



Brussels, 12.7.2024
C(2024) 5077 final

COMMISSION IMPLEMENTING DECISION

of 12.7.2024

on the authorisation of the disbursement of the fifth instalment of the non-repayable support and the first instalment of the loan support for the Republic of Croatia

(Only the Croatian text is authentic)

COMMISSION IMPLEMENTING DECISION

of 12.7.2024

on the authorisation of the disbursement of the fifth instalment of the non-repayable support and the first instalment of the loan support for the Republic of Croatia

(Only the Croatian text is authentic)

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 8 December 2023 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 15 April 2024, Croatia submitted a request for payment, accompanied by a management declaration and a summary of audits. The request concerned the fifth instalment of the non-repayable support and the first 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 33 relevant milestones and targets related to the non-repayable support and all 4 relevant milestones related to the loan support and, in accordance with Article 24(4) of Regulation (EU) 2021/241, provided its findings to the Economic and Financial

¹ OJ L 57, 18.2.2021, p. 17.

² ST 15834/23

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

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(5)(5) of the Annex to the Council Implementing Decision provides the relevant milestones and targets that are to be satisfactorily fulfilled for the fifth instalment of the non-repayable support for an amount of EUR 642 949 403.
- (5) Section 2(6)(1) of the Annex to the Council Implementing Decision provides the relevant milestones and targets that are to be satisfactorily fulfilled for the first instalment of the loan support for an amount of EUR 303 868 355.
- (6) Milestone 8 provides for the development and setup of a digital platform to support the process of conducting small and medium-sized enterprise (SME) impact assessment tests of draft regulations. The evidence provided by Croatia demonstrates that the platform is in operation and contains the required functions. The platform is a web-based application with program modules supporting different elements of the workflow, including launch and conduct of the SME test, calculation of the cost of administrative burdens for enterprises, monitoring, validation and reporting, as well as public consultations of draft regulations. The platform also includes a communication and collaboration module that serves as a unified source of information and learning resources. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (7) Target 9 provides for the implementation of measures of a new action plan to reduce non-tax and parafiscal charges, leading to a direct cost relief on businesses of at least EUR 132 722 808. The evidence provided by Croatia demonstrates that 53 measures included in the new action plan were implemented, resulting in a direct cost relief of EUR 135 013 923.79. While legislative amendments and decisions were adopted for all the 53 measures, 12 of the measures will enter into force on 1 July 2024. Whilst this constitutes a minimal temporal deviation from the requirement of the Council Implementing Decision, the delay between the adoption of these legislative amendments and decisions and the actual application of the provisions is considered both limited and proportional. For the selection of fee reduction measures, a comprehensive analysis has been carried out based on the register of non-tax and parafiscal charges, which aims to cover all such fees paid by businesses to public authorities in Croatia. Furthermore, an IT system that digitalises the register of non-tax and parafiscal charges and allows for the monitoring of the implementation of the fee reduction measures and the updating of the register is in place. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (8) Milestone 38 provides for full separation of the management of the gas transmission system operator (hereinafter referred to as "Plinacro") from the supply and production activities of the State and its certification by Croatian national energy regulator (hereinafter referred to as "HERA"). The evidence provided by Croatia demonstrates the completion of unbundling of the transmission activities in the gas market and the full separation of the management of Plinacro from the supply and production

activities of the State. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (9) Target 64 provides for the signature of at least 60 works contracts related to wastewater infrastructure projects. The evidence provided by Croatia demonstrates that 97 works contracts related to wastewater infrastructure projects have been concluded in line with the requirements of the target. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (10) Target 70 provides for the signature of at least 100 works contracts related to water supply infrastructure projects. The evidence provided by Croatia demonstrates that 149 works contracts for water supply projects have been concluded in line with the requirements of the target. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (11) Target 71 provides for at least 517 kilometres of public water supply network constructed or reconstructed. The evidence provided by Croatia demonstrates that through the completed works, the construction or reconstruction of 552,9 km of public water supply network was achieved in line with the requirements of the target. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (12) Target 94 provides for setting up of a functional system for people with disabilities to apply for all mobility rights, establishment of a single document to allow persons with disabilities to use the functional system and exercise the same rights throughout the territory of Croatia (hereinafter referred to as “invalidity e-card”), and that at least 50% of the envisaged cards are issued to persons with disabilities who have rights in the field of mobility. The evidence provided demonstrates that the new information system and the invalidity e-card established are in line with the requirements of the target, and that at least 50% of the envisaged cards have been issued to persons with disabilities who have rights in the field of mobility. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (13) Target 127 provides for construction and equipping of one logistics distribution centre (LDC) for fruits and vegetables. The evidence provided by Croatia demonstrates that the centre was constructed, equipped and operational in line with the requirements of the target. The constructed centre meets the storage capacity requirement and contains all the required premises, including the production line to use the products not suitable for sale and reduce the food waste. The authorities also provided the evidence demonstrating that the constructed LDC meets the primary energy demand requirements. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (14) Milestone 139 provides for establishment of a support scheme for construction and refurbishment of food banks and intermediaries in food donation chain, following the establishment of the support scheme adopted by the Government. The evidence provided by Croatia demonstrates that the support scheme was created and adopted by the Government in line with the milestone requirements. The authorities have further provided evidence demonstrating that the scheme was operational and, following a call for proposals, the funding was disbursed to 49 beneficiaries for eligible activities in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (15) Milestone 142 provides for drawing up the Methodological Framework of the Sustainable Tourism Satellite Account (hereinafter referred to as the “Framework”) that sets the methodology by which national and regional tourism sustainability indicators will be calculated and the data sources. The evidence provided by Croatia demonstrates that the adopted Framework is in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (16) Milestone 143 provides for the entry into force of the Tourism Act that establishes a framework for monitoring and developing of the tourism sector. The evidence provided by Croatia demonstrates that the adopted Tourism Act is in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (17) Milestone 151 provides for the entry into force of the act amending the Act on Regulatory Impact Assessment. The evidence provided by Croatia demonstrates that the provisions in the adopted legislation improve ex-post regulatory impact assessment by defining the methodology, roles and procedures in the process as well as streamline the process of regulatory impact assessment through defining automatic triggers that launch the assessment. The legislation builds on the recommendations of the Technical Support Instrument project carried out, including those aimed at simplifying the procedure. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (18) Target 168 provides for more than 20% of civil servants working in the smartworking mode. Croatia provided excerpts from the official records of civil servants working in smartworking model in October, November and December 2023, as well as the ICT equipment procurement and distribution documents. Croatia provided the set of documents prepared by external experts which served as a basis for preparing the smartworking model in civil service. Croatia provided the copies of the amended acts and bylaws related to the labour law and civil service. The Labour Protection Act has not been amended. Whilst this constitutes a minimal formal deviation from the requirement of the Council Implementing Decision, it does not change the nature of the measure and does not affect the progress towards achieving the investment that the target represents, considering the provisions enabling hybrid work in public service on grounds of occupational safety are sufficiently addressed in the Labour Code, not necessitating further amendments. The evidence provided by Croatia demonstrates that 20.86% of all civil servants worked in smartworking model during the last quarter of 2023. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (19) Target 169 provides for at least 60% of civil servants completing smart working trainings in one of four modules. Croatia provided a list of civil servants completing one of four smartworking training modules, based on which a sampling exercise was carried out. For the selected sample, Croatia provided anonymised training certificates with unique identifier, name of the training module completed and the date of the training. The evidence provided by Croatia demonstrates that 72.91% of all civil servants were trained in one of four smartworking training modules during 2023. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (20) Milestone 170 provides for the establishment and full functionality and public accessibility of an e-conservation base digital public service. The evidence provided

by Croatia demonstrates that the digital public service was established, is fully functional and publicly accessible. It enables the gathering of real time information on cultural and historic heritage sites free of charge, thus removing undue waiting times and reducing the costs for citizens and businesses as well as increasing transparency. Interoperability with the connected services further facilitate access and ensures data coherence. On the basis of the justification provided, the milestone should be considered as satisfactorily fulfilled.

- (21) Milestone 181 provides for the execution of a pilot project on cybersecurity, with the aim of showcasing that police officers are equipped with the necessary skills to utilize the hardware and software equipment, which was procured with the aim of combating cybercrime. The evidence provided by Croatia demonstrates the features of the procured equipment and shares details of the pilot project and its results, thus explaining that the investment was justified and that its implementation will lead to an increase in cybersecurity level in the country. On the basis of the justification provided, the milestone should be considered as satisfactorily fulfilled.
- (22) Milestone 183 provides for the harmonisation and centralisation of the helpdesk system of all public administrations' online services. It requires the establishment and the operationalisation of a one-stop shop platform providing information and customer support to citizens and businesses in a single centralised location, whose features also enable users to send feedback, assess the quality of interaction with civil servants and post evaluation. The evidence provided by Croatia demonstrates that the service has been installed, tested and is available for use by users in line with the requirements within the procurement contract and its annexes. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (23) Milestone 191 provides for the launch of a new platform and a mobile application for conducting public procurement procedures. The goal of the investment is to modernise the outdated public procurement platform and to replace it with a more advanced solution, capable of linking all procurement processes and supporting new features, such as the online payment of fees. The evidence provided by Croatia demonstrates the features of the new platform and the individual phases of the platform's development, as well as providing a link to the platform where a further link for downloading the mobile application is available to Furthermore, milestone 191 requires the first public procurement procedure to be launched on the new platform, which successfully occurred in September 2023, as shown by the evidence provided by the authorities. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (24) Milestone 192 provides for the digitalisation of the Croatian Employment Services (CES) through the setup of a digital identity management system and a digital human resources management system. The evidence provided by Croatia demonstrates the features of the new systems, as well as evidencing their operational state. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (25) Milestone 203 provides for the signature of grant agreements for the implementation of 20 projects under the National Framework for development of broadband access infrastructure (ONP). The evidence provided by Croatia for 21 projects under the ONP demonstrates indeed that, cumulatively, more than 130 000 households are expected to be covered with broadband access after the projects for which contracts have been signed are implemented. Evidence also outlines the procedural steps undertaken prior

to the signature of the agreements. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (26) Milestone 220 provides for the adoption of new Framework Benchmarks for the work of judges and the introduction of the use of the active case management tool in selected courts. The evidence provided by Croatia demonstrates that the Framework Benchmarks have been adopted and that the active case management tools have been introduced in selected courts, including the Municipal Civil Court in Zagreb, in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (27) Milestone 234 provides for the adoption of a Code of Ethics for Parliamentarians and Code of Ethics for officials in the executive. The evidence provided by Croatia demonstrates that the Code of Conduct for State Officials in Executive Bodies, which entered into force on 19 May 2022, and the Code of Ethics for Members of the Croatian Parliament, which entered into force on 19 May 2022, provide for guidance on conflicts of interest and other integrity issues, in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (28) Milestone 243 provides for the publication of an evaluation report regarding the effects of the Law on the Right of Access to Information and its impact. The Commission has undertaken the assessment based on the interpretation of an expected future follow up to the recommendations contained in the report, in line with the milestone description and the qualitative indicator as well as the National Recovery and Resilience Plan of Croatia. The evidence provided by Croatia demonstrates that the published study contains an evaluation of the effects of the Law on the Right of Access to Information and its impact on the constitutionally guaranteed exercise segment from the perspective of users and public authorities and recommendations for improving the legal framework for exercising the right to access to information, in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (29) Milestone 254 provides for improving the anti-money laundering and counter terrorism financing framework by strengthening supervision of the financial sector based on a risk-based approach developed in line with technical assistance. The evidence provided by Croatia demonstrates that the risk assessment methodologies used by supervisory bodies have been improved with respect to the use of data in the evaluation of risks and the design and the application of supervisory tools, in line with the results from the technical assistance. Furthermore, more efficient allocation of resources through data automation and use of best practices in supervision has strengthened institutional and administrative capacity. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (30) Milestone 258 provides for the integration of a tailored framework for continuous training based on ProcurCompEU, the European competency framework for public procurement professionals, into the mandatory training and certification scheme for public procurement. 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 the ProcurCompEU framework has been adapted to the specificities of the Croatian public procurement system and has been integrated into the mandatory training and certification scheme. Furthermore, freely accessible tools related to ProcurCompEU facilitate the identification and the

development of personal and professional competences by public procurement stakeholders. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (31) Milestone 268 provides for the entry into force of amendments to the law regulating primary and secondary education to define the conditions for the introduction of full-day teaching. The Commission has undertaken the assessment in line with the interpretation that requirements in the description of the measure to amend the minimum number of mandatory teaching hours and the curriculum for primary schools provide for establishing the conditions to introduce and implement the single-shift, full-day teaching model in primary schools. On this basis, the evidence provided by Croatia demonstrates that the provisions in the amended Primary and Secondary School Education Act set the legal conditions for the transition of primary schools to one shift, enable the introduction of amended curricula, and reinforce the availability of human resources during the experimental phase of the full-day teaching model. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (32) Milestone 398 provides for the entry into force of the amended Social Welfare Act and Decision on the basis for calculating the amount of the guaranteed minimum benefit. The evidence provided by Croatia demonstrates that the provisions in the adopted act provide for abolishment of the legal provisions mandating the repayment of disbursed Guaranteed Minimum Benefit (GMB) amounts and the imposition of liens on the properties owned by GMB beneficiaries, the administrative burden alleviation on GMB beneficiaries by establishment of a statutory mechanism for the automatic removal of liens, and raising of the GMB base amount to 150 EUR. The evidence provided by Croatia demonstrates that the amendments are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (33) Target 319 provides for optimising time for diagnostic treatments. It requires the reduction of the waiting time period for patients on diagnostic treatment to 270 days from the waiting list time frame of 400 days. The evidence provided by Croatia demonstrates that the sample of four hospitals, Clinical Hospital Merkur, Clinical Hospital Dubrava, Clinical Hospital Centre Zagreb and Clinical Hospital Centre Split, where magnetic procedures have been identified as the most significant procedures from their medical importance, waiting time and recovery and resilience investment focus on these types of medical devices, reduced the average waiting time for diagnostic procedures to 170 days, while the average waiting time for diagnostic procedures at the national level was reduced to 146 days as of 31 December 2023. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (34) Target 337 provides for the functional integration of at least eight hospitals. The evidence provided by Croatia demonstrates that the functional integration of nine hospitals was successfully achieved, functional integration was achieved in the provision of health services, health professionals work mobility, and non-health activities (IT, public procurement, finance). Furthermore, functional integration allowed for efficiency gains, higher availability of services, and flexibility in provisions of services and health workers availability. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.

- (35) Target 338 provides for the joint procurement procedure for health institutions. It requires that at least 85% of the purchasing categories are procured through a joint procurement procedure and amending of the decision on the mandatory joint conduct of a specific procurement procedure for health institutions. The purchasing categories procured through a joint procurement procedure have to represent at least 80% of total government managed hospitals' spending. The evidence provided by Croatia demonstrates that the 94.64% of purchasing categories are procured through joint public procurement procedure and represent 80.4% of hospital spending. The Ministry of Health adopted a decision on exercise of joint procurement procedures and joint procurement procedures are done in accordance with the Act on Public Procurement and framework agreements/contracts conclusion. Furthermore, the evidence provided by Croatia demonstrates that agreements were concluded with joint procurement stakeholders, expert panels were set up and delivered technical specifications and procurement categories have been defined by the decision on mandatory joint implementation of specific procurement procedures for health institutions. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (36) Milestone 399 provides for the creation of a centralised financing system dedicated to specialist medical training. The evidence provided by Croatia demonstrates that the provisions in the adopted decision provide for the establishment of a centralised financing system dedicated to specialist medical training addressing deficiencies in specific medical specialties, namely primary healthcare and public health. Furthermore, a new system is designed for exclusive use of financial resource management for the Public Health Service Network and to guarantee the reclamation of funds from incomplete specialist medical training programs back to the centralised financing system. The evidence provided by Croatia demonstrates that the amendments are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (37) Target 369 provides for the adoption of at least ten urban renewal strategies to provide the basis for the development of sustainable space. The evidence provided by Croatia demonstrates that the strategic goals, measures, and activities covered throughout the ten adopted strategies support sustainable development by focusing on green urban infrastructure development, integrating nature-based solutions and models for circular management of space and buildings, and strengthening resilience against risks and climate change. The evidence provided by Croatia demonstrates that ten strategies have been adopted in line with the requirements of the target. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (38) Milestone 371 provides for successful completion and publication of the pilot project on systematic energy management in multi-apartment buildings and completion of the analysis of the possibility of developing a new financing model for the renovation of multi apartment buildings. The Commission has identified two clerical errors in the text of the Council Implementing Decision and has undertaken the assessment on a revised basis. The evidence provided by Croatia demonstrates that the analysis and the pilot project have been completed and that the pilot project has been published on the official website of the Ministry of Physical Planning, Construction and State Assets, in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (39) Milestone 55 provides for entry into force of the Plan for the production and use of biofuels in transport (hereinafter referred to as the "Plan"). The evidence provided by

Croatia demonstrates that the adopted Plan is in force and in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (40) Milestone 405 provides for the preparation and publication of the Guidelines for energy renovation of buildings with the status of a cultural good. The evidence provided by Croatia demonstrates that the Guidelines have been prepared and published on the official website of the Ministry of Culture and Media, in line with the requirements of the milestone. The guidelines provide recommendations on energy renovation measures, technical solutions, and modern materials, and clarify procedures for preparing documentation and obtaining relevant permits. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (41) Milestone 421 provides for the signature of the Contract for equipment for the expansion of the Krk LNG terminal with the aim of expanding the capacity to 700 000 m³ per hour (m³/h). The evidence provided by Croatia demonstrates that the signed Contract is in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (42) Milestone 423 provides for the signature of the Contract for works for the expansion of the Zlobin – Bosiljevo gas pipeline. The evidence provided by Croatia demonstrates that the signed Contract is in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (43) Furthermore, the Republic of Croatia has also confirmed that previously satisfactorily fulfilled milestones and targets have not been reversed.
- (44) 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 fifth instalment of the non-repayable support and the disbursement of the loan for the first instalment of the loan support should be authorised.
- (45) In accordance with Article 2(3) of the Council Implementing Decision, as specified in the Financing Agreement, the pre-financing of the financial contribution shall 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 87 269 453 of the payment should be utilised to clear the pre-financing, of which EUR 10 531 514 to clear the pre-financing for the REPowerEU chapter.
- (46) In accordance with Article 3(3) of the Council Implementing Decision, as specified in the Loan Agreement, the pre-financing of the loan shall 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 37 848 881 of the payment should be utilised to clear the pre-financing.
- (47) 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.

(48) 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 fifth instalment of the non-repayable support as laid down in Section 2(5)(5) of the Annex to the Council Implementing Decision of 8 December 2023 on the approval of the assessment of the recovery and resilience plan for Croatia for an amount of EUR 642 949 403 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 87 269 453 shall be utilised to clear the pre-financing of the financial contribution. EUR 555 679 950 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 first instalment of the loan support as laid down in Section 2(6)(1) of the Annex to the Council Implementing Decision of 8 December 2023 on the approval of the assessment of the recovery and resilience plan for Croatia for an amount of EUR 303 868 355 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 37 848 881 shall be utilised to clear the pre-financing of the loan and EUR 266 019 474 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, 12.7.2024

For the Commission

Paolo GENTILONI

Member of the Commission