

Dear Minister Meredov, esteemed Secretary Rusnák, dear colleagues,

On behalf of the Republic of Croatia, I would like to thank you for inviting me to participate at this important event.

Today, energy security is one of the key factors that determine the competitiveness and stability of our economies. Energy security has great implications for the reliable and stable transit of energy, as well as for political stability, both home and abroad. Today it is an issue that no one country can solve alone, and it urges us all to work together through cooperation and dialogue. That is why the topic of this year's Ashgabat Forum, Reliable and Stable Transit of Energy, is both timely and important.

Over the last few years in Croatia, we have witnessed moderate economic growth. High energy prices for our consumers and businesses, together with at times unstable supply and too much reliance on imports from a single country, continue to inhibit our economic growth. However, we are now seeing that the European Union has come to understand the importance of diversification of energy sources and supply routes. New energy sources and supply routes are key factors in ensuring the long-term sustainable development of the economy, especially energy-intensive industries. Reliable and stable transit of energy is crucial for unlocking our economic potential, securing new jobs and staying competitive in the global market.

The diversification of energy sources and supply routes is beneficial for everyone in the supply chain: energy producers, operators of the transport systems, retailers, and ultimately consumers. Equally important, mutual cooperation in the energy sector can help bolster trade and economic cooperation between Croatia and whole of the European Union and energy producing countries in the Caspian region, such as Turkmenistan.

The Croatian government and the Ministry of Economy, under my leadership, are strategically oriented towards making Croatia an energy hub in the broader Central and Southeast European regions, and one of the anchors of European energy security. In order to realise our goals and overcome challenges, we recognise that what is needed are strong partnerships, cooperation and solidarity between our countries.

I would therefore highlight three Croatian energy projects that will greatly contribute to the diversification of energy sources and supply routes in the broader Central and Southeast European regions.

First is the Ionian-Adriatic pipeline (IAP) that will, through Montenegro and Albania, connect the Croatian gas transportation system with the Trans-Adriatic Gas Pipeline (TAP). While supplying mainly countries in Southeast Europe, the Ionian-Adriatic pipeline gas pipeline will, at the same time, be a guarantor of energy security for the countries of Central Europe.

The second project is the LNG terminal on the island of Krk which will be an additional source of natural gas for the Croatian market, but also an important entry point for the distribution of natural gas to neighbouring markets including, inter alia, Italy, Austria, Hungary, Poland, Romania and Slovenia. What separates the LNG terminal on the island of Krk from similar projects is its unique location in the northern Adriatic Sea, and already existing infrastructure that will ensure a safe and efficient transportation and distribution of gas to the European markets.

Thirdly, Croatia has started with the process of the exploration and exploitation of hydrocarbons in the Adriatic Sea through a public tender. I am pleased to say that the recently closed public tender has generated considerable interest among investors and big energy companies, such as Exxon, ENI, Shell and many others. With an estimated total value of investments set around \$ 2.5 billion, this project will further contribute to the positioning of Croatia as an important energy hub for the Southeast European region.

Croatia's EU membership allows it to participate in the creation of energy policy in the European Union. As a result, two of Croatia's energy projects, the LNG terminal on the island of Krk and the Ionian-Adriatic Pipeline, have been selected for inclusion in the EU's "Projects of Common Interest," which allows us access to European structural funds for the funding and implementation of both of these projects. This will allow us to minimise investment risk and make these projects even more attractive for private investors.

Croatia is confident that our energy projects will have multiple positive effects on regional cooperation. Just as important, we believe that our energy projects offer new opportunities for cooperation with countries that are seeking to become new energy suppliers. Croatia welcomes the possibility to have Turkmenistan become one of our strategic partners. Croatia supports opportunities for cooperation with Caspian countries and our joint involvement in the construction of new energy infrastructure that would allow for the transport of gas to consumers and our business partners. Croatia is ready to provide wider support for the realisation of this ambitious idea and turn it into reality on the ground.

I mentioned the importance of cooperation several times in my speech. The statement of a former politician best depicts its importance: "Geography has made us neighbours. History has made us friends. Economics has made us partners, and necessity has made us allies. Those whom nature has so joined together, let no man put us under."

It is, therefore, the position of Croatia that in today's world exclusive national energy policies are a thing of past. By means of dialogue and international cooperation, they must seek to be integrated into regional and global energy strategies.

Thank you for your attention.