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RECH 286
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EDUC 273
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COVER NOTE

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Delegations will find attached document COM(2025) 290 - annex 5.

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ANNEX 5

ANNEX

to the

**Communication from the Commission to the European Parliament, the Council and the
European Economic and Social Committee and the Committee of the Regions**

State of the Digital Decade 2025: Keep building the EU's sovereignty and digital future

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European
Commission

SHORT COUNTRY REPORTS 2025

Croatia

Executive summary

Croatia has made significant strides in strategic technological sectors but still faces challenges in the widespread adoption of advanced digital technologies. Progress in areas, such as quantum communication, semiconductors, and cybersecurity has strengthened its growing contribution to EU competitiveness and sovereignty.

Croatia shows a substantial level of ambition in its contribution to the Digital Decade, having set 13 national targets, 77% of which are well aligned with the EU's 2030 targets. The country is following its trajectories moderately well with 63% of them being on track (on the basis of the 2024 trajectories defined for all 8 KPIs analysed). Croatia addressed 50% of the 12 recommendations issued by the Commission in 2024 by making some changes through new measures.

In 2024, the government continued its strategic reforms, with digitalisation efforts increasingly linked to strengthening industrial competitiveness, fostering innovation, and boosting technological sovereignty. To make the most of the digital transition, Croatia must tackle persistent gaps in edge infrastructure, SME digitalisation, the uptake of advanced technologies, and support for high-growth enterprises.

Digital Decade KPI ⁽¹⁾	Croatia				EU		Digital Decade target by 2030	
	DESI 2024 (year 2023)	DESI 2025 (year 2024)	Annual progress	National trajectory 2024 (3)	DESI 2025	Annual progress	HR	EU
Fixed Very High Capacity Network (VHCN) coverage	67.8%	78.9%	16.4%	68.0%	82.5%	4.9%	100.0%	100%
Fibre to the Premises (FTTP) coverage	62.1%	75.4%	21.4%	66.0%	69.2%	8.4%	100.0%	-
Overall 5G coverage	83.4%	94.2%	12.9%	85.7%	94.3%	5.9%	99.0%	100%
Edge Nodes (estimate)	3	6	100.0%	-	2 257	90.5%	-	10 000
SMEs with at least a basic level of digital intensity (2)	-	63.5%	4.8%	-	72.9%	2.8%	90.0%	90%
Cloud	40.7%	38.6%	-5.4%	-	-	-	75.0%	75%
Artificial Intelligence	7.9%	11.8%	49.0%	13.0%	13.5%	67.2%	20.0%	75%
Data analytics	51.7%	-	-	-	-	-	30.0%	75%
AI or Cloud or Data analytics	65.6%	-	-	-	-	-	-	75%
Unicorns	2	2	0.0%	2	286	4.4%	4	500
At least basic digital skills	59.0%	-	-	-	-	-	80.0%	80%
ICT specialists	4.3%	5.0%	16.3%	4.5%	5.0%	4.2%	7.0%	~10%
eID scheme notification		Yes						
Digital public services for citizens	67.2	75.2	11.9%	75.0	82.3	3.6%	100.0	100
Digital public services for businesses	66.2	65.3	-1.3%	75.0	86.2	0.9%	100.0	100
Access to e-Health records	85.6	86.6	1.2%	95.0	82.7	4.5%	100.0	100

(1) See the methodological note for the description of the indicators and other metrics.
 (2) DESI 2025 reports Version 4 of the Digital Intensity Index, which is comparable with the DII value from DESI 2023 (referring to year 2022) for the calculation of annual progress. It is not comparable to the national trajectory, which is based on Version 3 of the index.
 (3) National trajectory value if present in the national roadmap and if the indicator was measured in DESI 2025 (year 2024).

According to the 2025 special Eurobarometer on the Digital Decade, 81% of Croatians consider that the digitalisation of daily public and private services is making their lives easier. On the action of the public authorities, 90% consider it important to counter and mitigate the issue of fake news and disinformation online. And on competitiveness, 91% consider it important to ensure that European companies can grow and become 'European Champions' capable of competing globally.

A competitive, sovereign, and resilient EU based on technological leadership

Croatia has made significant progress in FTTP and 5G deployment, surpassing the average EU growth rates. VHCN, although still below the EU average, progresses at a swift pace, driven by infrastructure programmes backed by the Recovery and Resilience Facility (RRF). However, Croatia faces challenges in deploying stand-alone 5G networks, with limited progress and no specific measures in place to speed up the roll-out. Rural mid-band 5G coverage also remains well below the EU average, and a comprehensive demand-side strategy to stimulate uptake is only expected after 2027.

The country also holds a strong position in the adoption of data analytics. Although the basic digital intensity of SMEs grew faster than in the rest of the EU, it remains well below the EU average. Croatia continues to face challenges in the uptake of AI and cloud services, where adoption is lower than EU average. The start-up and scale-up ecosystem also remains weak, with only two unicorns recorded and limited venture capital activity.

The launch of a national quantum communication project and the launch of a semiconductor competence centre are expected to strengthen Croatia's position in strategic technologies. The country has also started taking steps towards decentralising ICT infrastructure with the deployment of six edge nodes. However, the edge computing ecosystem remains underdeveloped and lacks a dedicated national strategy. The country's cybersecurity capacity has improved with the adoption of the Cybersecurity Act and the launch of the National Coordination Centre for Industry, Technology, and Research in Cybersecurity; however, key standards like Internet Protocol version 6 and Domain Name System Security Extensions remain far below the EU average, signalling persistent vulnerabilities in the national digital infrastructure.

Protecting and empowering EU people and society

Despite solid digital skills among young people, Croatia continues to face major challenges in digital inclusion, with persistent skill gaps affecting older adults, people with lower education levels, and the rural population. While the share of ICT specialists in employment has improved and matches the EU average, shortages remain, labour market mismatches persist, and brain drain continues to weaken the digital talent pipeline.

Public digital services for citizens have improved steadily and are broadly on track, but digital public services for businesses shows negative trends, including a decline in cross-border service availability. Preparations for the national Digital Identity Wallet are advancing, which will reinforce secure access frameworks. Access to health records is strong, but some key gaps remain: medical images are unavailable, some healthcare providers are not connected, and delegated access is not possible. Supporting a more inclusive and trusted digital transition, Croatia has intensified efforts to promote media literacy, cybersecurity awareness, and protection against online risks, particularly among young people.

Leveraging digital transformation for a smart greening

Green and digital priorities are receiving greater attention in Croatia, supported by major investments from the RRF. Croatia has made progress in digitalising its energy infrastructure and improving water management systems with digital monitoring solutions. However, the country still lacks a coherent national strategy linking digitalisation to climate objectives, and systematic monitoring of emission reductions through digital technologies has not yet been put in place. Consumer awareness of the environmental impact of ICT devices remains low, and voluntary sustainability efforts in the digital sector are still fragmented.

National Digital Decade strategic roadmap

Croatia submitted an adjustment to its national roadmap in January 2025, refining its set of measures and updating key connectivity targets. The adjustment was prepared with broad stakeholder consultation and addresses a substantial number of 2024 recommendations. The roadmap maintains a strong focus on strengthening digital infrastructure, SME digitalisation, digital skills development, and digital public services. However, gaps persist in the widespread adoption of advanced technologies, scaling up innovation-driven enterprises, and fully closing inclusion gaps in digital skills, particularly for older adults and rural areas. Overall, the Croatian roadmap includes 31 measures with a combined budget of 634.73 million, representing approximately 0.74% of the country's GDP.

Funding & projects for digital

Croatia allocates 20% of its total recovery and resilience plan to digital (EUR 1.4 billion)¹. In addition, under cohesion policy, EUR 755 million, representing 9% of the country's total cohesion policy funding, is dedicated to advancing Croatia's digital transformation².

Croatia is a member of the three European Digital Infrastructure Consortia (EDICs): the Alliance for Language Technologies EDIC, the Local Digital Twins towards the CitiVERSE EDIC and the EUROPEUM EDIC. Croatian organisations are indirect partners in the Important Project of Common European Interest on Next Generation Cloud Infrastructure and Services (IPCEI-CIS). Croatia is a participating state of the EuroHPC Joint Undertaking (JU) and of the Chips JU.

Croatia has contributed to the Best Practice Accelerator³ by sharing one best practice under the Digital Skills cluster ('Women in Digital – Girls in ICT').

Digital rights and principles

According to a [support study](#) Croatia has been relatively active in implementing the European Declaration on Digital Rights and Principles, with 48 initiatives overall and 7 new initiatives launched in 2024. Croatia is most active in the area of solidarity and inclusion. Less activity has been identified

¹ The share of financial allocations that contribute to digital objectives has been calculated using Annex VII to the Recovery and Resilience Facility Regulation. Last data update: 16 May 2025.

² This amount includes all investment specifically aimed at or substantially contributing to digital transformation in the 2021-2027 Cohesion policy programming period. The source funds are the European Regional Development Fund, the Cohesion Fund, the European Social Fund Plus, and the Just Transition Fund.

³ The Best Practice Accelerator (BPA) is a platform that enables Member States to share successful measures and challenges encountered in their efforts to meet their Digital Decade targets and objectives. Best practices are made available to Member States via the BPA Repository and showcased in regular workshops, currently focused on three thematic clusters: Digital Skills, Green IT, and the Uptake of Digital Technologies.

with regards to a fair digital environment. Measures in the area of sustainability appear to have most impact on the ground, in contrast to those addressing putting people at the centre of the digital transformation.

Recommendations

- **Public services:** Strengthen the interoperability and user-friendliness of public services to encourage people and businesses to use them more.
- **e-Health:** Introduce a comprehensive legal and technical framework for enabling authorised individuals' access to electronic health data on behalf of others; make medical imaging accessible to individuals via the national online health access service; and ensure that all healthcare providers, including geriatric nursing homes and mental health facilities, are connected and actively supplying data.
- **Basic digital skills:** Intensify targeted action to bridge the digital skills divide across age, education, and rural-urban populations.
- **ICT specialists:** Expand training, upskilling, and retention programmes for ICT specialists, strengthen alignment with labour market needs, and tackle brain drain to safeguard Croatia's digital talent pipeline.
- **SME digitalisation:** Develop targeted programmes and incentives to increase SMEs' adoption of cloud, AI, and data analytics solutions, narrowing the gap between digitally advanced enterprises and those lagging behind.
- **Edge nodes:** Increase efforts in the area of edge nodes in view of their importance for competitiveness, resilience, sovereignty and climate action.
- **5G:** Accelerate full gigabit and 5G coverage, especially by addressing operational bottlenecks (planning, permitting) and expanding mid-band 5G spectrum deployment.
- **Cybersecurity:** Develop targeted cybersecurity support programmes for SMEs, expand resilience testing, and strengthen national capacity to address cyber incidents in the public and private sectors.