**Montenegro, the hot new playground for the super-rich**

**Smart marinas and gorgeous hotels are making this tiny Balkan country the latest luxe destination, says Annabelle Thorpe**

**The Times, October 6 2018, 12:01am**

There is something effortlessly glamorous about speeding across an azure sea in a vintage motorboat, particularly when the sea is flanked by mountains and terracotta-roofed villages huddle by the shore. The ride from the gleaming marina of Porto Montenegro into the legendary Bay of Kotor is spectacular; as we travel through the mouth of the bay, the stone houses of Perast shimmer in the distance, dwarfed by giant peaks. It’s the Mediterranean by way of Norway, best seen from the water — in a speedboat, preferably, rather than the crammed tourist boats we pass.

This type of experience — glamorous, elegant, moneyed — is exactly what the Montenegrin government is aiming to create for the breed of tourists it wants to welcome. A new tourism strategy will help this tiny nation of only 13,000 sq km and 600,000 inhabitants to rival Monaco as a hub for Europe’s wealthy and the global super-rich. Marinas are springing up along the coast — complete with luxury hotels, thousands of new villas and apartments, and infrastructure encompassing everything from supermarkets to luxury boutiques, restaurants, hospitals and schools. The world’s most exclusive hotels are all eager to snap up land: the Chedi has just opened, a One & Only resort is slated for next year and rumours are flying about Ritz-Carlton and Four Seasons.

All of which is quite extraordinary for a country that had to wait five years between the opening of its first luxury hotel, the Aman Sveti Stefan, and its second, the Regent Porto Montenegro, which dominates the country’s first purpose-built marina. The Aman, which opened its first rooms in the Villa Milocer on the mainland in 2009, has become one of the country’s tourism icons — a fortified village on its own island that dates from the 15th century, now an €800-a-night hotel favoured by the Beckhams, which was the venue for the tennis player Novak Djokovic’s wedding.

The Chedi Lustica Bay

The Chedi Lustica Bay

For the first time, the Aman and the Regent are facing competition, with two marinas opening — Lustica Bay and Portonovi, close to the town of Herceg Novi. As a lifelong Croatia fan I’m curious to discover why all these developments are happening in Montenegro (where I’ve never been) and set off from Dubrovnik airport to cross the border and find out what is luring the big-name brands and billionaires to this tiny corner of the Med.

The first thing that strikes me as we drive away from the Montenegrin border is how the landscape changes. I had assumed that Croatia’s rolling, mountainous landscapes and glittering coastline would simply continue, but almost immediately the slopes surge upwards to become gargantuan peaks, hurtling down to the water’s edge, leaving just a slim strip of land for clustered houses, and the shore-front road that weaves around the spectacular Bay of Kotor.

We discover the road because my lack of research means that we miss the ferry that cuts across the mouth of the bay. Instead, we add an hour to the journey to Tivat, driving past waterfront apartments and scattered beach clubs, and dodging the coachloads of tourists heading into Kotor’s old town. It’s a stunning route, but one that perhaps isn’t best done after a 5am start. Driving in Montenegro can be a frustrating business; the roads are busy (the country is a holiday destination for eastern European and Russian tourists) and there are only the briefest stretches of dual carriageway.

The Regent Porto Montenegro

The Regent Porto Montenegro

It’s something of a relief to arrive at the Regent, and before long we are on sumptuous loungers at the nearby yacht club, feeling considerably older (and chubbier) than everyone else there. Skinny Russian girls drift through the water behind oversized shades, while bored-looking boys jab at their phones. In the marina beyond, gleaming super-yachts step up in size like boating matryoshka dolls, ending with a mammoth gin palace, complete with helicopter in situ on the back. We do a spot of googling and it turns out to be the seventh most expensive yacht in the world (about £135 million), owned by a member of the Abu Dhabi royal family.

“It’s quite a juxtaposition, the displays of extreme wealth set against the backdrop of a country that’s obviously still developing. Montenegro gained its independence from Serbia after a referendum in 2006, and although the Regent is a pocket of Tom Ford/Gucci glamour, the town of Tivat that surrounds it is a fairly ramshackle place. However, the two coexist in a more mutually supportive way than many marinas I’ve visited; in the evening we eat fresh scallops and succulent dentex (a local fish) at Murano, the hotel’s terrace restaurant, while an Italian-style passeggiata takes place along the wide promenade. It’s an engaging mix of locals and tourists, wealthy sailing types and families, out for a stroll in the cooler evening temperature.

A suite at the Chedi Lustica Bay

A suite at the Chedi Lustica Bay

Porto Montenegro is the blueprint for the marinas that are in development in nearby Lustica Bay and Herceg Novi; a mix of hotel and holiday apartment complexes, all aimed at a very specific market. As we drive down the coast to Budva, the road is lined with massive advertisement hoardings promoting the Regent and the Chedi. The images of luxurious villas contrast sharply with the simple roadside konobas (restaurants), workshops and supermarkets beneath them.

Before I came to Montenegro, I was concerned that this spate of upmarket developments might spoil a country I had always imagined to have an underdeveloped beauty. As we drive south, it quickly becomes clear that although that might be true of the inland lakes and mountains, there’s little of the coast that hasn’t been touched. We stop at Budva, which manages to combine being the unofficial party capital of eastern Europe with having an old town that dates back more than 2,500 years; we potter around the ancient streets, eating gelato and browsing in the small jewellery shops. Like Kotor, it’s ridiculously picturesque and a stark contrast to the sprawl of modern hotels and apartments along the sweep of the bay.

However, even in a country of contrasts, there is little to match the Aman Sveti Stefan. The island on which it stands, reached by a narrow isthmus, was built as a defensive position against the Turks and by the 1800s, had a population of about 400. By the 20th century most inhabitants had left and, in 1954, development began to create the luxury hotel. Over the next 30 years Sveti Stefan hosted politicians, celebrities and even world-class chess tournaments before it fell into decline after the fall of Yugoslavia.

The restaurant at Aman Sveti Stefan

The restaurant at Aman Sveti Stefan

The surprise purchase by Aman resulted in the cottages being converted into 50 spacious suites, with eight more at Villa Milocer on the mainland. The brand is a byword for minimalist luxury and Sveti Stefan is no exception; our vast suite has a lounge, bedroom and bathroom, each of which could be a decently sized hotel room on their own. Another room seems to exist purely for the point of making tea (never a bad thing). It is, as with all Aman properties, bordering on the monastic; every room a palette of cream, taupe and white — a counterpoint to the vivid blues and greens outside the window. Many who stay here love the calm tranquillity of the rooms, although they are a bit stark to me.

The island is a delight; cobbled lanes twist between the stone cottages, although Aman’s frankly ridiculous policy of not using signs means that the restaurant is as hard to find as the hotel. When we finally stumble across the bar, the breathtaking view — a flaming pink sunset that blurs Budva into an elegant, mountain-backed silhouette — soothes our irritation, along with a glass of particularly fine Serbian rosé. Dinner proves equally surprising: instead of Michelin star-esque pretension, we eat hearty Italian dishes; an unctuous risotto, fresh fish and a dessert of gooey meringue and berries that is teeth-stickingly good.

The Aman is something of a rarefied experience, but it’s exactly this type of exclusivity that the Montenegrin government wants to promote, carving up stretches of coastline to develop settlements that will lure Europe’s elite. Lustica Bay is the flagship, a €1 billion development scheduled for completion in 2030 that will feature seven hotels, hundreds of houses, a school, a hospital and shops scattered across the untouched hillsides. The first stage opened this summer — a small marina and a smattering of houses, dominated by the glittering new Chedi hotel.

Where Lustica differs from Porto Montenegro is that there is nothing in the immediate vicinity: stay at the Regent and you can stroll into the streets of Tivat; stay at the Chedi and there is nothing besides the hotel’s purpose-built beach and the pristine streets of the housing development. Driving in feels as if we have happened upon a film set — Portofino-esque houses, linked by spotless cobbled streets, entirely empty apart from bored-looking security guards stationed at points along the road.

Some of the houses have been sold and the Chedi is fully booked. I find myself more than a little bemused — the hotel is stylish enough, with a chic ice-blue and white lobby, complete with swing seat and views over the marina, but the swimming pool is tiny, with loungers crammed between two wings of the hotel. The man-made beach is a key selling point, not least because, as we’ve realised from driving around, beaches any wider than about 3ft are a rare find in Montenegro.

However, as with Porto Montenegro, Lustica comes into its own at night, when the darkness softens the newness of the structure and the waterfront hums with people. There are only two restaurants open at the moment — a locally run café and The Spot, the Chedi’s informal brasserie. For now, its pricing is incredibly reasonable — €9 (£8) for a delicious prawn curry and €3 for a beer. I’m told that it’s part of a policy to make the marina accessible to everyone, including locals.

This kind of development is clearly where Montenegro sees its future. Its dramatic coastline is a big draw for the sailing fraternity and the marinas offer all types of sailing, from crewed yachts to day hires, berths and sightseeing tours — the ideal way to explore the country without engaging with its somewhat challenging road system.

On our final day we cross back into Croatia and stop for lunch in Cavtat, a village that I’ve been visiting since 1982. It’s a bit slicker now, a few more restaurants, but the palm-lined waterfront is relatively unchanged. I’m grateful, but still slightly bemused — a Mandarin Oriental or a Chedi would work perfectly among the quiet, pine-clad bays. There’s something of a hare-and-tortoise feel to these two neighbours, with Croatia, which blazed a hugely successful tourism trail when it emerged from the civil war of the 1990s, being slowly overtaken in the luxury stakes by its smaller, less developed neighbour.

In many ways, the new projects are bringing good things to Montenegro — job opportunities, improved infrastructure and a growing economy. For a small country it’s punching far above its weight and the ambitions of the government are clearly paying off; the hotels are full, the marinas bustling and there’s an influx of wealthy expats that is unmatched anywhere else in the Balkans. It is a beautiful country, but I was wrong to think that it was undeveloped. My fear is that the real work has only just begun.

Need to know

Annabelle Thorpe was a guest of the Regent Porto Montenegro (0808 234 6686, regenthotels.com) which has B&B doubles from £171 a night; of the Chedi (00 382 32 661 266, chedilusticabay.com) which has B&B doubles from £215 and of Aman Sveti Stefan (00 382 33 420 184, aman.com), which has B&B doubles from £745

How to get there Easyjet (easyjet.com) flies from Gatwick to Dubrovnik from £53.40 return. Rhino Car Hire (rhinocarhire.com) has a week’s car hire from £38. It costs an additional €10 (£9) a day to take a car over the border. Holiday Extras has a week’s parking at Gatwick from £31.75 (holidayextras.co.uk)