

To the attention of:

Mrs Teresa Ribera, Executive Vice-President for a Clean, Just and Competitive Transition

Mr Dan Jørgensen, Commissioner for Energy and Housing

Ref: OIEH-053/2025
Zagreb, 15.09.2025

Subject: Joint letter from RES Croatia with SolarPower Europe and WindEurope – call to action to safeguard renewable energy development in Croatia

Dear Mrs. Ribera and Mr. Jorgensen,

We are writing to you on behalf of RES Croatia, together with SolarPower Europe and WindEurope, to raise urgent concerns about the situation in Croatia's renewable energy sector.

Croatia is currently subject to infringement proceedings due to delays in implementing the RED II and RED III. These delays, combined with the postponed update of the National Energy and Climate Plan (NECP), reflect the absence of a clear energy transition policy. The European Commission has also explicitly acknowledged Croatia's lag in this area in its *Croatia 2025 Country Report*.¹

At a moment when the EU is striving to accelerate renewable deployment, Croatia is moving in the opposite direction: large-scale projects have been blocked for years, investor confidence has collapsed, and systemic distortions in the balancing market are undermining fair competition. Unless urgent action is taken, billions of euros in planned renewable investments will be lost, jeopardizing both Croatia's contribution to the EU's 2030 climate and energy targets and the competitiveness of its economy.

Key Requests to the Croatian Government

We urge you to call on the Government of the Republic of Croatia to:

- **Immediately unblock project development** by requiring the Croatian Energy Regulatory Agency to adopt a unit connection fee by 19 September 2025, ending the blockade of projects above 10 MW. This fee was legally required to be adopted as early as September 2022.
- **Prevent cost-shifting of systemic grid investments** onto developers and ensure that grid expansion is financed in line with EU principles, particularly for cross-border and security-of-supply projects.
- **Guarantee transparent and competitive balancing markets** by opening them to renewable producers, enforcing cost-reflective imbalance settlement, and addressing the structural conflict of interest of the state-owned utility.
- **Integrate battery storage and electrification into national planning**, aligning Croatia's NECP and TYDPs with EU climate goals and ensuring that investments in LNG terminals and gas pipelines do not crowd out electrification efforts.

¹ https://economy-finance.ec.europa.eu/publications/2025-european-semester-country-reports_en Page 17.

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These are not abstract issues. The prevailing legal uncertainty has already led to the withdrawal of several European companies from the Croatian market.² **Additional 2.5 GW of renewable projects will be abandoned if a unit connection fee is not implemented by next week**, leading to further reputational damage for Croatia and loss of investor confidence.

In March 2025, the **Minister of Economy announced that the unit connection fee would be set at 0 €/kW** and that developers would be offered flexible contracts to encourage investment in battery storage.³ This commitment must now be honoured without delay.

In the **balancing market**, RES producers are excluded, while market participants are charged inflated costs from a monopoly provider.

This is a systemic regulatory failure. Without urgent intervention, **Croatia will lose its renewable investment pipeline, lock its energy system further into fossil fuel imports, and derail its contribution to the European Green Deal**. We therefore urge the European Commission to immediately raise this issue with the Croatian Government and to use all available instruments to ensure compliance with EU law and alignment with the EU's policy on energy security and decarbonisation.

We remain at your disposal for further discussion and have prepared a detailed background document that outlines the issues described above in greater depth.

Sincerely,

Maja Pokrovac, M.Sc
Director, RES Croatia



Walburga Hemetsberger
CEO SolarPower Europe



Giles Dickson
CEO, WindEurope



² <https://montelnews.com/news/statkraft-cites-high-costs-grid-fees-for-croatia-exit>

³ <https://www.vecernji.hr/vijesti/ante-susnjar>