. Our main market is Europe, which is important for us, but we are also paying attention to the US, the Far East mainly Japan, Korea and China, and finally

Dubrovnik-Neretva is no longer a destination just for sun and sea holidays, even though we still have many visitors that come for that. We don't want to lose this segment as it still brings a lot of money for us and it is well-developed and successful, but we need to create new products and services to bring all types of visitors and throughout the year. These new markets, especially the Asian market, want more than just sea and

American Airlines will soon start direct flights from Philadelphia to Dubrovnik. How is the sector welcoming this new destination that is going to be connected to your city?

We are extremely happy with it. The negotiations, carried out between Dubrovnik Airport plus local partners and American Airlines, started many years ago when they noticed that the number of American tourists was increasing every year. These tourists were flying to Europe first and then transferring to Dubrovnik. They realized that there was room for a direct flight, the numbers justified this direct link, so they decided to establish it. And I am sure it's going to be very successful



Vladimir Bakić, Director Dubrovnik-Neretva County Tourist Board

because, as far as I've been informed, the bookings have been very good. And I am sure that next year American Airlines will probably extend the period they will offer this direct flight and eventually this direct flight will be available all year round.

At the moment, we are supporting this direct flight by doing an extensive campaign in the US so people get familiar not only with Dubrovnik but also with the possibility of flying here directly without having to transit in another European city.

What is the tourist board doing to make sure that your tourist season is longer?

This is our focus, to extend it from March to November. And to achieve that we are talking and cooperating with all stakeholders in the sector. First with the hotels, which should be open all year round and not just the summer months. We are joining our marketing efforts and communication, especially on social media, with hotels and tourism entrepreneurs, especially during the off-season period. We need to promote the city and county as a winter destination too. And we are also trying to cooperate with the other regions in Dalmatia as far as promotion in the winter months; if we cooperate, and not compete among ourselves, we will have better

Since joining the European Union, a lot of young people has left the country and businesses are complaining about the lack of workforce. Is this also happening here in Dubrovnik-Neretva county?

Unfortunately, we also have this kind of problem, it is happening all over Croatia. But I personally think that this exodus will diminish as the years go by because these people will soon realize it is not that easy to start a business or get a qualified job when you are a foreigner so some people will come back to Croatia as it is better to be at home, if you have a not so qualified job which is the instance in most cases. Also, in our county, as tourism develops and becomes more important new opportunities are coming up for small entrepreneurs and owners of apartments that can be rented to tourists.

Obviously there are more jobs during the high if there are no jobs during the off season?

Some of those employed just for the summer are students, so there is no problem with them as they go back to school when an excellent product so I also want them during the low season months. But to make operating here too. sure that the others, who are not students, stay here we need to pay them more and a lot of companies have been doing so for the past few years. So increasing salaries is a way to make sure they stay; if they make more money when they are working, when they are not, they have enough that they don't have to go somewhere else. I think it is the duty of the private employers to take good care of their employees giving them bonuses and incentives to make them stay with them.

You mentioned that you'd like to see more four and five-star hotels in the county. Isn't Dubrovnik a well-established tourism destination that it should be attracting more international brands?

I agree with you that we need more strong brands here. We have Hilton in Dubrovnik city and Sheraton in Župa Dubrovačka, about 5 km from Dubrovnik city center. Other big hotel companies are in negotiations for future developments and brand them under their names. And there are also two important Croatian hotel chains, Valamar and Adriatic Luxury



Hotels, both very respected brands, that season. How can you make the workforce stay are interested in our region. Of course it would be great to have more international brands here but I also think that the Croatian brands have high standards and

FACTS

40 to 50% tourism contribution to county's GDP

70th **Dubrovnik Summer** Festival this year

> national parks in the county

2020 Dubrovnik candidacy for the European Capital of Culture

How do you see the development of agrotourism and gastronomy tourism in Croatia and especially in Dubrovnik-Neretva County?

It's true that more and more people are traveling to experience local food or the way the local people live in villages. We already have that here in our county, especially wine tasting. We also have a good example of rural tourism here: Konavle, which is not far from Dubrovnik Airport. This area was destroyed during the war, but totally rebuilt with the support of the Croatian government afterwards. Today the houses there are quite modern and comfortable, there are swimming pools, small galleries, shops, etc so great place for rural and agro-tourism. Pelješac Peninsula is another good example, especially for wine tasting. We have many areas to be developed regarding agro-tourism: Neretva Valley, Ploče, Opuzen and Metković.

Gastronomy is also becoming part of the tourism experience in Dubrovnik. Michelin has awarded 5 Croatian restaurants with stars last year recognizing that we already have excellent quality and internationally recognized cuisine.

What is unique about your region?

Its history and the traditions we have kept since the days of the Dubrovnik Republic. We feel very proud of what our ancestors established here. And the beauty of the city of Dubrovnik which is one of the best kept and preserved medieval cities.



Can you give us a brief introduction on Supetar?

Supetar is the center of the island of Brač. In winter we receive around 10 to 12 ferries from Split, and during summer more than 15, one arriving almost every hour. This connection to the mainland gives us a competitive advantage compared to other islands as it is a short trip. The quality of life in our town is appealing not only to our vear-round inhabitants, but to new tourists

Regardless of the generalized feeling that many Croatians are leaving the country, Supetar is one of the 10 towns in Croatia where the population has grown. Each year, we have more children enrolled in kindergarten and elementary school which is why our main efforts are focused on school education and the development of pre-schools. These projects take a large part of our funding, and the purpose is to provide both the parents and children a better quality of life.

What incentives are provided to young people to keep them living on the island?

A year ago, we came up with a program for children and youngsters called "Happychildren, Happy-town" which is effective as soon as the child is born. We increased

the allocation of grants to new parents; as a matter of fact, we are one of the ten top towns with the largest grant allocations in Croatia. These grants provide relief to new parents while their children are in kindergarten. We also decreased enrollment fees and some parents even have free childcare. We especially care for children with special needs, not only in kindergarten but also in school.

We give incentives to keep our students in high school so that they don't migrate to Split, which became a trend recently. This year, we also provided free schoolbooks and materials for our students. We are also among the top 10 towns in Croatia with the highest number of scholarships.

We are also the number one town with increased employment and part of that is because we provide a lot of incentives for new entrepreneurs and artisans.

Has this population growth affected the price of housing in Supetar?

Indeed, it's one of our biggest problems. The housing issue started about two years ago due to the touristic boom in Split. Anyone who has an empty place, apartment or house, prefers to rent it only during summertime. They make more money by doing that, so this issue is definitely a challenge we are yet



to solve. And we are trying hard to resolve this issue in a creative way.

Please share with us your Smart City strategy.

I believe we are one of the first towns on the island to implement it. Our first assignment consisted in developing an app which helps guests reach the ferry easier.



It also involves the use of smart cameras which monitors the usual traffic jam spots. This is very useful if for instance, a guest from Bol has to go to Supetar and doesn't know the current traffic situation.

The broadcasts will be on a website or the app so that guests can decide when to travel to Supetar. Moreover, the app can give an optimal time for traveling to the Supetar port according to the current traffic and ferries' timetables.

What does Supetar offer to guests that they won't find anywhere else?

What's unique about Supetar is that it's the gateway to Brač. Once you are here you have the whole island to explore.

And the island of Brač is definitely different. To start with, this Dalmatian island has a very special gastronomy and even though we have a lot of fish dishes like most of the islands, what differentiates us is the fact that our gastronomy is dominated by lamb products. We have a huge sheep industry; there are over 30,000 sheep on the island which is almost the double of its and more people are visiting us in pre and inhabitants.

Brač may not be considered to be as sexy as Hyar, it doesn't have the same sort of clientele at the moment. However, our strategy now is to attract high-end tourists. Also, for the last 20 years the island has been with pools in rural areas, which has become developing towards sustainability and we're the most appealing type of accommodation. reaching our goals.

How are you branding Supetar and Brač to set the town and island apart?

For our current branding strategy, which is up and running until 2022, we created a slogan "Unlock your Experience". We invite tourists to explore our outdoors, sites, cuisine and all of the events that make Supetar and Brač special. We promise people not just a high-quality of life, but also a lot of exciting experiences. We give our guests lots of choices and they can come and choose whatever they prefer. And Supetar is only the beginning; from this city one can explore the rest of the island.

How many tourists come to Supetar nowadays?

Ten years ago, we had around 40,000 registered tourists in Supetar. Last year we had 82,000. The good thing is that more



postseason.

We have about 7,000 beds available for tourists - 2.500 in hotels and the rest in small. family-owned accommodations. In the last 5 years we have seen an increase in villas

FACTS

86,000 tourists a year

7,000 beds available for tourists

Smart City sustainable program

Where do your tourists mostly come from?

The majority of our guests come from Croatia and then Germany, France, Croatia and the Scandinavian countries. It really has been changing in the last 10 years, because in the past, almost all our guests came from Germany.

How important is the development of sustainability on the island?

Very important. We've created a project called "The Children of the Sea" to deal with waste management. We have over 80,000 people visiting Supetar each year and they produce a lot of garbage, especially plastic - a global problem right now. Our program addresses the issue of garbage, plastic and recycling and proposes and promotes that we don't use plastic anymore. The first stage was to address the issue through promotional tools and make it visible. Second stage, was our discussions with hotels and restaurant owners and other businesses and try to encourage them to stop using plastic as much as possible.

The whole idea of this project is that we continue to have a beautiful sea. Our sea is clean and amazing. And we need to teach the younger generations to start thinking about these important issues. We need to "Think globally and act locally."

SUPETAR: PARADISE IS CLOSER THAN YOU THINK

With a rich history dating back to Roman times, Supetar is the largest settlement and the gateway to the rest of the beautiful island of Brač.



Although the perfect base to uncover the rest of the delights of the largest island in Dalmatia, many find it unnecessary to venture beyond Supetar and its surrounding villages as this region offers even the most demanding and discerning tourist everything they could desire and more – spectacular beaches, dazzling waters, fine gastronomy, cultural events and high-end accommodation.

Year-round regular ferry and catamaran services from Split, Dubrovnik and Hvar into Supetar, and the close proximity to the mainland, make Brač one of the most accessible islands in the Croatian Adriatic.

While Supetar is close to the mainland of Croatia, it still feels like a million miles from the hustle and bustle of daily life.

After a delightful amble around Supetar's harbor and its medieval streets lined with cafés and boutiques, a visit to Church of Our Lady of the Annunciation and the Ivan Rendié Gallery, the island's famous sculptor, should be on the cards. Not for nothing is Supetar the cultural capital of Brač. For foodies and wine lovers, the 6-kilometer Dolčevita gastro trail through the incredible countryside near Supetar is a must. Or for a slower pace of life, choose one of Supetar's pine-backed beaches for a refreshing

dip in the crystal-clear sea and drink a cocktail in one of its numerous beach bars.

For a change of scenery, just 30 minutes stroll from Supetar takes you to the fairytale village of Mirca, with its trails through picturesque olive gloves and quaint rural architecture.

For history buffs a visit to Škrip, the oldest settlement on the island, is a must. The Island of Brač Museum, located in the 16th century Radojković Tower is one of the most visited museums in Croatia and displays incredible exhibits from the area's numerous archaeological finds which only adds to the region's incredible offer for guests.

SUPETAR ISLAND OF BRAC UNIOCK YOUT EXPERIENCE WWW.supetar.hr Supetar

TROGIR: A TREASURE ON THE ADRIATIC

Trogir is situated on a small island between the Croatian mainland and the island of Čiovo just 27 kilometers from the City of Split.



he best-preserved Romanesque-Gothic complex not only in the Adriatic, but in all of Central Europe is Trogir, so it comes as no surprise that tourism is the most important economic factor for the city and the region where tourists visit the town all year long.

Trogir was designated a UNESCO World Heritage Site in 1997. There are multiple churches, palaces, towers and a fortress to investigate. Built in the Romanesque and Baroque style, it is home to several amazing historic monuments, number one being the Cathedral of Saint Lawrence, which is a must

see. Also, not to miss are the Kamerlengo Fortress, there is a spectacular view of city and surrounding area from the largest and oldest tower; Saint Mark's Tower, located in the Northeastern part of the islet; and the historic old center of the city.

In the summer numerous concerts and shows take place in Trogir making it a living city for all who visit. This ancient and magnificent little city of the past demands an audience to perform for. Its cobbled streets call out to the world travelers to stop by and stay for a while, long enough to rejuvenate guests before moving on to other destinations on their bucket list.



THE COLORS OF TROGIR

Ever since the Greek era, Trogir has been visited by artists, writers, culturists, bohemians and wondering travelers. Each of them drawn by the multiple colors of the city and its fascinating history. Even today, guests find endless inspiration and beauty from the UNESCO monuments and surrounding sea.



Split is not only a popular touristic destination in the Adriatic, but also a major transport center for the Dalmatia region, with a diverse industrial and economic base. It's also home of University of Split, one of the top ten Eastern European universities. It was very highly-ranked by both Times Higher Education and Thompson Reuters. The 22,000 students of our university are our economic power. These young people and their skills are going to be the base of our economic growth.

biggest city in the country?

How do you plan to keep them all in Split and avoid a brain drain in the city?

As we are in the first years of our full EU membership, it is normal to have the usual immigration to other European countries. But recently we started noticing that those who left are returning. So, to avoid new departures, we are now planning the development of our technological and innovation center which will start to be built at the end of the year. It will be situated at the entrance of the city where the Yugoslav

army had its offices. We will reconstruct this military base and develop in it a space for IT, creative and sustainable industries and where start-ups will be totally supported. Slowly, but very effectively, we are going to develop Split into a center for economic growth in the eastern part of the Adriatic Sea.

By the way, one of the first tenants of this new development will be Rimac Automobili, a famous electric car manufacturer, like Tesla, who won the last Geneva auto show award for best electric supercar.

What are Split's unique advantages as a place to set up business?

First, Split is in a very good geographical position. I would say even better than Dubrovnik because we have a couple of well-known islands right next to us that Americans are very familiar with: Hvar, an upscale tourism destination and Brač. These islands allowed us to develop a more sophisticated tourism in the area.

Then our population, 400,000 people, our which allows us to develop different eco industries. Smaller cities can't usually final develop many sectors. In Split, because of etc.



our large population we can have a diversified economy with different sectors such as financial services, tourism, manufacturing,



Our labor force is very competitive in comparison to other countries in Eastern Europe, this is another advantage. 90 percent of Croatians speak English. We also have a skilled labor force that has been working in big industries such as shipyards for the last 20 years. We have a great Faculty of Economics that is preparing its students for more skilled jobs too.

In July we will finish the renovation of our airport. Last year we had 3.2 million passengers and with the new airport, we expect this number to raise. We also expect the number of passengers by ferry to grow. We are also becoming important in the cruise ship business.

And finally, we are the center of the Split-Dalmatia region.

Tourism is growing in Split. What is being done to make sure it is a sustainable growth?

We don't have the problem that Venice or Dubrovnik do with overtourism. Tourism started here practically in the last 15 years so our main issues in the sector are related to infrastructure as it has not been developed enough. We need more hotel rooms, but the construction of new hotels needs to be sustainable. We also need to be careful with the functionality of the town center as many private homes are now being rented to tourists.

What is your priority regarding infrastructure development?

The reconstruction of our traffic system; from the port to the northern part of our peninsula, which links to the airport and highway. This year, we are also planning to introduce our existing railway line as a mini-metro. We also want to link our airport to the ferry port in the next five years. We need to open a new entrance to the city from the highway. More than 100 hectares of brownfield land is being reshaped and redeveloped with a new ferry port, new bus station, new train station. This is the biggest project that is underway at the moment and our priority.

And we noticed that the city is also being refurbished...

When you enter the city, you can see the construction of the biggest skyscraper in



Croatia: the future Marriott Hotel which will have 27 floors. The skyscraper will be at the entrance gate of this whole area, which is part of our rehabilitation project.

FACTS

17 centuries old

2nd largest city in Croatia

3.2 million air passengers

5 million sea passengers

7 NBA players come from Split

How are the people in Split participating in the changes the city is going through?

We currently have an exhibition of young people who think outside the box and I encourage that. We gave them the chance to give us their input and to express their ideas for the future of the city center. I asked them to think about solutions and tell us what they are. I encouraged them to freely create and overcome all obstacles in their thinking and open their minds. I gave them an opportunity to say what they think, to provide solutions to the city problems and their input will become part of my political goals. I want to live in a city where everything functions.

How do you define your ethos?

I believe in openness and cooperation between generations. The younger generations are the future of the city.

Your final message to our audience?

Come to Split. It is a small city, but it offers a lot more than many larger cities in Europe. We are very creative and are becoming very competitive. It's worth investing into our city because we offer good opportunities. It's worth coming to live in our city because the quality of life is exceptional here. We are quite an open and safe city. Our dynamic and young people guarantee the development of Split in the future.

How is the Šibenik-Knin County Tourism Board facing the issue of sustainable tourism development?

We are definitely seeing an increase in tourist arrivals as well as in the numbers of overnight stays and with this increase comes the responsibility of making sure that this growth is sustainable. We have decided on different measures to avoid the typical problems of mass tourism and one of them is that a large number of activities and projects that we have implemented are based not on the coast, but in rural areas which are still relatively underdeveloped in terms of tourism and with plenty of room to grow.

We've noticed that the trends are changing. Nowadays, there has been more and more interest in rural accommodations because visitors no longer wish to spend their time in crowded places, especially in summer months. They are looking for quieter places where they can have quality time with their families during their holidays.

What role does tourism play in the economy of Šibenik-Knin County?

It plays a very significant role at the moment. It's not only the main economic activity in Sibenik-Knin County, but also the driving force of our economic development influencing other activities and sectors. Today, it is a complex industry that is affecting, either directly and indirectly, the majority of citizens in the region.

But it hasn't always been like this. In some parts of the country, tourism has always been the main crucial economic activity, but not in all of the counties. It is new for us as the development of this sector was more recent, especially in the city of Šibenik.

But I can say now, with full confidence, that Šibenik is a beautiful 'tourist pearl' and that our county is the one with the biggest potential for development with two national parks, two UNESCO World Heritage sites, a unique natural and cultural heritage, exceptional gastronomy and an amazing marine environment.

I am sure that tourism will play an even more important role in our socio-economic life from now on.

What are you doing in order to extend the season beyond the summer months?

Making sure that the season is longer than the summer months is one of our main goals. And in order to achieve this goal, for the past few years, we have been implementing different measures, organizing all sort of projects and festivals and hosting several events. This has not always been easy and has required a lot of work and patience. But we have been successful so far if you compare how long our season was a few years ago to what it is today; last season, for example, has been stretched significantly but there is still room for improvement.





Željana Šikić *Director*, Šibenik-Knin
County Tourist Board

Now, our ultimate goal is to be a year-round tourism destination. However, in order to achieve that we will have to face a whole other set of challenges. But we have already started working towards this goal and to guarantee visitors throughout the year, we have initiated an intensive promotion of our county as a tourist destination in key markets for us. Also, we have been not only present at the most important tourism and travel exhibitions and fairs, but also attended presentations and workshops and we have done a lot of promotional initiatives online and offline.

We have been continuously improving our tourist offer too, and this helps extending the season. A better product results in longer stays of our guests.

Could you cite specific initiatives and actions taken to make the season last longer?

There have been some key projects that have helped us extend the season. All of these projects aim at improving our tourist offer.

The first project I like to mention, which I initiated, is the development of cycling tourism in Šibenik-Knin County. Until 2016, cycling tourism was not really developed and only sporadically something would be done to promote it. There was no active management or organization

of it within the municipalities and cities' administrations. But then we signed an agreement with all stakeholders to develop cycling tourism in Šibenik-Knin County. We defined the cycling paths and tours; we started the process of marking the routes; we increased the standards of signalization, etc. We currently have 85 routes, with a total of 2,400 kilometers which 65% are well marked and signalized. We have created specific brochures and websites related to cycling and we are also intensively engaging in marketing activities to promote it. A lot of attention has been given to this project and it has paid off because we can already say that cycling tourism in the country has helped improve our tourism product and is also helping to prolong the tourist season.

The second project, which is very important for us, is called "Like Home" It consists in identifying, classifying and labelling private accommodations according to the hospitality and services provided. We want to create a 'club' with the best ones, the ones that standout among all the private family accommodations available. The ultimate goal of this project is to improve the quality of private accommodations and make the tourists really feel "at home" at their hosts' places. In return, those that make to the 'club' will get additional promotion, be given special positioning on our web sites, be mentioned in our brochures and fairs, etc. Recently we have even created niche divisions of this project: "Like Home Bike-Friendly", "Like Home City", "Like Home Rural" and "Like Home Luxury". I think we should focus and pay special attention to this last segment, luxury, because it can really help raise the quality of our tourist offer.

The goal of the third project I would like to mention is to develop and improve tourism in rural parts of our county. In order to do so we need to identify, classify and then standardize those involved with rural tourism. We want to connect all small producers of local products such as olives, pršut (ham), wine, honey and agricultural tourism entities with those engaged in something that can contribute to development of rural tourism in the county.

The last project I would like to mention, which is also very relevant, is related to the



development of gastro tourism in Šibenik-Knin County. It has been a great challenge for me, but also a great joy to work on this project. We are currently in the final stages of this project creating the strategy to best develop our gastro tourism and the next step will be the branding of our regional restaurants.

FACTS

2 stunning national parks

600 archaeological sites

230 cultural monuments

11 medieval fortifications

What makes Šibenik-Knin a unique destination?

Sibenik-Knin County is truly unique, beautiful and special. If you want to enjoy true natural beauty, be overwhelmed by cultural and historical sites that are hundreds of years old right next to an exciting coast or feel propelled to explore the secret and remote areas, you have come to the right place.

Our two national parks; two UNESCO World Heritage sites; numerous islands and islets; cultural, historical and archeological sites; fantastic landscapes; exciting towns along the coast or inland will give you endless possibilities for a great holiday. You will enjoy the sea breeze, walking in forests, hiking in the mountains, visiting vineyards, olive groves, or exploring the canyons of Krka and Čikola rivers.

Šibenik Riviera is also called a nautical heaven. Our archipelago consists of 249 islands, islets, cays and reefs that stretches over 665 square kilometers. And our mild Mediterranean climate makes our region an ideal place for a holiday during the whole of year.

And last, but not least, our rich gastronomy with well-known great dishes like "peka", a baked dish with meat and vegetables; our "pršut", a ham that is a Dalmatian delicacy; cheese from "mišina", and our grilled fish and fish stews, to name a few.

What have been the benefits of Croatia joining the European Union (EU)?

The EU membership has benefitted Croatia in many ways, in particular the ability to access EU funds and develop some of the less developed regions in the country so there is a smaller gap between the more developed and underdeveloped ones. The European funds are also helping immensely infrastructure developments which are very much needed.

During our interviews with Mayor Franković he told us that accessing the region, the most southern one in Croatia, has been an issue due to the lack of highways. Is connectivity one of your major concerns too?

We are the southernmost Croatian county, located in south Dalmatia and we have plenty of old medieval towns, cultural heritage, famous cities such as Dubrovnik and Kor ćula which have a lot to offer. However, it is not that easy to arrive here, and we do have an access problem due to the lack of modern infrastructure, especially highways. The main problem that we need to solve is

would arrive all the way to Dubrovnik and we are working hard to solve this problem because we are somewhat more isolated than we would like from the rest of the country.

One of the biggest projects taking place at the moment is the building of the Pelješac Bridge, which is going to help the free movement of goods and people without having to cross the border and customs twice. Neum, which belongs to Bosnia & Herzegovina, divides our county in two parts and once the bridge is completed, we won't have to cross through our neighbor

Also, some major works are being done, some are already completed such as Dubrovnik Airport, which is going to obviously help connectivity. I think we should also increase sea connectivity to other destinations, in particular with Italy.

These projects are very important for the development of tourism, but which ones will most benefit your residents?

Our citizens are our number one priority and all of these projects are very important the access by road. We need a highway that for them, not just for tourists. We want the



Nikola Dobroslavić Prefect Dubrovnik-Neretva County

residents to get as quickly as possible from point A to point B and be fully connected with the rest of the country. But these projects will also benefit our tourists and



the development of our main sectors. So any investment on infrastructure development will benefit our citizens as well as visitors.

Croatia has one of the highest ratios of its tourism contribution to its own GDP and economy in all of Europe. How do you assess the possibility of diversifying the economy of Dubrovnik-Neretva County so it is not dependent on just one single sector?

Tourism is the main economic activity in our region and we're very happy that it is. However, we are aware that it's not healthy to rely only on one sector, so we are looking to diversify our economy. We have already identified a few other sectors that can be developed.

We have great potential in agriculture, especially in the Neretva Valley. Here we have wineries, some of the best in Croatia, producing amazing red and white wines.

There is a lot of potential in maritime related activities (the blue economy) such as farm fishing. As a matter of fact, this region is very active and successful in farming oysters and seashells. And we can in the city, especially those staying at hotels also develop shipbuilding especially on the island of Kor ćula where there is a long shipbuilding tradition.

Obviously, we'd like to maintain tourism **number of beds that are offered in Dubrovnik**. as the strongest and most significant economic pillar of our economy, but we also see the importance of having to diversify and develop other sectors.

Tourism and the blue economy, if not sustainable, can damage your natural resources. What is the county's policy regarding sustainability?

Croatia, on a national level, has very strict policies with regards to environmental protection and we, at our county, are making sure that our development is done in a responsible way following the directives given by the central government. We're ensuring that we maintain our economic growth in a sustainable manner because we need to protect our greatest treasures such as our national and natural parks.

One of the major measures taken to have a sustainable tourism growth was Mayor Mato Franković's decision to reduce the number of cruise ships docking in Dubrovnik at the same time. We vehemently support this



because the growth of cruise ship passenger tourism, which we do appreciate, could potentially be a problem. We need to find a balance and limit the number of tourists coming from the cruise ships. If there are too many of them, no one has a good experience and private accommodations in Dubrovnik.

Mayor Franković also talked to us about the

FACTS

national park, Mljet

nature park, Lastovo

1,781 km² total area

130,000 population

What is your take on this issue?

We need to increase them and there are some opportunities for investments in hotels. We commissioned a study to find out how much room for growth we still have and what the limitations are. There's still enough room to grow in the sector by building four and five-star hotels; that is what we need as we have to focus on the high-end tourism.

And in order to get high-end tourists, we are also developing several projects such as golf courses on Srd and Ston, the reconstruction of Hotel Belvedere which was destroyed during the war, etc.

How does the Prefect work in collaboration with the municipalities regarding the county's economic development?

We create the county's development strategy based on studies we carry out, and then we work together with the municipalities within the county to implement it. We also follow the national development strategy.

Each part of the Adriatic has its uniqueness. What's unique about the Dubrovnik-Neretva County?

The cleanliness of our sea is one of the unique things about our county. Also, our cultural and historical heritage is very distinct. We have one of the most preserved areas in terms of both history and environment in Europe, that's what makes this region special.

Can you give us a brief introduction on Trogir and what kind of a destination the city is?

Trogir and its surroundings are in a very pleasant micro-region, an ideal place to live with a mild climate, right next to the sea and several islands close by. There are also majestic mountains that provide a backdrop to the city and our excellent food which is prepared with natural produce from areas outside Trogir. Despite having just 13,000 people, it offers everything for a peaceful family life. At the same time, yet close enough to Split, a much bigger city.

In the past, Trogir provided residence to many renowned artists, the masters of stone carving as well as to many people who simply chose the city as their favorite place to live. People have been living in Trogir for the past 2,300 years.

Trogir is also a protected historical complex and it's the most preserved Romanesque town in this part of Europe. The town is full of cultural heritage and architecture that is a must-see. Its show-stopping sights are St. Lawrence's Cathedral, a Roman Catholic triple-naved basilica and Kamerlengo Tower, a monumental castle and tower.

What are you doing to manage 'over-tourism'?

We've been experiencing mass tourism more and more and we need to address this issue. When cruise ships come to Split and suddenly 10, 15 or 20 tourist buses come to Trogir at the same time on a single day, that is a problem for us. We don't have the infrastructure for

so many people and the traffic collapses. We are currently working on a study about traffic management and how to receive this type of guests, the ones that come just for the day. We would like to develop and arrange different tourist routes to avoid all of the tourists going on the same trip and place at the same time.

Also, the opening of a brand-new bridge connecting Čiovo with the mainland also helped alleviate the traffic. The construction of the bridge and the road infrastructure will relieve traffic congestion in the center of Trogir, as well as provide better connections with Split's airport and nearby motorways. We are 20 kilometers west from the city of Split, so we are also served by this close airport.

What projects are underway to help with this?

We announced the architectural and urbanistic application for regulating this whole zone of the old town nucleus from Soline Port to the new bridge where we are planning on building a new bus station and information center for tourists. The idea is that all tourists come to the information center to register and it can be used as a starting point for them.

We are planning on organizing the whole area with a green market and parking areas which are currently fine, but we want them to be even better.

We are also working on the town rebranding. We would like to present it to the public in the summer. We want to show all the unique spots of Trogir and the continuity



of its urban living. We are also hoping it will stretch the season.

When it comes to the infrastructure, we have a problem with sewage in the old town, because in winter we have 1,000 inhabitants but in the summer the number of people in the town rises to 9,000. So, we are currently waiting on permits for our main project: a complete reconstruction of the water supply and sewage network in order to increase the capacities. We are expecting this project to begin this winter and it will probably last





for a few years, since no work can be done various happenings and events taking place during the summer, so we are left with 7 or such as workshops about growing vegetables, 8 months of active work a year. The project old ways of gardening, etc. will cost around €7 million.

Are there any other structural and development projects going on?

We have a project called "Trogirska kamena enciklopedija", The Stone Encyclopedia of Trogir, that includes complex restoration of documentation and of valuable historical and individually protected cultural sites in the old town centre like the Kamerlengo Castle and St. Mark's Tower. We have already received the funds from the European Union, around €700,000 euros, and we expect it to be ready around April 2020. After that we will apply for a complete renovation of the nucleus of our town as well as north and the south town gates.

Moreover, we already started on the reconstruction of the Garagnin Park next to the bus station which is currently under protection of the Ministry of Culture. Just the documentation for this project costs around €200,000 euros, and the whole project about €5 million. I believe this is a beautiful project, because the center of the town has a few thousand square meters and this is not common in many destinations. The park won't be a regular park, but a theme one with

We also just restored the football court where 200 to 300 children come every day to play football; this really brings life to our city.

FACTS

3rd century founded by the Greeks

2,300 years of urban community

vacht marinas with fastest

growing sailing port

1997

historic center of Trogir included in UNESCO World Heritage Site list

What is the new branding strategy for Trogir going to be like?

The fact that in Trogir there is an urban center where people live in the old town and that our main square is a place for children to play games. What is unique about Trogir is the fact that it is still a city for the people and in the middle of the town and the waterfront you still find the city government, the courthouse, the land registry, the school, etc. We are really trying to keep life inside the town; we don't want the old town nucleus to become a destination only for tourists. We were the first city on the coast that started a project to rebrand the city. Our goal is to capitalize on our tourist potential by accentuating the authentic historical, cultural and living values of the city, while preserving it from hyper tourism as a short-term and damaging trend. The main goal is to attract the so called "cultural" tourists and visitors with a higher purchasing power, who will be able to spend longer time in the city and spend more money during their stay. Trogir will benefit from this change, as right now it is under a lot of pressure from tourists flocking to the city center for one-day tours.

What is your final message to our readers?

Just come to Trogir and experience this incredible town, which is on UNESCO's World Heritage list, for yourself.

PORT INVESTMENTS POSITION CROATIA FOR **SUSTAINABLE** FUTURE

As the number of cruise ship visitors rises and freight traffic surges, the ports of Dalmatia are making significant investments in passenger and cargo terminals at the same time as protecting the environment.

trategically located at the crossroads of south-eastern Europe, and one of the World's fastest growing destinations for cruise ships, Croatia is increasingly reliant on the performance of its seaports for future economic growth.

To cope with rising cargo traffic and increasing passenger flows, ports all along the Dalmatian coast are now investing in expanding their capacity, at the same time as protecting the region's invaluable environmental resources.

developments, earlier this year authorities a major regional hub for maritime freight. in the city of Zadar in the north of Dalmatia opened a new international passenger terminal that was constructed in less than three years.

Sited at a new location in Gaženica, 3.5 kilometers away from the city center and just 5 kilometers from the international airport, the facility provides cruise passengers with an attractive and efficient alternative to busier ports in the region such as Venice. Robert Škifić, the director of Zadar Port Authority, says the construction of the terminal will lead to a 40% rise in international traffic in the next few years, with more than 240,000 passengers a year expected by 2022. At the same time, the port is also planning to invest in a new In one of the most far-reaching of recent container terminal and to develop Zadar into

Meanwhile, in Split, the busiest passenger port in Croatia, authorities are preparing to construct a new terminal to help the port

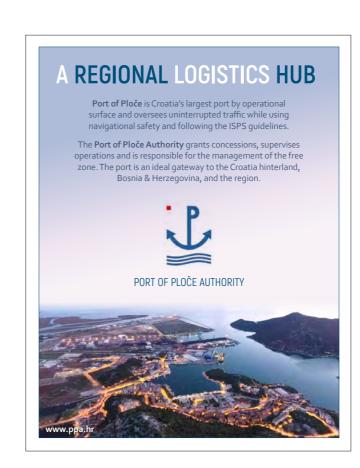


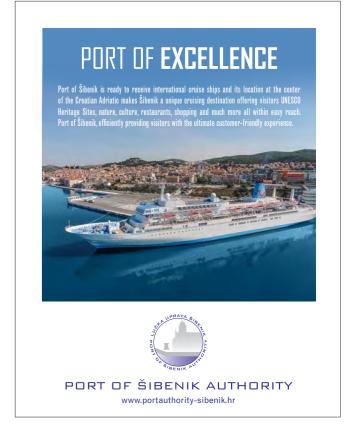


manage the 5.4 million tourists it receives every year. The port is also investing significantly in advanced data technologies to reduce congestion and improve efficiency. "We want to be able to handle rising passenger and cargo volumes without disrupting port users or residents," explains Vice Mihanović, the Director of Split Port Authority. "Our aim is to become a smart and sustainable port."

In the Port of Dubrovnik, which this year will handle an estimated 810,000 cruise ship passengers, authorities have imposed a daily cap of 8,000 visitors to tackle overcrowding. The port is also increasingly focused on its environmental performance, in particular on reducing pollution and greenhouse emissions: this year it will acquire its first electrical vehicles thanks to the EU Adrigreen project. "The growth of our port has to be based on the principles of sustainable development," says Blaž Pezo, General Manager of the Port Authority.

Sustainability is also a priority at the fastgrowing Port of Šibenik, which like the Port of Dubrovnik is located close to a historical town center. The port has recently begun developing a green-based expansion strategy and has made major changes to procedures for handling cargo such as fertilizers, timber and aluminum. "About 90% of the cargo currently going through the port is now 'clean' and does not contain ores," says Cedo Petrina, Director of Šibenik Port Authority. "We want our cargo port to be a green one." Meanwhile, the Port of Ploče is growing in importance as a key international node in a European transport corridor which connects Croatia to Italy, Bosnia & Herzegovina, Hungary and other countries in south-eastern Europe. The port intends to grow freight volumes from around 3 million tons a year to as much as 8 million tons in the future. Already the largest port in the country by surface area, that increase would help Ploče leapfrog Rijeka to become Croatia's largest port by freight volume. Recent years have witnessed the opening of a succession of major terminals for containers, dry bulk and oil storage. "With our new facilities and services, we will position our port as a very important player in the region," says Tomislay Batur, Executive Director of Ploče Port Authority.





Krka National Park is a unique protected area, covering 109 km² of the most beautiful section of the Krka River, and the lower course of the Čikola River. The park encompasses one or more preserved or insignificantly altered ecosystems. With its submerged estuary, the Krka is about 72.5 km long, springing below the foothills of Mt. Dinara. With its seven travertine falls and a total elevation drop of 224 metres, the Krka is a natural phenomenon of karst. Particularly impressive is Skradinski Buk, the longest travertine barrier on the Krka River and one of Croatia's most best-known beauties.

Krka National Park is a special experience for different groups of visitors, providing a true encounter with nature in all seasons. The park is open year-round, so it is possible to get to know the Krka in all its lush colours and entrancing sounds, on foot or by bicycle, by boat or bus. The park offers 22 educational walking trails covering 47 km, while 14 marked bicycle routes offer 470 km of road, trekking and mountain bike trails. The most visited waterfalls on the Krka are Skradinski Buk and Roški Slap, with a vast network of wooden boardwalks and bridges,

and restored watermills where old crafts are presented. Viewpoints are open where guests can admire the waterfalls Manojlovac slap, Brljan and Bilušića buk. The ancient traces of human life along the Krka are still visible today. For example, the prehistoric locality Oziđana pećina cave is open to visitors, as are the remnants of Burnum – a Roman military camp and amphitheatre. The archaeological collection unearthed from the Burnum site have been carefully restored and are on display in the archaeological collection of the Krka Eco Campus in Puljane, which is currently undergoing construction and will soon be an interpretation, education and volunteer centre. The Krka also contains a wealth of sacral heritage, and visitors are welcome to view the monastery on Visovac Island and the Krka Monastery. The still visible ruins of Early Croatian fortresses, dating back to the Middle Ages, breathe a breath of history, telling the tale of the ongoing battles to control the river crossings. Šibenik was the world's first city to be lit up by alternating current, and the remnants of the Krka hydropower plant are found at Skradinski Buk, where an exhibit has been installed. For the youngest guests, an exhibit about forest ecosystems is on display at the Visovac House Kuželj at Stinice.



For all visitors wanting to get to know the Krka in a more personal manner, the Krka Cultural Summer event offers numerous musical and film evenings, a drama programme, workshops and recreations, preserving the traditions and heritage of the

Krka National Park





What makes Krka National Park unique?

The combination of exceptional natural features and a wealth of cultural and historical heritage make Krka different from all other protected areas.

What is the management's current priorities?

The protection of the natural heritage is the fundamental mission of the Public Institute of Krka National Park. The park can boast of having an impressive level of biodiversity, numerous taxa, habitats, endemic species, subterranean phenomena and a wealth of cultural and historical heritage. The fundamental document guiding the management structures in the conservation of nature and the cultural and historical heritage is the Management Plan, a document that envisages the adoption of 10-year action plans. Each year, annual programmes are drafted that supplement the fundamental guidelines and lay down specific actions.

In the future, we will continue with projects aimed primarily at protecting the unique area along the Krka River, and protecting the natural, cultural and historical heritage in the park. Projects to research and monitor plant and animal species, and projects on the research and conservation of the medieval fortresses, Krka hydropower plant

and Burnum archaeological site continue to be developed. The emphasis continues to be on taking an educational approach, through

all aimed at raising awareness. How do you describe the Krka Park's

environmental strategy?

role of protected areas.

of all ages, the local population, and visitors,

Education, as one of the main pillars upon which the sustainable management of Krka National Park lies, is strongly present in all the activities carried out in the park. This includes protection, infrastructural investments and visitor management. In terms of the diversity of the educational programmes offered, the engagement of staff and response of attendees, Krka National Park is a leading example of the educational

Lectures and educational workshops are held at numerous sites throughout the park, and our expert staff also pay many visits to schools and preschools throughout Šibenik-Knin County.

In addition to promoting environmental production, the educational programme of Krka National Park is also aimed at preventing pollution, by organising clean-up campaigns and by removing landfills in natural areas, and focusing on raising awareness among the local community, especially concerning the adequate disposal of waste, and the importance of recycling.

FACTS

1,354,802

109 km² size of the park

medieval fortresses

waterfalls

47 km educational walking trails

> 470 km bicycle trails

FERRY OPERATORS SET COURSE FOR THE FUTURE

Dalmatian shipyards such as Brodosplit are building on a long and proud tradition of shipbuilding in Croatia, producing high-quality specialty vessels and carving out a niche in today's global marketplace.



which is a coastline along the Adriatic measuring almost 1,800 kilometers, and more than 1,200 islands, Croatia's shipping lines play a critical role in connecting coastal communities and opening up the country to international tourism.

Despite the rise of air transport, to this day, nearly all residents and tourists travelling to and from the islands need to go by boat. While increasing numbers of visitors are now chartering yachts for sailing holidays in Croatia's crystal-clear waters, the vast majority of tourists to celebrated islands such as Hvar and Korčula continue to arrive by ferry.

Nearly 200 years after the first leisure ships began serving historic cities such as Dubrovnik, today Croatia's islands and coastal towns are linked by a vast network of regular ferry lines which carry millions of passengers every year. These services are not limited to domestic routes only: every summer, giant car ferries from the Italian ports of Bari and Ancona transport thousands of foot passengers and vehicles from Italy and beyond across the Adriatic and into Croatia.

While shipping services were initially provided by dozens of small local companies, the years following the World War I and the collapse of the Austro-Hungarian Empire saw the consolidation of these coastal shipping companies into a handful of nationwide operators.

In 1947, state-owned shipping company Jadrolinija was established in the port of Rijeka in the north of the country, ushering in a new era in Croatian maritime transport. After introducing the first modern ferries into

the country in the early 1960s, the company has grown continuously year after year and is now one of the world's largest 10 ferry companies. Last year, Jadrolinija transported more than 12 million passengers on a fleet of 51 ships, including state-of-the-art high-speed catamarans with the capacity to carry more than 400 passengers in comfort and style.

As tourist numbers to Croatia hit new records and high season extends into the shoulder months, shipping companies are increasing the frequency of sailings and hiring more people to deal with rising demand, as well as modernizing their ships and investing in larger and faster vessels. "We are doing everything we can to assure our services provide pleasure and safety for our passengers," Jadrolinija CEO David Sopta says.





What role do you play as the Prefect of Zadar County?

As a government official, as the county prefect, I often compare myself to a clown doing a juggling act. One of the balls that I'm juggling is the economy, the second one is social politics, and the third one is sustainability and environmental protection. As you may already know, our economy relies mainly on tourism and the key to tourism is environmental protection and studying tourism's impact on the ecology of our region. A clean environment, community, sea and plenty of clean water is our brand. We must be proud of that brand and protect it.

What are you most important on-going projects in the region?

At this very moment, our county's biggest infrastructural projects involve drainage and wastewater management. We can proudly say that we have invested over €200 million in these projects because we want environmental protection to be our legacy. We are currently undergoing studies to determine the maximum number of tourists that our region can support without negatively affecting the environment.

What about infrastructure and planning for the region, what project would you like to mention?

This year, we are going to make changes to the spatial plan. As you know, the spatial plan defines the space and all economic activities that will happen in said specific area, including the building of new tourist resorts, industrial complexes, etc. Using the spatial plan, any future business venture is planned into the study so we can see how it could potentially impact the environment. Croatia is a coveted and interesting destination and country and part of that is because more than 50% of the country's territory is covered with forests. Our county has five national parks and three nature parks in its surroundings. Also, when it comes to renewable energy, our county is also doing extremely well. If we continue to care about the environment, I think we will continue to perform well in the tourism sector.

What projects have already been implemented in order to prevent the city center from overcrowding?

A good example is Port Gaženica which wasn't built over night. It was something that generations of Zadar's citizens worked to



Božidar Longin Prefect Zadar County

achieve. Before, the old port was in the city center and during the summer you could barely walk through the city, let alone catch a ferry (you had to wait for hours in line). There was an international ferry that departed for



Ancona and all of this congestion resulted in a project that moved the city port. The main point of the story is that the city port moved to the other part of the city, on the edge of the city. At that precise time, the building of the highway was also underway, so the infrastructure there is almost perfect. We have an airport five minutes away from the port of Gaženica, a highway that is right next to the airport and goes straight to the city port. The railway system is also at the port, so the future of this region, of this county, besides tourism, lies in transportation and providing services.

How would you like to see the city evolve?

During the Ancient Rome period, Zadar was the intersection between the East and the West, and the North and the South. The Pannonian Plain was always the granary and Zadar played a huge part as an intersection there. I envision Zadar as a logistics center and a transport hub again and we are well on the way to make this a reality. We just finished building a new passenger terminal on the Mediterranean, which is now one of the best in Europe. We have a good operator, Global Ports Holding, one of the biggest operators in the world and a concessionaire for international passenger traffic and we have also signed contracts to become a home port. This year, about 150 cruise ships will dock in Zadar for a day, and next year we will be a home port. Seven days ago, we signed a tri-party agreement between two ministries and the airport. The airport will go through a reconstruction; we will extend the landing strip by 700 meters so even the biggest planes can land, and by that I mean intercontinental flights. We'll also be adding a new airport apron because we need one more in order to become a home port. We will also be expanding the airport building itself, so a whole reconstruction of the airport is under way, which will cost over 60 million euros. We managed to get a building permit for that project.

I have to add that Gaženica is also a fishing port. Our county is famous for fishing – 50% of the total catch in Croatia comes from right here; over 50% of the white fish catch and over 70% of tuna farming is done here. One part of Gaženica is a fish port, the middle part is the passenger port, and the third part is a soon-to-be cargo port. We are building a RORO ramp which is going to be finished in about seven months and we're going to get an additional 12 hectares of land. Of the ferries



to Trieste that transport about 150 trucks, a percentage of these trucks will stop here and drive directly there, because of the almost-perfect infrastructure and because we are right in the middle of the Adriatic coast. The whole of Middle Europe is gravitating towards us precisely because of our perfect highway network and of course the fact that the airport is five minutes away. Also, one small detail about the airport that is really important is that the

of flat surface that is state-owned. You can't find that anywhere else in Croatia or in Central Europe. If you want to invest anywhere in the Mediterranean, especially in Croatia, you have to invest in state-owned land because of the complicated land register.

airport is surrounded by almost 1,000 hectares

How does your county differ from the rest of Croatia?

We have ten developed business zones around our airport that vary in size, from 50 to 400 hectares of land, where you can develop transport, manufacturing etc. We also have ten destinations for tourism investments, which are also state-owned. We offer hotels, campsites, mansions and a whole resort with a marina. They also vary in size, from 20 to 100 hectares of land. If you are serious about investing, the state will offer you this land. We can offer you a whole business zone right by the landing strip if you want to invest in air cargo transport. We will do everything and help you with acquiring documentation; we offer all the help you need. We went up seven places on FINA (Financial Agency - which is the leading Croatian provider of financial services) scale in just one year. Our county was devastated in the war; 70% of the territory was under siege, including the entrance to the city of Zadar. I gave up five years of my life and served in the military and it wasn't easy rebuilding, but today, we are at the top; we are one of the most successful counties. Zadar County is open to investments.

FACTS

5 national park in the region

+€200 million in water management

projects

+50%

of Croatia is covered in forests

+50%

of national fishing catch is from Zadar

SPLIT: WHERE HISTORY MIXES WITH CULTURE

Sea & sun tourism is not enough anymore. People want experiences. What does Split have to offer beyond its beautiful beaches?

Last year, the Split Tourism Office together with the Faculty of Economics worked together on a marketing strategy for the city and identified four strategic pillars for Split's tourism offer: culture, gastronomy and oenology, sports and special new products aimed at the 'new type' of tourist.

Split is a UNESCO World Heritage site which gives us an advantage as all the UNESCO sites are more visible in the global tourist map. Being in Split is like being in a palace since the city is in the Palace of Diocletian, and this is a unique experience. Culture abounds here and we offer many cultural events such as film and music festivals not to mention our numerous museums and historic monuments.

We are also a city of sports and we like to say that "Split is the most 'sporty' town in the world". We hold the record for Olympic medals per capita and when you walk along Split Riva Promenade, you will find stars engraved with names of our Olympians and their stories. These sportsmen and women are our best tourism ambassadors.

We offer many walking tours with audio guides. One of our latest products is an audio guide to be used while you go jogging or running; it is becoming increasingly popular. In 2013 we started hosting an outdoor electronic music festival, Ultra Europe, which has helped us to be known worldwide. This several-day event attracts nationals from over 140 countries. So Split is a town of big events. We go from one event to another month after month. In January we ran the tenders for the events and over 380 applicants this year.



So when you add all that to our excellent gastronomic and oenological offering, we really are a city that gives our guests and visitors not only a unique experience, but also value for money.

Not many people know about Croatian wine. What sort of initiative are being developed to

We have been organizing several wine festivals and events at very special and authentic places such as the Diocletian Palace. This coming May we are hosting a festival where people will have the chance to taste some of our best wines which will be presented directly by each wine-maker. And we do similar initiatives with olive oil producers. Gastronomy and oenology is becoming a very important part of our tourism strategy.

We also work in collaboration with some restaurants and on some important and relevant dates for our city, we invite all of the restaurateurs to participate in "gastro-tours". The idea is to offer visitors typical menus at discounted prices. We call these events "From the garden to the table" and we use typical products from the region. All of our top chefs participate in these events and present their dishes to the visitors. The idea is that typical and authentic food from the region is cooked with a modern twist.

Are these special events aimed at tourist or locals?

These events are a way to integrate locals with visitors, private entrepreneurs with

FACTS

+3 million

AD 305 vear Diocletian's Palace was built

178 m The Marjan hill height



Alijana Vukšić Director Split Tourist Board

public organisations. That is why they are so important and successful, because they have the support of both parts and show that if we work together, we can get things done. We also want to show that working together is better, make us stronger so that is why it is important to join forces.

Many cities are now preferring to use the regional approach when promoting themselves. Is this something Split is doing too?

Correct, and this year, for the first time, at the ITB in Berlin, we promoted the whole region of Split and not only the city. We thought it was important to include surrounding islands and cities in our promotional activities so that we can all benefit from standing together as a destination. We want people to use Split as a hub to see the whole region.

What are your priorities at the moment?

Our goal is to develop not only responsible tourism, but sustainable tourism. Also, we want our high season to be longer. The longer it is, the better it will be for our citizens and consequently they will be happier. And if the locals and residents are satisfied they will welcome the tourists and the tourists will enjoy their stay here and also be satisfied with their experience in Split.

GATEWAY TO THE ADRIATIC

The largest city in the Dalmatian region, the cultured and prosperous town of Split has been a favorite of sophisticated travelers ever since the Emperor Diocletian first moved here from Rome almost two thousand years ago.

oday, Diocletian's massive palace continues to dominate Split's old town. Inside the sprawling walls of this vast complex, where residents made their homes after the Roman Empire crumbled, visitors from all corners of the globe delight in a vibrant and living community of shops, restaurants, galleries and street performers. Add to the mix a thriving cultural scene, celebrated cuisine and wines and world-class sports facilities, and it is little wonder that Split has become of Europe's most popular choices for a city break.

At the same time, Split has also become the gateway to visiting a destination that is a more recent addition to the world tourism map - the islands of the Adriatic Sea. Just a short walk from Diocletian's Palace, every summer the city's bustling ferry port sends hundreds of thousands of passengers on their way to some of the most pristine beaches and most welcoming island communities in the entire Mediterranean.



Whether they are chartering a private yacht or using public ferry services, nearly all travelers to the islands of Dalmatia will at some stage pass through Split. Most international tourists coming to the city will head on to the stunning island of Hvar, favoured by celebrities, party-goers and nature-lovers alike. Increasing numbers are also

choosing to drop by the less well-known but equally beautiful island of Brać, home to perhaps Croatia's most famous beach and to countless secluded coves and quiet Mediterranean towns all just 45 minutes away from Split by boat.

To manage the surge in tourist volumes that has accompanied the rising global fame of these and other islands, Split has embarked on a series of major investments in hotel and transport infrastructure. On the city's skyline, the building which will soon be the highest in Croatia is already taking shape – the 27-floor Dalmatia Tower, which will house a Courtyard by Marriott hotel.

This June, the city's international airport will unveil a €60 million terminal that will increase its capacity to 3.5 million passengers a year. Further into the future, a metro line will link the airport directly to a new rail station and the ferry port, transforming Split's transport system and strengthening the city's status as the undisputed hub for tourism across Dalmatia and the Adriatic Sea.



GROWTH COUPLED WITH EXCELLENCE

In 2018, Split Airport welcomed three million passengers. And this year the airport will expand to welcome even more. with new schedules to facilitate flights during the summer season and a fast ferry for runs between the airport and Split City Port.

Adding a brand-new terminal, four times bigger than the previous one, guarantees more capacity for flights and increased quality service to guests.



What is the role of the Zadar Region Tourist Board?

There are three levels of tourism promotion in the country: national, regional and local. We, as the regional office, are responsible for the promotion strategy and its implementation, for the brand and product development as well as standards.

How does Zadar Region stand out from other Croatian regions?

We try to focus on the best we have to offer. The Zadar Region has a truly amazing geographical position, located in the center of the East Adriatic and surrounded by stunning nature of great variety. The long and indented coast is of surreal beauty and splendid peaks of the imposing mountains are just some of the views here in the Zadar Region. National parks, nature parks, islands, reserves, woods, fields, groves, bays, coves and beaches are all integral part of the great Zadar nature story.

One of the issues we discussed with other tourism offices was the importance of extending the summer season. What is your view on this?

Indeed this is an important issue. That is why we promote intensively all our assets, not just "sun & beach" segment although this is our strongest product. But we want potential guests, as well as those visiting in the summer months, to know that we have a lot to offer.

Zadar Region is the place where natural and cultural heritage coexists in perfect

harmony and where lovely coastal resorts provide excellent conditions for both an active vacation and a relaxed family holiday. Whether its culture, history, antiquities and museums, or outdoor adventure like hiking, biking, snorkeling, sailing, kayaking and rafting, we have it all – and all of these very close to the City of Zadar.

But, in order to accomplish that we need even more service-providers in these areas as interest and demand are both increasing.

How are you trying to attract tourists outside the summer months?

We need to identify even more unique products and services that Zadar can offer to international tourists.

It is important to trigger the creativity in the people, this is our aim: to inspire young people to have the courage to create a business plan and go for it. We also need dialog between the public and private sector and both working together towards the same goal: creating memorable experiences in our region.

How would you describe the city of Zadar?

As the center of the region and the former capital of Dalmatia. The 3,000-year old city of Zadar is the starting point for many visitors. It is a proud city with a rich and interesting tradition and amazing cultural heritage, as well as unique contemporary installations like The Sea Organ and Sun Salutation.



Mihaela Kadija Managing Director Zadar Region Tourist Board

How about the Zadar Region?

It is a place with stunning a natural environment and astonishing beauty! Whether you focus on the imposing peaks of Velebit Mountain, the scenic splendor of the Adriatic coastline or the charming intimacy of the scattered islands, it always leaves you awe-struck. And this beautiful nature makes Zadar Region a playground for all sorts of activities.





What is the uniqueness of the region?

We are a small region, but very diverse and this is how we stand out and want to promote ourselves. We can offer sun and beach during the summer, but we have other activities such as hiking, kayaking, rafting for the rest of the year.

Our gastronomy is authentic and Mediterranean, and so are the people. It is the local community that gives that special touch to every visit; we are still not overwhelmed with tourism. Here you can still see and feel how people live and enjoy the same space as our guests. I think this is very important and I hope we can maintain it this way.

You mentioned hiking as something special in the Zadar Region. Is this a niche that you can excel in?

We have a national park and three nature parks (protected environment) in the region so there are great opportunities for hiking. Therefore, we are currently carrying out a project to educate visitors how to behave and prepare themselves properly for nature, what they can and should do to enjoy the beautiful environment.

There are a lot of things we want to do to make the parks more attractive for all agegroups, for example, label kid-friendly trails.

What sort of investments would you like to see to improve the tourism sector here in the Zadar Region?

There have been great infrastructural investments recently, like the one in our port. We are looking forward to seeing its positive impact in the economy especially in the tourism sector, but also in other related sectors such as agriculture and transport. With this important investment in our port, we are hoping to become a homeport for international cruisers.

FACTS

1,300 km of coastline

100+ islands, isles and rocks

150 km of hiking paths at

of hiking paths at Paklenica National Park

11
at the The New York Times
'The 52 places to go in
2019' list

Investments into our airport and hotels are also crucial for further development of the region

Is the U.S. market important for you?

We have recently been to the New York Travel Show to promote Zadar Region as we had noticed that there had been an increase of interest in Croatia. Just a few days before this show, the Lonely Planet had included us in the top 10 cities to visit so this also helped to raise our profile in the US. The New York Times published its 'The 52 places to go in 2019' list and Zadar was at number 11. So the public was really interested in what we had to show. The experiences here in Zadar Region, whether cultural, gastronomical or outdoors, are very compatible to U.S. travelers needs and expectations of a Mediterranean destination and culture.

Your final message?

Our national parks, nature parks, islands, reserves, woods, fields, groves, bays, coves and beaches form the great nature story that captures the heart and intrigues the mind of our visitors. So be sure to come and see for yourself what inspires thousands and thousands of visitors to always come back in search for new experiences in the friendly and familiar setting of the Zadar Region!

DUBROVNIK: THE **LEADING** AIRPORT IN **DALMATIA**

more accessible for tourists?

Tourism is the main industry in our region even though other sectors, like agriculture, manufacturing and shipping, are also relevant. It represents 70% of our GDP. Dubrovnik has a connectivity issue as it is separated from the rest of Croatia. In order to go to the rest of the country - our capital Zagreb or our neighboring city Split, we need to cross both Bosnia & Herzegovina and the Adriatic Sea. Therefore, the airport is extremely important because it is a way to arrive in the city without having to cross borders. Today, about 65 to 70% of the tourist coming here arrive by air. Our high season starts in the beginning of April and lasts until the end of October, so we have a seven-month season, and that is when most of the tourist arrive.

Mayor Mato Franković told us that about €300 million were invested in the airport. Can you expand on that?

Croatia joined the European Union in 2013 and since then we have had access to European funding. We applied to get funds for the reconstruction of the airport; got resources to develop our project, the Dubrovnik Airport Development Plan; and today it is a work in

We started the development five years ago and expect it to be completed by the end of this year. The total investment is approximately €225 million which is being financed with European funds (76%) and by ourselves (24%). We got the loan from the European Investment Bank (EIB) and the Croatian Bank for Reconstruction and Development.

The project aims at making our facilities more modern and increasing our capacity.

How important is the airport to make the city Last year, we inaugurated the new passenger terminal, an additional 28,000 square meters, that according to the International Air Transport Association (IATA) standards is quite good. Nowadays the main works are on the airside surfaces; a complete reconstruction of the runway, taxiways, aprons, lighting and navigation system. We hope that by the beginning of this summer season our airside works will be completed, and we will be able to receive more passengers. Last year we handled about 2.5 million passengers.

> We are also erecting a new fuel storage, and building a terminal for business aviation and private jets. A lot of wealthy people come here in the summer by private jets as they have their yachts in the Adriatic Sea. Every year we have a higher demand for this service, a place to park the private jets.

This summer there will be long-haul flights direct to the United States...

The direct flights to the US will be very important for us. According to the statistics, UK visitors are at the top followed by the Americans and we don't even have direct flights to the US at the moment. There have been some negotiations with carriers from the US and we will start direct service after 27 years. The service will provided by American Airlines and will connect Dubrovnik to Philadelphia because Philadelphia is one of the main hubs on the East coast of the US. We will start with three flights a week from the beginning of June and they will last until mid-September. According to American Airlines, booking sales are going very well so maybe next year they might increase to daily flights. It's excellent news for our region and



Director **Dubrovnik Airport Authority**

Is Dubrovnik airport competitive?

We are a very contemporary airport because we must meet the standards of the carriers that are coming here, most of them from Western and Northern Europe. We've adapted all our technology to render the services according to their requests. Our standards are the same as in any European airport and according to International Civil Aviation Organization (ICAO) and IATA rules.

FACTS

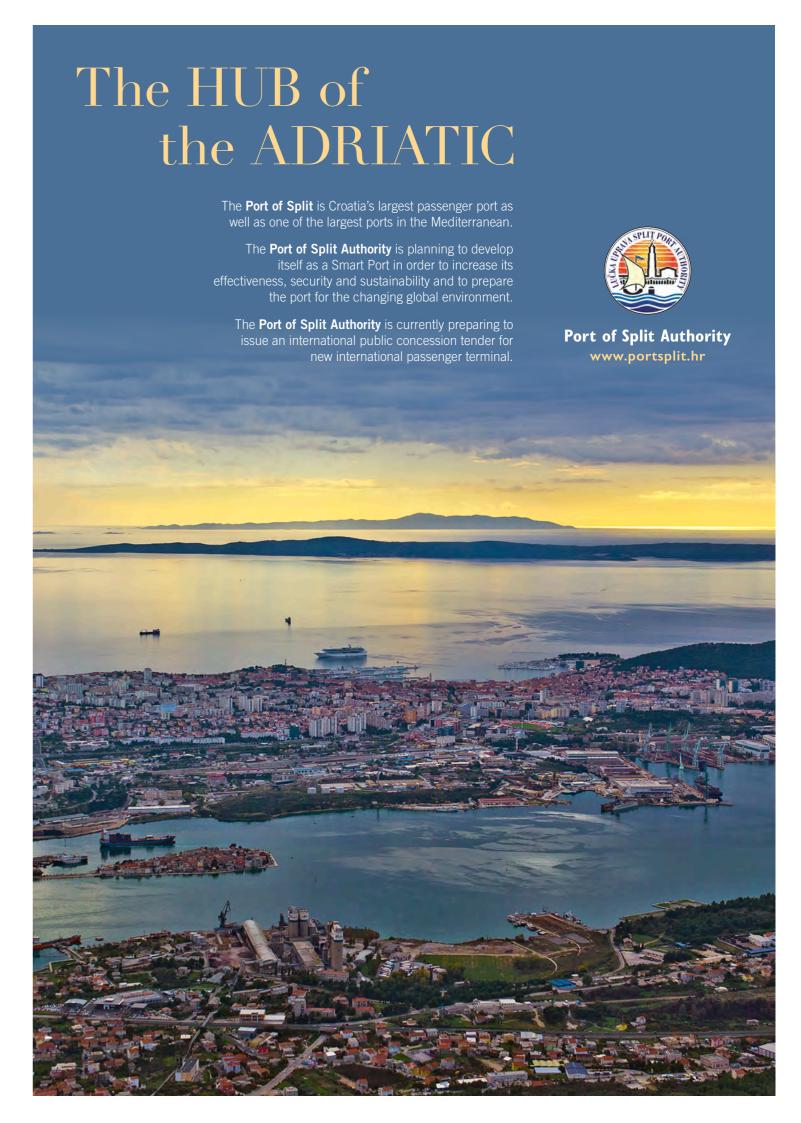
+2,5 million passengers in 2018

400 permanent employees

200 seasonal employees

 $3,\!300\,m_{\text{runway}}\,\text{45}\,\text{m}$





Zadar is the oldest continuously inhabited Croatian city...

The city has a very interesting history as it's more than 3,000 years old and has always been a center of culture and business. It used to be the capital city of Dalmatia until World War II when the city was bombed and almost 85% of the old town was destroyed. After that, the old communist administration took over Zadar and developed it to become the city where officers of the former Yugoslavian army lived. Unfortunately, at that time they also took the central administration of Dalmatia to Split, the current Dalmatian capital.

But the city has always been a culture center in Croatia, and this is a priority for the city's administration: to make sure that it remains a cultural center where the old culture is combined and mixed with modern culture. We also have a new and different approach to modern art and architecture.

Zadar has been known for being the arts city in Croatia with lot of artists living here. Even though Zadar is not that big, just about 90,000 people live here at the moment, it has always been famous as a cultural and artsy city.

Dalmatia is a very diversified region with very different cities...

Yes, there are several cities and they are quite unique and different from each other: Zadar, Split, Dubrovnik, Šibenik, Nin... Nin, for

example, is a small town of about 5,000 people in Zadar county and it was historically important as a royal city; it was the seat of the Princes of Dalmatia. So very unique, and like no other in the region.

But unfortunately, Zadar is still not very well known, and we have to change that. When I was in New York earlier this year I talked to many Americans and they all knew Croatia and they all think of it as an exotic place in the Mediterranean. They've heard about Dubrovnik, Korčula, Split, and even Belišće but not Zadar, Šibenik nor Nin. This needs to change because these three cities are very important in the Dalmatia.

Zadar has a cultural tradition like no other city in Dalmatia and we also have the most beautiful sunsets and the Sea Organ which is an architectural sound art object and an experimental musical instrument, which plays music by way of sea waves and tubes located underneath a set of large marble steps.

What about the local cuisine in Zadar?

Our soil is very rich and fertile so the produce you get here is of very good quality.

What makes Zadar special and stand out from the other Dalmatian cities?

We have the sun, a pristine clean sea, several islands, inlands, national parks, so our offer is very rich and varied. And throughout the





Mario Paleka
Director
Zadar Tourist Board

summer season we also have festivals and exhibitions. As an example, we have one of the oldest music festivals in our country, Glazbene Večeri u Sv. Donatu - Musical Evenings in St. Donatus. This festival takes place in a church that is about 1,200 years old and this year it will be the 59th edition.

Where do your tourists come from?

Tourism in Zadar started in the 1960s when a couple of houses were made into hotels. Back then we had tourists from Germany, Austria, Slovenia, Poland, the Czech Republic, Slovakia and today our main markets are still the traditional ones I just mentioned, but we are also getting Scandinavians and Americans tourists. Croatia is becoming a more and more popular destination in the United States and I think that we will soon get more American visitors. We used to receive a lot of Russians too but not so many nowadays.

Is Zadar looking into tapping into MICE tourism

We need to work on this. Unfortunately, we don't have hotels that are big enough for this kind of tourism as conferences require four-or five-star accommodation. At this moment, we only have one 5-star hotel in the area. We would like to attract famous international



and worldwide chains to Zadar. It seems like Dogus Group was interested in the Maraska Hotel and make it a Hyatt Hotel, but this is still uncertain.

There is certainly a lot of support from the city's administration to improve and boost the tourism sector in Zadar and they will support any project that will make it stronger. It is clear that without investment in the sector there will be no progress. And we do need to increase the number of beds on offer and they need to be for the high-end market; Americans tend to want at least a 4-star accommodation.

Some parts of Dalmatia cannot increase their accommodation offer simply because there is no land to expand. Is this an issue in Zadar?

No, that is not an issue in Zadar. We could expand and that is why we need the international chains to come here because the local hotel owners don't have the capacity. We need a congress hall that could take at least 1,000 people and then build new hotels.

We are in a very good geographical position, right in the middle of the Croatian coast, just about over two hours from Zagreb airport, so this is also an attractive advantage for investors to come to Zadar.

Tourism is not only about sun and sand anymore. It is about experiences...

We want our tourists to feel the city so that

is why "Feel Zadar" (#feelzadar) was the perfect choice for our promotion campaign title.

We are lucky cause we have a large area, with a lot of good quality produce, food and wine, and then we have history, culture, festivals, typical Dalmatian sights, places to go out so there is a lot on offer to tourists so they can really feel the Zadar experience. And we are also trying to increase our season so our offer includes activities and things to do from March until the end of October.

FACTS

+3,000 years old

90,000 population

| sunset in Croatia

Something unique to Zadar?

Our Millennium Jump, when more than 3,000 people jump into the water, right at the center of the city, at the same time.

The airport is also increasing its capacity.

Zadar is becoming a more popular destination. Each year there are more direct international flights to the city. But we need to improve our infrastructure and make progress in the number of beds we offer to be able to handle more flights into the city.

Also, we would like the city to be a homeport for the cruise ships and we have the capacity to expand on that, something that other cities like Split and Dubrovnik cannot do.

So Zadar has room to expand its tourism offer. Another advantage the city offers?

Its young population. I think we are lucky that we have a very young team in the City of Zadar and they have been able to tap into EU funds for the development of tourism here. I believe we should try a big project next, with the EU funds, a congress or event hall, like a modern opera house that would boost our MICE tourism. It would also help us to have more cultural events that would take place outside the summer months.

What should we miss here in Zadar?

The Church of St. Donatus and the Sea Organ.

ZADAR CITY: GROWING RESPONSIBLY

What is the importance of tourism for the city?

Tourism accounts for about 15% of the city's total revenues and it plays an extremely important role in the overall economic development of the city because of its contribution to positive foreign trade through the export of services. It also contributes significantly to the development of almost all the other activities such as trade, construction, food industry, agriculture and transport.

It is important to point out that the city of Zadar has achieved enormous growth in tourist traffic over the past 10 years, both in terms of the number of visitor arrivals and the number of nights, tourist traffic in the city of Zadar has grown on average more than 10% per year.

How important is sustainability for Zadar?

Sustainable development is extremely important for the entire community and for tourism. Destinations that ensure sustainable development are increasingly recognized and praised. For tourism to be sustainable, everyone, from the local community, population, tourists, to the travel agents and agencies that bring tourists here, need to be included in the development of the destination. An increasing number of tourists are concerned about issues such as health, the natural beauty of the destination and security.



Tourist destinations need to fulfill tourists' demands. However, tourists shouldn't be viewed as simply guests, but rather as investors who not only contribute to the development of the tourism sector, but also to the rest of the economy through their spending.

The growing number of tourist overnight stays can have certain negative consequences for both tourism and nature itself. Natural resources, water and energy are used, and therefore sustainable development and environmental conservation needs to be promoted. Resilient tourism requires responsible behavior and preservation of natural resources and beauty.

Good examples of sustainable tourism in the area of the city include numerous and increasingly popular sports events and the organization, SRC Višnjik, which promotes a healthy lifestyle and less use of cars. This is also supported by a well-organized urban transport system and a city bicycle system.

The City of Zadar itself has green areas, promenades, city parks, parks and coastal areas that are protected. The City is responsible for the disposal of waste and the recycling of

Croatia should seriously think about the project "Croatia-Florida of Europe" and come up with a unique strategy in the world market and present itself as a unique product, while retaining all the diversity, beauty and peculiarities of each of its individual locations,

FACTS

+71,000 population

3rd city by size on the Croatian Adriatic coast

> 15% tourism contribution to Zadar's GDP



Branko Dukić Mayor City of Zadar

whether that be coastal or inland Croatia. Tourism can and must become an export category and we have to find a way to use local products and services in the hotel and catering services, because there is a threat that wherever tourism has export characteristics, it becomes an import category in our country. Looking only at Zadar and Zadar's hinterland, there is an incredible potential in food production as well as high-quality fishing and marine resources which all have the potential to incorporate tourism plans into tourism in the full sense.

Currently, in Zadar, due to a significant increase in tourist traffic, there is a lack of accommodation. The city administration is working on creating prerequisites for potential investors to invest in such projects. But it is important to stress that it must work in synergy with local service providers. The quality and purchasing power of guests must also be monitored.

With smart planning, a developmentoperational strategy and using the knowledge of our experts from Zadar University, I am sure that Zadar can have an exceptionally good tourism industry. We also need to involve the younger generation through education and business. There are many activities that need to be done, but I do not doubt that we can achieve this.

