

 Early Warning System

EBRD-21894

Support for the development of the Carbon Capture Utilisation and
Storage (CCUS) projects in Croatia



Early Warning System

EBRD-21894

Support for the development of the Carbon Capture Utilisation and Storage (CCUS) projects in Croatia

Quick Facts

Countries	Croatia
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	U
Voting Date	2025-07-22
Borrower	Government of Croatia
Sectors	Climate and Environment, Energy, Law and Government
Investment Type(s)	Advisory Services



Project Description

As stated by the EBRD, the general objective of this Project is to support Croatia in designing a comprehensive policy framework and mapping of suitable sites for CCUS project, which could encourage investment in CCUS. The key objectives of this Project are to:

- Review and conduct a gap analysis of the existing policy framework for CCUS;
- Provide recommendations for the CCUS development, considering technical, economic and environmental and social (E&S) considerations. This will include an interactive map of Croatia identifying optimal sites for CO₂ storage, existing and potential pipeline routes, locations of CO₂ emitters and users;
- Prepare a Roadmap for CCUS development in Croatia with a step-by-step action plan for the development of CO₂ management potential in Croatia.

Croatia is committed to the EU's climate targets, aiming for climate neutrality by 2050 and a reduction of net greenhouse gas emissions by at least 55% by 2030 (compared to 1990 levels). These legally binding targets are enshrined in the European Climate Law.

Croatia is committed to the EU's climate targets, aiming for climate neutrality by 2050 and a reduction of net greenhouse gas emissions by at least 55% by 2030 (compared to 1990 levels). These legally binding targets are enshrined in the European Climate Law. The Commission Communication on the EU's climate target for 2040 highlighted the need for 450 million tonnes of CO₂ per year to be captured and stored or utilised by 2050. The EU's policies include strengthening incentives for Carbon Capture, Utilisation and Storage (CCUS) through the revision of the EU Emissions Trading System (ETS) and supporting the development of CO₂ transport and storage infrastructure as part of the Trans-European Networks for Energy (TEN-E) Regulation. Furthermore, the Directive on the Geological Storage of Carbon Dioxide provides a regulatory framework for the storage of CO₂. The EU Industrial Carbon Management Strategy outlines the role of CCUS in decarbonizing hard-to-abate sectors, setting targets for CO₂ capture and storage infrastructure. The Net-Zero Industry Act (NZIA) aims to accelerate CCUS deployment by streamlining permitting, supporting CO₂ transport networks, and ensuring a strategic approach to CO₂ storage development. Together, these initiatives position CCUS as a key tool for reducing industrial emissions and enhancing the EU's green competitiveness.

Croatia's updated National Energy and Climate Plan (NECP) 2021-2030 recognizes the importance of CCUS in reducing industrial emissions, particularly for cement, steel, and hydrogen production. However, despite its potential, the deployment of CCUS in Croatia remains at an early stage due to the absence of a comprehensive regulatory framework. The lack of clear permitting procedures, regulatory guidelines, and incentive mechanisms poses a major barrier to investment in CCUS infrastructure. Additionally, Croatia has yet to establish a national strategy for CO₂ transport and storage, which is essential for the scaling up of CCUS projects.

Croatia's Low Carbon Development Strategy Document envisions CO₂ storage projects starting by 2030 and scaling up by 2050, requires the establishment of a comprehensive regulatory and legal framework governing the full lifecycle of CCUS projects. This includes defining site selection criteria, permitting processes, liability provisions, and financial incentives for CO₂ capture, transport, and storage infrastructure. Without such a framework, Croatia risks falling behind in the deployment of CCUS technologies and missing its emissions reduction commitments.

As a result, the Croatian Hydrocarbon Agency (Agencija za ugljikovodike) ("Agency" or "CHA") and the Croatian Ministry of Economy (Ministarstvo gospodarstva) ("Ministry") have requested EBRD's support to improve the policy framework for CCUS through the Technical Support Instrument of SG REFORM. This Project will pave the way for CCUS development.



Investment Description

- European Bank for Reconstruction and Development (EBRD)

Information on investment amount not provided at the time of disclosure.



Contact Information

General enquiries:

Phone: +44 20 7338 7168

Email: projectenquiries@ebrd.com

ACCESS TO INFORMATION

You can request information by emailing: accessinfo@ebrd.com or by using this electronic form:

<https://www.ebrd.com/eform/information-request>

ACCOUNTABILITY MECHANISM OF EBRD

The Project Complaint Mechanism (PCM) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an European Bank for Reconstruction and Development (EBRD)-financed project. If you submit a complaint to the PCM, it may assess compliance with EBRD's own policies and procedures to prevent harm to the environment or communities or it may assist you in resolving the problem that led to the complaint through a dialogue with those implementing the project. Additionally, the PCM has the authority to recommend a project be suspended in the event that harm is imminent.

You can contact the PCM at: pcm@ebrd.com or you can submit a complaint online using an online form at:

http://www.ebrd.com/eform/pcm/complaint_form?language=en

You can learn more about the PCM and how to file a complaint at: <http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html>