

# Orco threatening with international arbitration in Croatia

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Property developer Orco is demanding a satisfactory resolution of the dispute over the hotel project Suncani Hvar within three months from the Croatian government, otherwise it will seek remedy at international arbitration. CEO of the company, Jean-Francois Ott said this.

Orco entered into the project of converting ten older hotels on the island of Hvar into luxury facilities five years ago under the agreement with the local state privatization fund. Ott has now said that Orco, despite the recent financial crisis, fulfilled its obligations but the government fund fulfilled none of the obligations under the agreement.

Orco owns 55 per cent of the project, 31 per cent is controlled by Croatia, the remainder is in the hands of minor shareholders. According to Ott, Orco has invested EUR 65 million in the hotel complex, ie. about 1.6 billion CZK.

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