

State Secretary at the Croatian Ministry of Economy and Sustainable Development Ivo Milatic said that the price of electricity for household consumers will not be increased by the end of the year .

Milatic said that state-owned power utility HEP gave assurances that the price will not be increased. Regarding the 2022, he said some corrections may be expected next year, but to a lesser extent compared to other markets in Europe, because Croatia has a unique energy mix, in which renewable energy capacity, predominantly hydro, is accounted for 60 % share, so the production costs are lower. Also, about 80 % of the retail electricity market is held by state-owned HEP, which has its own production, so the customers are protected from the fluctuation of prices on the free market.

However, the opposition criticized the Ministry because it will allow price increases for commercial consumers, which will lead to higher prices for all products in Croatia. Also, Croatia imports about a third of its electricity needs, it is heavily import dependent and, therefore, vulnerable to fluctuations of prices on regional markets.

Milatic replied that the new law on the electricity market envisages significant investments in new electricity generation capacities, which will rise by an additional 3,500 GW by 2030. Currently, installed capacity in the country amounts to some 5,200 GW.