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COMMISSION IMPLEMENTING DECISION

of 22.12.2025

on the authorisation of the disbursement of the seventh instalment of the non-repayable support and the third instalment of the loan support for the Republic of Croatia

(Only the Croatian text is authentic)

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THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility¹, and in particular Article 24(5) thereof,

Whereas:

- (1) According to Article 4(2) of Regulation (EU) 2021/241, the specific objective of the Recovery and Resilience Facility is to provide Member States with financial support with a view to achieving the milestones and targets of reforms and investments as set out in their recovery and resilience plans.

Council Implementing Decision of 28 July 2021 on the approval of the assessment of the recovery and resilience plan for Croatia² (the ‘Council Implementing Decision’) provides that the Union is to release instalments in accordance with the Financing Agreement and the Loan Agreement conditional on a decision by the Commission, taken in accordance with Article 24(5) of Regulation (EU) 2021/241, that Croatia has satisfactorily fulfilled the relevant milestones and targets identified in relation to the implementation of the recovery and resilience plan.

- (2) On 25 July 2025, Croatia submitted a request for payment, accompanied by a management declaration and a summary of audits. The request concerned the seventh instalment of the non-repayable support and the third instalment of the loan support. Pursuant to Article 24(3) of Regulation (EU) 2021/241, the Commission assessed on a preliminary basis whether the relevant milestones and targets set out in the Council Implementing Decision had been satisfactorily fulfilled. For the purpose of this assessment, the operational arrangements concluded between the Commission and Croatia³ in accordance with Article 20(6) of Regulation (EU) 2021/241, were taken into account.
- (3) The Commission made a positive preliminary assessment of the satisfactory fulfilment of all 47 relevant milestones and targets related to the non-repayable support and all 6 relevant milestones and targets related to the loan support and, in accordance with

¹ OJ L 57, 18.2.2021, p. 17.

² ST 10687/21; ST 10687/21 ADD 1 as amended by ST 15834/23; ST 15834/23 COR 1; ST 15834/23 ADD 1 REV 1; ST 14432/24; ST 14433/24; ST 9586/25; ST 9586/25 ADD 1; ST 14448/25; ST 14448/25 ADD 1.

³ Recovery and Resilience Facility Operational arrangements between the European Commission and Croatia, entered into force on 9 February 2022, as amended on 18 April 2024.

Article 24(4) of Regulation (EU) 2021/241, provided its findings to the Economic and Financial Committee asking for its opinion on the satisfactory fulfilment of the relevant milestones and targets. In accordance with Article 25(4) of that Regulation, the Commission provided the competent committee of the European Parliament with an overview of its preliminary findings concerning the satisfactory fulfilment of the relevant milestones and targets. The Economic and Financial Committee agreed with the Commission's positive preliminary assessment and was of the opinion that Croatia has satisfactorily fulfilled all the milestones and targets associated with the payment request. The Commission has taken the opinion of the Economic and Financial Committee into account for its assessment.

- (4) Section 2(1)(7) of the Annex to the Council Implementing Decision provides the relevant milestones and targets that are to be satisfactorily fulfilled for the seventh instalment of the non-repayable support for an amount of EUR 699 096 086.
- (5) Section 2(2)(3) of the Annex to the Council Implementing Decision provides the relevant milestones and targets that are to be satisfactorily fulfilled for the third instalment of the loan support for an amount of EUR 531 769 622.
- (6) Milestone 3 requires an upgrade to the existing START platform, expanding its digital services, access and integration, and creation of a new platform, START Plus, increasing transparency around market entry conditions and business regulations. The evidence provided by Croatia demonstrates that enhanced functionalities, integration with relevant databases and improved digital authentication features of the START platform and the creation of the START Plus platform for licensing and regulatory transparency have been delivered. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (7) Target 4 requires the establishment of 20 new physical access points to the START platform in order to increase its use and ensure better integration between processes initiated through both the digital and physical platforms. The evidence provided by Croatia demonstrates that the required 20 new physical access points have been set up in different localities, expanding access and improving integration of services. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (8) Milestone 5 requires digitalisation of procedures under the Croatian Law on Strategic Investment Projects, the Law on Investment Promotion, and the Law on State Aid for Research and Development Projects, implementing an online platform for submitting and assessing applications for support as well as upgrading and expanding the Single Register of Enterprise Infrastructure (JRPI). The evidence provided by Croatia demonstrates that these processes have been digitalised through an operational digital platform for processing applications and the JRPI has been further developed and networked. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (9) Target 10 requires the development of a new/fifth Action Plan on administrative burden relief and the implementation of measures that reduce administrative burdens on entrepreneurs by at least EUR 132 722 808, in cooperation with the state body responsible for digitalisation, creating a more favourable business environment. The evidence provided by Croatia demonstrates that the new/fifth Action Plan has been adopted and that measures implemented to meet the target have achieved at least the required reduction in administrative burden through digitalisation and optimisation of

burdensome administrative processes. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.

- (10) Target 12 requires the simplification or removal of at least 50 regulatory requirements for professional services, based on the implementation of the second and third action plans for liberalising services markets, including for the professions of lawyers, notaries, tax advisors, auditors, pharmacists and pharmacies, physiotherapists, architects, engineers, and tourist guides. The evidence provided by Croatia demonstrates that more than 50 regulatory requirements have been simplified or removed and that the listed professions are covered. The Council Implementing Decision required that the simplifications or removals be based on the implementation of the second and third action plans for the liberalisation of service markets. Some measures submitted by the Croatian authorities were implemented outside the formal framework of these action plans. Whilst this constitutes a minimal substantive deviation, it is acceptable because the measures implemented outside the action plans also simplify or remove regulatory requirements for professional services and are fully aligned with the reform's objectives. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (11) Milestone 13 requires the establishment of a strategic framework for the promotion of private investment. This includes the adoption and publication of the National Plan for the Promotion of Investment 2023–2030, the Action Plan to Boost Investment 2023–2028, the entry into force of a new Law on Investment Promotion, and the launch of an operational digital platform to support coordinated international, national and regional investment promotion. The milestone further requires three analytical studies: a review of the institutional setup, an evaluation of foreign direct investment impacts, and recommendations for regulatory and institutional reforms, including proposals for tax incentive design. The Commission has identified a clerical error in the text of the Council Implementing Decision and has undertaken the assessment on a revised basis. In addition, instead of three analytical studies, Croatia has relied on one OECD study. Whilst this constitutes a minimal substantive deviation from the Council Implementing Decision, it is acceptable because the OECD analysis nonetheless covers all required elements. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (12) Milestone 28 requires amendments to the legal framework for R&D tax incentives, based on an analysis of the current R&D tax incentive scheme and cooperation with competent bodies as key stakeholders, with the objective to increase private investment in R&D. The amendments should encourage higher participation in the scheme and increase the intensity of R&D investments, as well as reduce administrative burdens. The evidence provided by Croatia demonstrates that adopted amendments to the State Aid Act, based on the required analysis and prepared in cooperation with the Ministry of Finance and the Tax Administration, provide for stronger incentives for R&D investments, more transparency and better access to the scheme. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (13) Target 30 requires granting aid to at least 141 innovative start-ups in high-technology and knowledge-intensive sectors, to stimulate their growth in the pre-commercial phase, through support for product development, production capacity and investment-readiness. The evidence provided by Croatia demonstrates that aid has been awarded to at least the required number of eligible start-ups for intended activities, such as upgrading, design and testing of products, development of pilot lines and intellectual

property protection, supporting early-stage growth in high-technology and knowledge-intensive sectors. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.

- (14) Target 32 requires granting aid to at least 95 small and medium-sized enterprises (SMEs) with mature innovation projects—defined as Technology Readiness Level (TRL) 7 or higher—to support the commercialisation and internationalisation of their marketing, sales and distribution activities for innovative products launched onto the domestic market. The investment requires supporting the adaptation of developed products or services and their preparation for market launch, as well as prioritising proposals that contribute to the green transition. The evidence provided by Croatia demonstrates that aid has been granted to at least the required number of SMEs with eligible mature innovation projects. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (15) Target 41 requires at least 300 km of high voltage power line to be upgraded. The evidence provided by Croatia demonstrates that the upgrade of total length of 328,1 km of high voltage network (220/110 kV) has been completed, contributing to strengthening the grid connections. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (16) Target 42 requires at least 1 500 MW of new renewable energy sources capacity to be installed. The evidence provided by Croatia demonstrates that 1500 MW of new renewable energy sources capacity has been installed. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (17) Target 43 requires the installation of at least 40 000 electricity smart meters. The evidence provided by Croatia demonstrates that 40 000 smart meters of electricity have been installed. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (18) Target 47 requires signature of contracts for exploring geothermal potential. The evidence provided by Croatia demonstrates that six contracts have been signed for the exploration of geothermal potential and that additional two contracts have been signed for drilling of the exploratory geothermal wells. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (19) Target 61 requires the integration of the existing 200 public water suppliers into 40, according to the principle of one water supplier per service area. The evidence provided by Croatia demonstrates that the existing water utility companies were consolidated and reduced to 41 companies. While this constitutes a minimal numerical deviation of around 2.5% from the requirement of the Council Implementing Decision, it is acceptable as the overall objective of this target is considered met notwithstanding this minor deviation. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (20) Target 85 requires that the share of municipal waste sent for disposal is reduced to 51%, from the 56% baseline reported in 2022. The evidence provided by Croatia demonstrates that the amount of generated municipal waste was 1 878 802 tonnes, while the amount of municipal waste sent for disposal was 957 094 tonnes, meaning that the municipal waste disposal rate is 50.9%. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (21) Milestone 96 requires establishment of a well-functioning reporting control system for road passenger and freight transport. The evidence provided by Croatia demonstrates

that a well-functioning reporting control system for road passenger and freight transport was put in place, connecting data from the Tachograph Central Processing System (SOTAH) and the national records of tachograph cards and related records under the responsibility of the Ministry of the Sea, Transport and Infrastructure. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (22) Milestone 100 requires carrying out the reorganisation of the management of railway companies. The evidence provided by Croatia demonstrates that the reorganization of the management of railway companies and operations has been finalised. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (23) Target 105 requires reconstructing and modernising of a two-track railway line on the section Zagreb Kustošija - Zagreb Zapadni Kolodvor - Zagreb Glavni Kolodvor. The evidence provided by Croatia demonstrates that two-track railway line on the section Zagreb Kustošija - Zagreb Zapadni Kolodvor - Zagreb Glavni Kolodvor for a length of 3,4 km was reconstructed and modernised. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (24) Target 118 requires implementation of a fully electrified and greened aircraft ground handling system at the Zadar Airport. The evidence provided by Croatia demonstrates the completion of: the implementation of fixed connections for supplying electrical power to stationary aircraft with the necessary design and safety adaptations (without the increase of the apron capacity); replacement of diesel-fuelled mobile ground handling equipment with electrically powered units; and the construction of a 610 kW photovoltaic power plant and its connection with the fixed power supply system and charging stations for electrically powered mobile ground handling equipment. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (25) Target 135 requires that 30 agricultural public services which are recorded in the Digital Transformation Action Plan are digitalised. The evidence provided by Croatia demonstrates that the Digital Transformation Action Plan was adopted and had identified the public agricultural services, which was the basis for digitalisation; and that 32 services identified in the Action Plan are digitalised and accessible to wider public. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (26) Milestone 137 requires that a traceability information system is operational and made available to the public. The evidence provided by Croatia demonstrates that the traceability IT system is operational and accessible. The evidence demonstrates that the system incorporates data on agricultural products from different databases, enabling the easy access to information on all phases of a life cycle of a product via QR code. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (27) Target 148 requires the development of education programmes that further strengthen tourism sector knowledge and skills. Additionally, the education programmes must be developed in line with the labour market needs. The evidence provided by Croatia demonstrates that 12 education programmes were developed that would further help strengthen the knowledge and skills, including green and digital skills. The education programmes are specifically tailored for the labour market needs. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.

- (28) Target 164 requires that 100% of all newly recruited, permanent civil servants in government bodies are employed exclusively through a new centralised, digitised and standardised selection and recruitment system, available through a newly developed IT platform. The evidence provided by Croatia demonstrates that, following a comparative analysis of similar systems in other member states, a centralised IT platform was developed and tested, along with standardised tests and learning material. The evidence also demonstrates that all new recruitments are carried exclusively through this platform thus allowing for a centralised, objective, and transparent system of selection focusing on recruiting the most competent candidates. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (29) Milestone 178 requires the establishment of the central interoperability system, which is to: ensure the online provision of 19 administrative procedures listed in Annex II of the Single Digital Gateway Regulation to EU cross border users; include the central national portal; integrate and interconnect at least eight additional existing core public registers into the system; and ensure that the information on the various registers is consolidated in one place and available to public administrations, citizens and businesses. The evidence provided by Croatia demonstrates that the central interoperability system is online and accessible, the central national portal is up and running, additional 12 existing core public registers have been integrated into the system, and 19 administrative procedures are being provided to EU cross border users. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (30) Target 185 requires that Certilia mobile application is downloaded 300 000 times via Google Play Store and App Store. Additionally, 100 000 certificates must be issued for remote qualified electronic signature, and Certilia mobile application and personal mobile credentials must enable at least 50 000 unique users to execute the authentication process at least 700 000 times. The evidence provided by Croatia shows that these targets have been met. The Council Implementing Decision required that a mobile signing system issues remote certificates for a remote qualified electronic signature. The evidence submitted points to the fact that the mobile signing system is not used to issue remote certificates for a remote qualified electronic signature. Instead, the remote certificate which is being issued allows persons to use the mobile signing system. Whilst this constitutes a minimal formal deviation from the requirement of the Council Implementing Decision, it concerns the internal procedures of the Member State regarding the way the remote qualified electronic signature is executed and does not affect the progress towards achieving the investment and its objective. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (31) Target 190 requires that at least 20 digital e-public services are integrated into the new mobile platform, which provides a standardized way of offering public services. The Commission has identified a clerical error in the text of the Council Implementing Decision and has undertaken the assessment on a revised basis. The evidence provided by Croatia demonstrates that 20 e-public services are integrated into the new mobile platform in a standardised way and that the contactor used state-of-the-art technologies and standards in the development of the tool. Evidence was also provided on the way that the mobile application and the platform connect to all related registers and databases on the Central Data Interchange Bus (GSB). On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.

- (32) Milestone 199 requires the new system for registering electronic invoices in the Tax Administration for all users and advanced online VAT accounting to be operational and ready to use. The evidence provided by Croatia demonstrates that new system for registering electronic invoices in the Tax Administration is operational and ready for use and that the advanced online VAT accounting system has been enabled through the development of FiskAplikacija, a taxpayer web application. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (33) Target 210 requires the sale of 90 state-owned enterprises that are not of particular interest to Croatia. The evidence provided by Croatia demonstrates that more than 90 state-owned enterprises, which are not of particular interest to Croatia, were sold through various means of divestment including through public bidding, transfer of minority shares, sale with pre-emption rights, and more. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (34) Milestone 212 requires the development of an IT system and a methodology for state-owned property portfolio reduction and faster and efficient activation of unused government assets. The evidence provided by Croatia demonstrates that the IT system is operational, functionally integrated, and enables the disposal of state-owned property and efficient activation of unused state assets. Croatia developed a methodology to improve the efficiency of property management and reduction of the state-owned property portfolio, as well as a methodology laying out procedures to assess and manage the impact of disposed state-owned property. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (35) Milestone 224 requires the upgrade of the Court Case Management System (eSpis) with new functionalities and new architecture integrated into the Shared Services Centre (CDU). The evidence provided by Croatia demonstrates that new functionalities have been implemented that enable full electronic document delivery to citizens, improved user experience based on recommendations from an action plan, and that the architecture has been integrated into the CDU to enhance system performance and interoperability with other systems. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (36) Milestone 226 requires that all new first and second instance court decisions ending proceedings are anonymised and published on a central portal. The evidence provided by Croatia demonstrates that all new court decisions ending proceedings are published with automatic pre-anonymisation on a publicly accessible portal with elaborate search options, respecting the rules on the protection of personal data. It was interpreted that only new court decisions ending proceedings should be anonymised and published, and not all existing decisions since Croatia's independence. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (37) Target 238 requires the reduction of the average length of court cases related to corruption and organised crime offences. The evidence provided by Croatia demonstrates that the target requirement of a reduction of 200 days was overachieved. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (38) Milestone 240 requires the establishment of an information system for the management of the ethical infrastructure of civil servants. The evidence provided by Croatia demonstrates that an electronic ethics infrastructure management system was

developed and implemented to support the work of ethics bodies in processing at least five types of complaints related to misconduct, conflicts of interest, and the treatment of citizens and civil servants. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (39) Target 252 requires the Interinstitutional Working Group on Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) Supervision to meet regularly, reinforcing cooperation between all supervisory authorities responsible for overseeing the AML/CFT framework. The Working Group should exchange knowledge, data and best practices as well as strengthen coordination of surveillance activities and planning. The evidence provided by Croatia demonstrates that at least the required number of meetings has taken place and that these meetings reinforced the cooperation between all AML/CFT supervisory authorities in the required areas. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (40) Target 261 requires the reduction of the average time for deciding on public procurement appeal cases from the date of receipt of the appeal by at least 6 days from the baseline of 35.2 days. The evidence provided by Croatia demonstrates that the average time for deciding on appeal cases has been reduced by 6.2 days from an average of 35.2 days in 2015-2019 to an average of 29 days in 2020-2024. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (41) Target 277 requires that 65% of all universities or research institutes have signed programme agreements, which focus on improving research, development and innovation activities. The evidence provided by Croatia demonstrates that the programme agreements had been signed with 71% of all universities or research institutes in line with the provisions set out in the Act on Scientific Activity and Higher education calling for the introduction of a performance-based system of funding, thus setting up a support scheme which provides financing to those research entities who aim to increase their research performance and become more efficient. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (42) Milestone 288 requires the entry into force of an amended or new Labour Market Act that increases the amount and extends the duration of unemployment benefits, relaxes eligibility requirements for vulnerable workers, and digitalises the application process for unemployment benefits, all in line with the underlying analytical work. The evidence provided by Croatia demonstrates that the amended Labour Market Act has entered into force, delivering the required increases in benefit levels and duration, easing conditions for vulnerable groups, and introducing a digital application process. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (43) Milestone 289 requires the Croatian Public Employment Service to operationalise new processes for profiling, segmentation, integration and activation of vulnerable groups, to develop tools for matching unemployed persons with job vacancies, and to put in place an operational system for monitoring and evaluating active labour market policies (ALMPs). The evidence provided by Croatia demonstrates that these new processes are fully operational, that the matching tools have been developed, and that the ALMP monitoring and evaluation system is functioning as required. On the basis

of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (44) Target 295 requires the minimum wage to be increased to 50% of the average wage from the previous year, following consultations with social partners and in cooperation with the Expert Panel on Monitoring and Analysis of Minimum Wage Developments. The evidence provided by Croatia demonstrates that the required consultations took place, the Expert Panel was involved in the process, and the minimum wage was raised to 50% of the previous year's average wage. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (45) Target 296 requires amendments to the Labour Law to create the conditions for reducing the share of temporary employment contracts, with the expected outcome being a decrease from 18.1% to no more than 17%. The evidence provided by Croatia demonstrates that the necessary amendments to the Labour Law have been adopted and that they establish the required conditions to reduce the use of temporary contracts to the targeted level, with the share of temporary employment contracts decreasing from 17.9% to 9% in 2024. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (46) Target 299 requires modifications to the calculation of the survivor's pension so that the total pension income for survivors increases by at least 10% overall compared to 2014 levels. It also requires introducing the possibility for lower-income beneficiaries of old-age or invalidity pensions to receive part of the survivor's pension in addition to their personal pension, subject to specified age and income conditions. The evidence provided by Croatia demonstrates that the calculation method for survivor's pensions has been adjusted to deliver at least a 10% overall increase relative to 2014 levels, and that the option for eligible lower-income pensioners to receive part of the survivor's pension in addition to their personal pension has been introduced. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (47) Target 301 requires an increase in the minimum pension of at least 3% overall in real terms—meaning above and beyond regular indexation—compared to its 2020 level. The evidence provided by Croatia demonstrates that the minimum pension has been increased by more than 3% in real terms relative to 2020. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (48) Milestone 305 requires amendments to the Social Welfare Act or the Inclusive Supplement Act to establish an integrated system of social benefits. These amendments must increase the basic Guaranteed Minimum Benefit (GMB) to EUR 160 and raise the GMB for households with children by at least 25%, ensure full functional integration of the GMB with other social benefits based on expert analysis, strengthen eligibility provisions through improved means and income testing, introduce measures to improve coverage, adequacy and targeting of benefits, particularly for people facing persistent poverty, provide for monitoring arrangements and stakeholder involvement during implementation, introduce indexation as a standard feature, and include provisions for evaluating and monitoring the effectiveness and adequacy of social benefits. The evidence provided by Croatia demonstrates that it raised the Guaranteed Minimum Benefit to EUR 160 (with an over 25% increase for households with children), introduced functional integration measures, strengthened eligibility rules, improved coverage and targeting, and put in place monitoring, stakeholder involvement, indexation and evaluation arrangements. The Council Implementing Decision required the amendments to be made through the

Social Welfare Act or the Inclusive Allowance Act, but the Member State adopted some changes by government decision instead. While this constitutes a minimal formal deviation, it is acceptable as the government decision derives its authority directly from the Social Welfare Act as the primary act and government decisions in Croatia are legally binding. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (49) Milestone 308 requires the development of a web application, based on a project file and technical specification, that is accessible to all citizens and provides information on all existing social security benefits at national level, including an indicative assessment of eligibility. The application must also include the criteria and conditions for obtaining all types of social benefits within the national social protection system. The evidence provided by Croatia demonstrates that the required web application has been developed in accordance with the project documentation, is fully accessible to citizens, and provides comprehensive information on social security benefits, including the eligibility criteria and conditions for the specified benefit types. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (50) Target 314 requires strengthening the prevention of institutionalisation by recruiting new professionals in social services to expand out-of-institutional support, and by training and licensing Advisers on legal family protection measures. Specifically, the milestone requires continuous and targeted training and licensing of 750 social service professionals as Advisers on legal family protection measures, the training of 30 Family Assistants, and the recruitment of 400 professional workers in social care institutions and social service providers. The evidence provided by Croatia demonstrates that 750 professionals have been trained and licensed as Advisers on legal family protection measures, 30 Family Assistants have received the required specialised training, and 400 new professional workers have been recruited into social care institutions and service providers, thereby strengthening out-of-institutional services and supporting the prevention of institutionalisation. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (51) Milestone 378 requires the entry into force of the Regulation on Landfilling Tax. The evidence provided by Croatia demonstrates that the Regulation on Landfilling Tax entered into force, prescribes a unit fee and includes provisions that gradually increase the landfill tax. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (52) Milestone 408 requires the Study of the Plan for the Development and Implementation of the Croatian Hydrogen Strategy until 2050 to be accepted by the Croatian Hydrocarbon Agency. The evidence provided by Croatia demonstrates that the Study of the Plan for the Development and Implementation of the Croatian Hydrogen Strategy until 2050 has been accepted by the Croatian Hydrocarbon Agency. The Study analyses the most appropriate use of hydrogen in the decarbonization of the Croatian economy, focusing on the use of hydrogen for the decarbonization of sectors that are difficult to electrify, such as industry (high-temperature processes), heavy-duty vehicles, maritime and rail transport, before considering other sectors. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (53) Target 154 requires the development of 10 training modules for strategic planning and regulatory impact assessment at national, regional and local level. The evidence

provided by Croatia demonstrates that 10 training modules have been developed, along with eLearning companions, in cooperation with the National School of Public administration, thus ensuring further professionalisation of work in the area of strategic planning and regulatory impact assessment. The modules were developed by 2 June 2025. Whilst this constitutes a minimal substantive deviation from the Council Implementing Decision, which calls for the modules to be in place by end of 2024, the report provided by the authorities confirms that all substantive elements of the target, including the development of the modules and learning material are in place. Moreover, the modules were developed well before the submission of the payment request by Croatia and the Commission was able to verify that all constitutive elements are in place. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.

- (54) Target 315 requires a single functional IT system integrated into the existing SocSkrb information system to connect all social welfare centres with state-financed social service providers and enable monitoring and analysis of data on users and social services, including available service capacities and pricing. The evidence provided by Croatia demonstrates that a single functional IT system is integrated into the existing SocSkrb information system connecting all social welfare centres with state-financed social service providers and enabling monitoring and analysis of data on users and social services, including available service capacities and pricing. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (55) Milestone 373 requires adoption, in cooperation with the relevant stakeholders, of the Strategic Framework for the Development of the Capital Market in Croatia and the accompanying Action Plan. It should identify obstacles to the functioning of the capital market and set out opportunities for its diversification and development in different aspects, including investor participation, the role of the stock exchange and the financial market infrastructure, market liquidity, financial literacy, the regulatory framework and sustainable finance. The evidence provided by Croatia demonstrates that the Strategic Framework and the accompanying Action Plan have been adopted as specified and include the required elements. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (56) Milestone 383 requires the establishment of the National Authority for Monitoring Water Losses, with the authority to supervise the realisation of the measures prescribed by the National Loss Reduction Action Plan and to verify water operators' water loss reduction action plans. The evidence provided by Croatia demonstrates that the national body for monitoring of water losses was established, with the required mandate. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (57) Target 386 requires the Council for Water Services to recruit at least seven full-time staff, not including appointed councillors. The evidence provided by Croatia demonstrates that 7 staff were assigned to the Council for Water Services on a full-time basis. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (58) Milestone 402 requires signing agreements with two selected local self-government units on the implementation of pilot projects for the circular use of construction waste from buildings with cultural good status. The evidence provided by Croatia demonstrates that the agreements have been signed. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (59) Furthermore, the Republic of Croatia has also confirmed that previously satisfactorily fulfilled milestones and targets have not been reversed.
- (60) Following the fully positive assessment concerning the Republic of Croatia's payment request, in accordance with Article 24(5) of Regulation (EU) 2021/241, the disbursement of the financial contribution for the seventh instalment of the non-repayable support and the disbursement of the loan for the third instalment of the loan support should be authorised.
- (61) In accordance with Article 2(3) of the Council Implementing Decision, as specified in the Financing Agreement, the pre-financing of the financial contribution is to be cleared by being proportionally deducted against the payment of the instalments. As Croatia received EUR 873 651 732 of the financial contribution as pre-financing, an amount of EUR 94 890 409 of the payment should be utilised to clear the pre-financing, of which EUR 11 451 196 to clear the pre-financing for the REPowerEU chapter.
- (62) In accordance with Article 2a (4) of the Council Implementing Decision, as specified in the Loan Agreement, the pre-financing of the loan is to be cleared by being proportionally deducted against the payment of the instalments. As Croatia received EUR 529 884 336 of the loan as pre-financing, an amount of EUR 66 235 542 of the payment should be utilised to clear the pre-financing, of which EUR 66 235 542 to clear the pre-financing for the REPowerEU chapter.
- (63) This Decision should be without prejudice to procedures relating to distortions of the operation of the internal market that may be undertaken, in particular under Articles 107 and 108 of the Treaty on the Functioning of the European Union. It does not override the requirement for Member States to implement the measures in accordance with Union and national law and, in particular, to notify instances of potential State aid to the Commission under Article 108 of the Treaty on the Functioning of the European Union.
- (64) The measures provided for in this Decision are in accordance with the opinion of the Committee established by Article 35(1) of Regulation (EU) 2021/241,

HAS ADOPTED THIS DECISION:

Article 1

Authorisation of the disbursement of the non-repayable support

The disbursement of the seventh instalment of the non-repayable support as laid down in Section 2(1)(7) of the Annex to the Council Implementing Decision of 28 July 2021 on the approval of the assessment of the recovery and resilience plan for Croatia for an amount of EUR 699 096 086 is authorised.

In accordance with the Financing Agreement concluded pursuant to Article 23(1) of Regulation (EU) 2021/241 between the Commission and the Republic of Croatia, EUR 94 890 409 shall be utilised to clear the pre-financing of the financial contribution. EUR 604 205 677 shall be provided to Croatia by means of payment to the bank account indicated in the Financing Agreement.

Article 2
Authorisation of the disbursement of the loan support

The disbursement of the third instalment of the loan support as laid down in Section 2(2)(3) of the Annex to the Council Implementing Decision of 28 July 2021 on the approval of the assessment of the recovery and resilience plan for Croatia for an amount of EUR 531 769 622 is authorised.

In accordance with the Loan Agreement concluded pursuant to Article 15(2) of Regulation (EU) 2021/241 between the Commission and the Republic of Croatia, EUR 66 235 542 shall be utilised to clear the pre-financing of the loan and EUR 465 534 080 shall be provided to Croatia by means of payment to the bank account indicated in the Loan Agreement.

Article 3
Addressee

This Decision is addressed to the Republic of Croatia.

Done at Brussels, 22.12.2025

For the Commission
Valdis DOMBROVSKIS
Member of the Commission