

# Development of gas market in Croatia

*2<sup>nd</sup> Meeting of the UNECE Gas Centre Task Force Group  
on the Gas Market and Regulation  
December 2012, Brussels, Belgium*

# Croatian EU accession bid

- Croatia applied for EU membership in 2003
- Accession negotiations finished on June 30, 2011
- Signing of the Accession treaty and Croatian referendum took place in the December 2011
- The country shall enter the European Union on 1 July 2013 after completion of the ratification process in all EU member states and in Zagreb



## **Comprehensive Monitoring Report on Croatia's state of preparedness for EU membership Brussels, 10.10.2012**

*„ In the field of energy further efforts are required, in particular to complete the legislative alignment in the area of the internal energy market, and to ensure the development of a competitive market for electricity and gas. Croatia also needs to continue efforts to meet the 2020 requirements regarding the promotion of energy efficiency and renewable energy.”*

# Role of Croatia in region



- Necessary conditions for achieving an integrated regional market:
- New infrastructure
  - Interconnectors (bidirectional flow)
  - Gas storage
- New sources of natural gas (LNG, Nabuco ...)
- Regional energy cooperation
- Harmonization of regulations

Role of Croatia: from dead-end street to a key regional gas center:

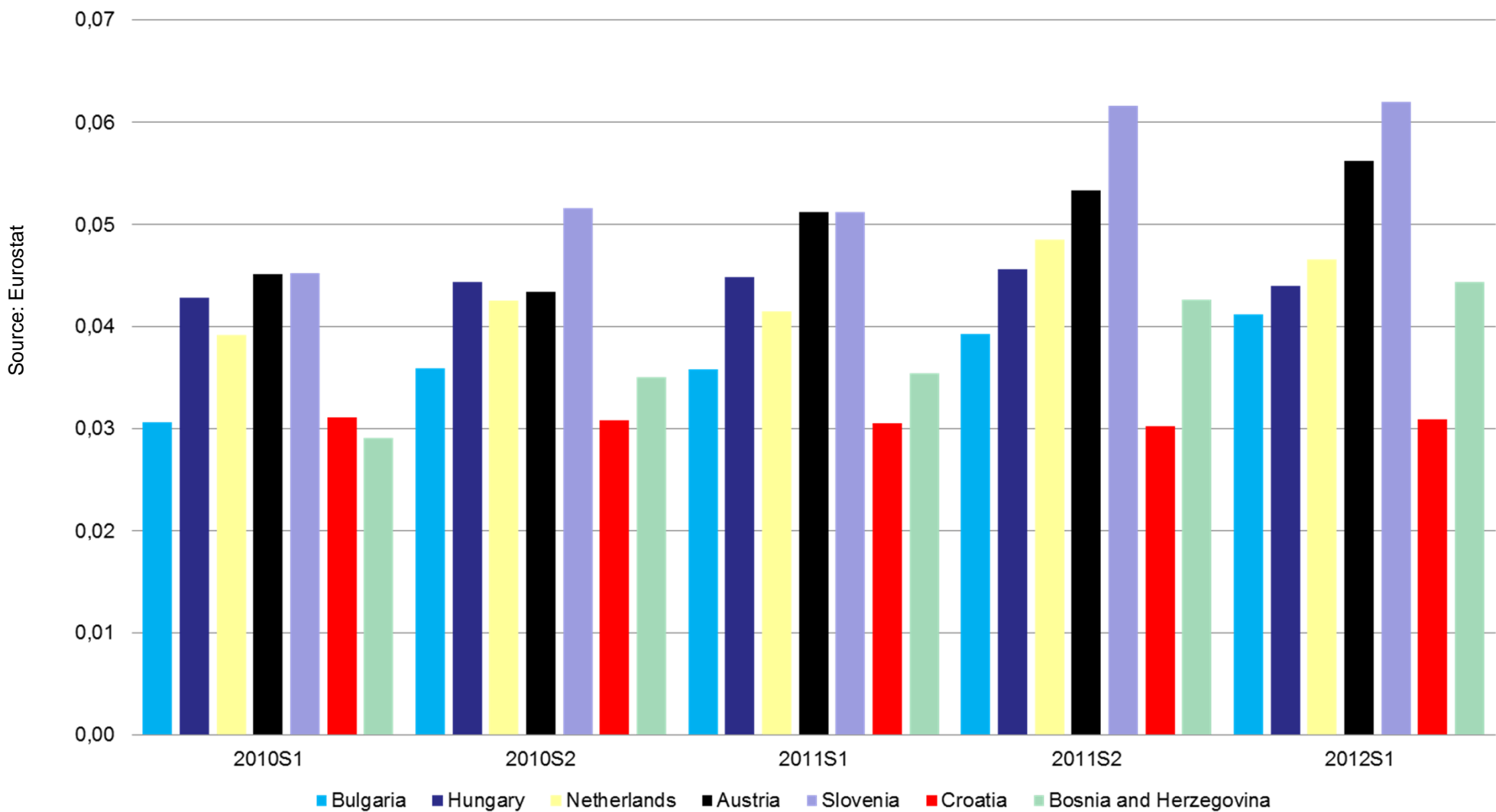
- Croatia was a dead-end street-type, limited sized market from natural gas point of view with limited infrastructure (both in transmission and storage) and strict market regulation, therefore less attractive for international players.
- New interconnector opens the gate for major regional gas players and volumes, but it is only one part of the solution.
- Limited additional infrastructure developments (compressors to secure reverse-flow capability of Slovenian and Hungarian interconnectors) may generate significant additional gas transit volumes for Croatia.

# Compliance and harmonization with EU Gas Directives

1. Energy Act (official gazete No 120; 31/10/2012)
2. Act on the Regulation of Energy Activities (official gazete No 120; 31/10/2012)
  - Act On Gas Market (AGM)- public discussion
  - Ordinance on the Natural Gas Market Organization (AGM+6 months)
  - General Conditions for the Natural Gas Supply (AGM+6 months)
  - Network codes (AGM+6 months)

\* Excluding taxes

### Gas - domestic consumers - half-yearly prices (€/kWh)



Thank you !