

According to energy expert Igor Dekanic, recently approved REPowerEU Plan, which envisages that JANAF can become a strategically important oil pipeline and that the Krk LNG terminal should increase its capacities, creates great opportunities for Croatia as a future energy hub in Central and Southeastern Europe.

Dekanic believes that the Plan will enable JANAF to become a supply route for several countries. Furthermore, the Plan creates possibilities for investment of European funds for this purpose. However, it remains to be seen whether JANAF's pipeline will be expanded and upgraded or whether its compressor stations will enhance their capacities. In either case, great investments will be necessary.

He added that the same could be said for the Krk terminal. Based on the future feasibility study, it will be determined whether Croatia will invest in the construction of land-based LNG terminal or it will lease another floating storage and regasification unit (FSRU).

Earlier this week, The European Commission (EC) presented the REPowerEU Plan, its response to the hardships and global energy market disruption caused by Russia's invasion of Ukraine. There is a double urgency to transform Europe's energy system: ending the EU's dependence on Russian fossil fuels, which are used as an economic and political weapon and cost European taxpayers nearly 100 billion euros per year, and tackling the climate crisis. By acting as a Union, Europe can phase out its dependency on Russian fossil fuels faster. A massive scaling-up and speeding-up of renewable energy in power generation, industry, buildings and transport will accelerate our independence, give a boost to the green transition, and reduce prices over time. The Commission proposes to increase the headline 2030 target for renewables from 40 to 45 % under the Fit for 55 package.

Delivering the REPowerEU objectives requires an additional investment of 210 billion euros between now and 2027. This is a down-payment on our independence and security. Cutting Russian fossil fuel imports can also save us almost 100 billion euros per year. These investments must be met by the private and public sector, and at the national, cross-border and EU level.

To support REPowerEU, 225 billion euros is already available in loans under the Recovery and Resilience Facility (RRF). The Commission adopted legislation and guidance to member states today on how to modify and complement their RRFs in the context of REPowerEU. In addition, the Commission proposes to increase the RRF financial envelope with 20 billion euros in grants from the sale of EU Emission Trading System allowances currently held in the Market Stability Reserve, to be auctioned in a way that does not disrupt the market. As such, the ETS not only reduces emissions and the use of fossil fuels, it also raises the necessary funds to achieve energy independence.