# Montenegro faces political turmoil over UAE real estate and tourism agreements



Agreements between Montenegro and the United Arab Emirates (UAE) on cooperation in real estate and tourism development have ignited significant political and public controversy within Montenegro. The deals, which include plans for UAE-based developer Eagle Hills to develop Velika Plaza—a major beach destination and Montenegro's longest coastline—are currently under debate in the country’s parliament as draft laws have been presented that would put these agreements into effect.

The agreements, signed in early April by Montenegro’s Prime Minister Milojko Spajic, have drawn fierce opposition from several political parties, environmental groups, and ordinary citizens. President Jakov Milatovic is among those objecting to the deals, arguing that they contravene multiple existing Montenegrin laws. President Milatovic has escalated the issue by formally seeking the opinion of the European Commission to assess whether the agreements comply with the EU’s acquis, which sets out the legal framework Montenegro is expected to align with as a candidate country. Speaking to the Montenegrin broadcaster RTCV, Milatovic characterised the government’s move to push these agreements through parliament as “frivolous” given the legal questions involved.

Meanwhile, the European Commission has acknowledged receipt of Montenegro’s letter and confirmed that it would provide an assessment in due course. A European Commission spokesperson, Guillaume Mercier, was quoted by TVCG stating, "We can confirm receipt of the letter and will reply in due course. At the request of Montenegro, the Commission can certainly give an assessment of this agreement in relation to the EU acquis."

Prime Minister Spajic has promoted the agreements as a gateway to attracting foreign investment, estimating that the deals could bring upwards of €30 billion into Montenegro’s economy. However, he has yet to disclose the basis of these projections. Majda Adzovic, Minister of Public Works, emphasised in a TVCG interview that Montenegro should participate as a co-investor with the UAE in order to avoid the pitfalls of leasing state property at undervalued prices.

Locally, the mayor of Ulcinj, Genci Nimanbegu—whose municipality includes Velika Plaza—has been outspoken in his opposition. He warned MPs supporting the agreements that they would "become enemies of Ulcinj," indicating strong resistance from local authorities and communities who are concerned about the impact of large-scale hotel and resort construction planned under the agreements.

Commenting on the political backlash, Ivan Vujovic, a leader of the European Alliance party, criticised the government’s handling of the agreement, suggesting that it replicates previous problematic practices. He said, "It even introduces an even worse practice, which, in addition to constitutional disputes, is characterised by ignoring the local community, the absence of a wider public debate, speeding up the parliamentary procedure."

In contrast, members of the ruling Europe Now (PES) party have argued in favour of the agreements. Filip Radulovic, a party leader, told RTCG that the partnerships with the UAE are a significant opportunity for Montenegro’s economic growth. "Montenegro is more than ready for new investments, new jobs and a better standard of living. The agreement with the UAE confirms the determination of government of Montenegro to strive for the valorisation of tourist potentials and the expansion of the offer, in cooperation with very credible partners, from which we as a state will have multiple benefits in the long run," he said.

Public opposition has also materialised through protests. A coalition known as Big Beach or Big Lie held demonstrations in front of Montenegro’s parliament, voicing concerns about the rushed legislative process and lack of transparency. The group’s statement to RTCG expressed fears that the multi-billion-euro agreements were being fast-tracked without public debate or proper legal procedures, potentially jeopardising Montenegro’s natural resources and public interest.

To help temper tensions, the Democratic People’s Party (DNP), a member of the ruling coalition, has proposed amendments to the agreements. The suggested modifications would stipulate that at least 50% of the investments should be directed towards the economically disadvantaged northern region of Montenegro. This proposal, if adopted by parliament, aims to distribute the benefits of foreign investment more evenly across the country.

As of now, the Montenegrin parliament is engaged in heated discussions about the future of these agreements, balancing the potential economic benefits against concerns over legality, environmental impact, and local community interests. The involvement of the European Commission in reviewing the compatibility of the deals with EU standards adds an additional layer of scrutiny to the ongoing debate.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

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4. <https://en.vijesti.me/column/754689/masala> - Although not directly about the UAE agreement, Vijesti often covers local political and economic issues, which can include discussions around foreign investment and real estate development in Montenegro.
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7. <https://news.google.com/rss/articles/CBMirAFBVV95cUxPZTJ2aDU0Nnc5c0h3UGp2ZDdqS3BRQXRMUFJqX0hKYzhPLWtDLVZPNzd4UWYzSW1Udl9BWm1pVkNJWVBRb3hJSEprdy1BT1JKanRBN2Zya0JhZk9aQXF4d3BIclBlQTMwcTkyNnlmeUNDS3l4MGJRTnQtR2ozMmJ2VmdIcnZkaHo1WG9QSGIwazFBZGlRU1o1WHV0VEFscmpUVWhxRnlmYm5UZEJ2?oc=5&hl=en-US&gl=US&ceid=US:en> - Please view link - unable to able to access data