

EIB to support Croatia invest more in energy, climate and sustainability projects



- The EIB and the Croatian Ministry of Economy and Sustainable Development expand cooperation on the development and financing of Croatia's key energy, resilience and climate projects.
- The EU bank will help Croatia maximise opportunities created by various EU funds and initiatives, including the European Commission's Green Deal Investment Plan.
- The partners will join efforts to contribute to a green, energy efficient and sustainable European Union.

The European Investment Bank (EIB) and the Ministry of Economy and Sustainable Development of the Republic of Croatia have agreed to expand cooperation on the development and financing of key energy, sustainability and climate-related projects in the country.

Under the Memorandum of Understanding signed today, the two sides have agreed to develop joint operations in areas such as (i) renewable electricity generation and transmission distribution infrastructure; (ii) clean energy and energy efficiency measures, and renovations and conversions of buildings; (iii) green mobility; and (iv) support for the Croatian economy's transition to a circular economy.

The EIB will step up its support to the Croatian Ministry of Economy and Sustainable Development and back key energy and climate initiatives such as the National Energy and Climate Plan. The partners will also cooperate to maximise opportunities stemming from EU programmes such as InvestEU, the Green Deal Investment Plan, and the Just Transition Fund.

EIB Vice-President Dario Scannapieco, who is in charge of operations in Croatia, said: "This agreement is a win-win cooperation on the common goals related to energy, resilience and climate projects in Croatia. It will also enable the country to maximise the opportunities stemming from various EU programmes, funds and initiatives and attract more finance for key operations, which will help the Croatian economy recover from the COVID-19 pandemic and the two devastating earthquakes that recently struck the country."

Minister of Economy and Sustainable Development Tomislav Čorić, PhD, said: "Cooperation between the Ministry and the EIB has been fruitful and this Memorandum will help us to strengthen our partnership even more. Croatia supports the decarbonisation of Europe and we see it as an opportunity for the development of the Croatian economy. Our goal of running on renewable energy by 2030 is ambitious but achievable. We also have a lot of new green projects that will decarbonise our economy and we see the EIB as a strong

partner in implementing these projects.”

Ognian Zlatev, Head of the European Commission’s Representation in Croatia, said: “We very much welcome this cooperation between the EIB and the Croatian government, which will help maximise the great opportunities created by EU funds and initiatives in the field of climate and energy. This will help Croatia to make the most of the Commission’s European Green Deal Investment Plan and successfully implement its ambitious energy and climate projects, in line with the EU target to be climate-neutral by 2050.”

EU bank support boosts Croatia’s COVID-19 and earthquake recovery

The implementation of the projects outlined in the National Energy and Climate Plan are expected to boost the local economy as it recovers from the effects of the COVID-19 pandemic and the two devastating earthquakes that hit the country in 2020.

Support for a green, energy efficient and sustainable Croatia

The partners agreed on a coordinated effort to create long-term conditions for the sustainable development of Croatia through (i) improved protection and conservation of the environment; (ii) the development of sustainable water management practices; (iii) the development of systems to monitor weather and climate conditions; and (iv) the strengthening of Croatia’s energy and hydrocarbon management systems.

The Memorandum of Understanding outlines the support the EIB will extend to the Ministry of Economy and Sustainable Development in implementing the National Energy and Climate Plan and the Recovery and Resilience Plan, as well as major energy efficiency projects in the country, contributing to Croatia’s and the European Union’s energy and climate goals.

Croatia’s Energy Strategy and National Energy and Climate Plan are spearheaded by the Ministry of Economy and Sustainable Development. These documents are key to the long-term, sustainable and green development of Croatia and will help accelerate the achievement of the European Union’s energy and climate goals.

EIB to invest €1 trillion in climate action by 2030

The EIB will increase similar investments across the European Union as it transforms into the EU climate bank, mobilising €1 trillion for the climate and the environment by the end of the decade.

Last year, the share of EIB investments that went towards climate action and environmental sustainability projects rose from 34% to 40%, in spite of the COVID-19 crisis, bringing the EU bank closer to its 50% target.

In November 2020, the EIB Board approved the Climate Bank Roadmap, which outlines how the Bank will achieve these ambitious targets. The Roadmap sees the phasing-out of financing for high-emission projects such as airport expansions and sets stringent criteria for the financing of certain other projects such as motorways, after the Bank already announced an end to

unabated gas projects.

Maximising and expanding opportunities from EU funds and initiatives

The EU bank will also provide technical and advisory support to maximise and expand opportunities deriving from EU initiatives and funds by working alongside the Croatian Ministry of Environment to **access and blend** financing from these sources with EIB financial products.

The EIB in Croatia:

To date, the EIB has supported the economic and social development of Croatia by investing €6.71 billion in operations covering the most important sectors of Croatia's economy, including transport, the environment, energy infrastructure, manufacturing and services. Another key component of EIB activities in Croatia is support for small and medium-sized enterprises (SMEs) and mid-caps through the creation of long-term financing options in cooperation with local financial institutions. To date, the EIB has supported Croatian SMEs by unlocking new sources of finance worth close to €3.75 billion.