

The Geoeconomic Transformation of the Mediterranean: An Analysis of the Italian Mattei Plan and Strategic Implications for the Republic of Croatia

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Abstract

Review Article

Context: The ongoing energy crisis has triggered a fundamental redefinition of supply routes across the European Union.

Subject: This paper analyzes the reshaping of Italy into a Euro-Mediterranean gas hub through the lens of geoeconomic theory. **Focus:** It investigates the impact of the Italian "Mattei Plan for Africa" on the wider region, with a particular emphasis on the competitive and complementary positioning of the Republic of Croatia and its Krk LNG terminal.

Methodology: The research is conducted using a comprehensive review and synthesis of relevant literature, a comparative analysis of infrastructure routes, and a qualitative geoeconomic evaluation.

Keywords: Geoeconomics, Mattei Plan, energy security, LNG terminal Krk, Mediterranean, Croatia, infrastructure corridors, asymmetric interdependence.

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1. INTRODUCTION

1.1. Research Problem

The contemporary global energy order is undergoing a tectonic shift triggered by the Russian aggression against Ukraine and subsequent sanctions. The core problem of this research manifests in the abrupt abandonment of Russian energy sources and the accelerated reterritorialization of energy flows, which has led to the resurgence of physical infrastructure as a primary tool of national power. For years, the dominant paradigm of liberalized and dematerialized energy markets has given way to a tangible and hard geographic reality consisting of interconnectors, LNG terminals, and pipelines.

This transformation is most evident in the collapse of the German economic model [Šarić, 2024; Šarić, 2025b]. As Marko Šarić points out, Germany's long-standing geoeconomic strategy rested on three pillars: domestic productivity, exports to China, and cheap Russian energy. With the cessation of Russian gas supplies, this strategy entered a deep crisis, vividly demonstrating that economic efficiency without control over physical infrastructure and supply diversification severely jeopardizes national sovereignty. Parallel to the

decline of certain actors, opportunities are emerging for the rise of other regional players. Mediterranean states with highly developed maritime and coastal infrastructure are actively seeking to fill the newly created vacuum, whereby physical infrastructure directly correlates with the projection of geopolitical influence.

1.2. Theoretical Framework

The theoretical backbone of this paper is rooted in geoeconomic theory, originally defined by Edward Luttwak as the continuation of geopolitical rivalry by economic means and the logic of conflict, albeit using the grammar of commerce. In the 21st century, this definition has been expanded and operationalized through the works of contemporary analysts. Šarić (2024) defines geoeconomics as "the reaffirmation of state authority in the name of strategy and security, aiming to protect vital economic interests through geoeconomic defense, geoeconomic offensives, geoeconomic diplomacy, and geoeconomic intelligence".

In the context of energy infrastructure, the theoretical framework draws upon several comparative studies within the Central European and Black Sea regions:

- **Asymmetric Interdependence and Penetration:** States utilize infrastructural superiority to penetrate foreign economic systems, a phenomenon analyzed by Šarić through the doctrines of critical infrastructure acquisition and its impact on national sovereignty.
- **Infrastructural Repurposing (The Case of Romania):** Through a case study of Romania and the Port of Constanța, Šarić (2025b, 2025c) vividly demonstrates how states on the periphery of conflict zones transform their geographic position into the "eastern key" of energy and logistical security. This favorable geoeconomic positioning is leveraged to achieve foreign policy and security objectives (such as the stabilization of Moldova), serving as a theoretical model for analyzing Italian and Croatian strategic actions.
- **The Concept of a Regional Energy Hub:** Through the study "*Važnost geoeconomije za nacionalne države: slučaj Italije*" (Šarić, 2024), the geoeconomic framework is narrowed down to the concept of Italy as a Euro-Mediterranean gas hub that deploys an offensive energy diplomacy to redefine regional power relations.

1.3. Research Objectives

The primary objective of this paper is twofold:

1. **To evaluate the sustainability of the Italian strategy toward North Africa (the so-called Mattei Plan).** As stated by Šarić (2024), Italy aims to become the primary Euro-Mediterranean energy hub for natural gas and solidify its regional power over Africa, striving to outperform competitors such as Greece, Spain, and Turkey in this race. This paper will analyze whether these agreements with Algeria, Libya, and Egypt are long-term stable or merely replace one form of dependency with another.
2. **To determine optimal strategic responses for the energy system of the Republic of Croatia.** In the paper "*Geoeconomic Strategies of Hungary, Serbia and Italy: A Strategic Threat to the Republic of Croatia*" (Šarić, 2025a), the author explicitly detects Italian, Hungarian, and Serbian energy and economic maneuvers as a potential challenge to Croatian interests.

Croatian-Hungarian relations in the energy sector—specifically the issue of INA's corporate

governance, the role of the JANAF oil pipeline, and transit fees—represent a textbook example of a bilateral strategic conflict. Through the lens of this conflict and Italy's new ambitions in the Adriatic, this paper aims to propose optimal geoeconomic responses for the Republic of Croatia. This includes maximizing the potential of the Krk LNG terminal, expanding the pipeline network into the neighborhood, and positioning Croatia as an indispensable energy gatekeeper for Central Europe, thereby neutralizing the asymmetric threats from its surrounding environment.

2. Theoretical Insight: Šarić's Model of State Geoeconomic Power

2.1. The State and Corporate Actors: An Analysis of the Interrelation Between National Governments and Energy Conglomerates (The Case of the Italian Eni)

In the contemporary geoeconomic order, state sovereignty and corporate capital no longer operate in separate spheres. According to Šarić's model of geoeconomic power, the nation-state utilizes energy conglomerates as an extension of its foreign policy, while corporations leverage the diplomatic and security power of the state to penetrate foreign markets. This symbiotic interrelation is most apparent in the case of the Italian government and the energy giant Eni.

Eni does not function exclusively as a profit-oriented joint-stock company, but rather as a strategic instrument of Italy's geoeconomic offensive and defense. State co-ownership enables the alignment of corporate investments with Italian national interests. In times of crisis, such as the cessation of supplies from Russia, the Italian government opens political doors in North Africa through offensive energy diplomacy, while Eni operatively implements these agreements by signing exploitation contracts and constructing infrastructure. Šarić emphasizes that this model transforms energy mega-companies into "sovereign actors on the ground" possessing their own economic intelligence networks, thereby directly contributing to the aggregate geoeconomic power of the mother country.

2.2. The Concept of the "Expanded Mediterranean" and the Sahel

The key spatial innovation within Šarić's analysis of the Italian strategy is the redefinition of geographic space through the concept of the "Expanded Mediterranean" (*Mediterraneo Allargato*). This concept radically transcends the traditional geographical boundaries of the Mediterranean Sea. It encompasses the entire space from the North African coast to the sub-Saharan belt (the Sahel), positioning it as a unified and primary sphere of economic, energy, and security influence for Southern Europe.

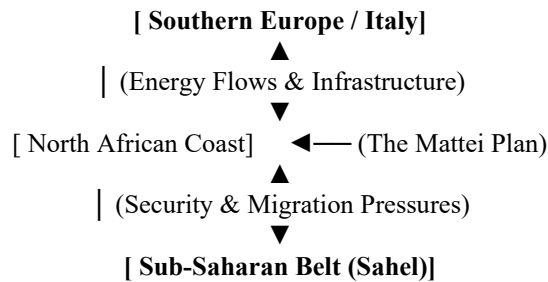


Figure 1: The geoeconomic model of the "Expanded Mediterranean" and the Sahel according to Šarić (2024)

According to Šarić (2024), the "Expanded Mediterranean connects:

- The maritime basin and energy fields of the Mediterranean.
- The steppe-savanna belt of the Sahel, which represents a source of critical raw materials but also a primary hotbed of instability.

Within the framework of the Mattei Plan, Italy does not view this space merely through the prism of resource extraction, but through the long-term infrastructural binding of African states to Rome. Control over this space enables Italy to manage two key resources of the modern era: energy flows and migration movements. Consequently, the Sahel and North Africa become the first line of defense for European security, as well as a base for projecting Italian geoeconomic dominance toward the interior of the European continent.

2.3. Infrastructure as a Weapon and a Shield

Within the grammar of geoeconomics, physical infrastructure—pipelines, LNG terminals, interconnectors, and storage facilities—loses its neutral market character and becomes a means of coercion (a weapon) or protection (a shield). States that control critical nodes and "valves" acquire the capacity for asymmetric penetration into foreign economic systems.

Šarić analyzes how the control of pipeline valves translates directly into diplomatic supremacy within the bodies of the European Union. Italy, by transforming itself into a southern energy hub that channels African gas toward Central and Western Europe, acquires immense bargaining power in Brussels.

- **Infrastructure as a Shield:** Possessing sovereign alternative supply routes and LNG capacities shields a state from external energy blackmail and geopolitical shocks, effectively isolating it from crises.
- **Infrastructure as a Weapon:** The position of a "gatekeeper," through whose territory and pipelines energy must flow, allows a state to impose transit conditions, fees, and political concessions on neighbors that depend on these routes.

The ability of a state to physically withhold or redirect energy flows becomes the geoeconomic equivalent of military deterrence, drastically altering the balance of power within the EU itself.

3. Operationalization of the Strategy: Italy and African Energy Corridors

3.1. Historical and Modern Context: From the Original Idea of Enrico Mattei to the Modern Mattei Plan for Africa

Contemporary Italian foreign policy is experiencing a renaissance of the doctrine that shaped its post-war economic expansion. The original idea was formulated by Enrico Mattei, the legendary founder of Eni during the 1950s. His approach, known as the "Mattei Concept," departed radically from the colonial practices of Anglo-American oil giants of the era. Mattei offered African states a partnership model in which local governments received a significantly higher share of profits (up to 75%), alongside parallel investments in local infrastructure and industrial development. This historical precedent established a deeply rooted trust toward Italy across the African continent.

In January 2024, the government of Prime Minister Giorgia Meloni formally revived this legacy by launching the modern Mattei Plan for Africa (*Piano Mattei per l'Africa*) [Šarić, 2024]. The plan was initially equipped with a package of 5.5 billion euros in the form of state loans, grants, and guarantees.

In geoeconomic terms, this modern plan represents a strategic offensive with clear geopolitical objectives:

- **The substitution of Russian energy sources** with stable, long-term, and geographically closer alternatives.
- **The positioning of Italy as the primary energy hub** that will channel resources from the Global South toward the industrial heartland of Central and Western Europe.
- **Countering the influence of geopolitical rivals** (primarily China and Russia) in the Sahel and North Africa by offering a more transparent European model of cooperation.

3.2. Technical Capacities of the Subsea Network

In the architecture of geoeconomics, declared political objectives remain a dead letter without adequate physical infrastructure. Italy bases its bargaining power within the European Union on the impressive technical

capacities of two key subsea pipeline corridors that directly connect the African continent with the European mainland.

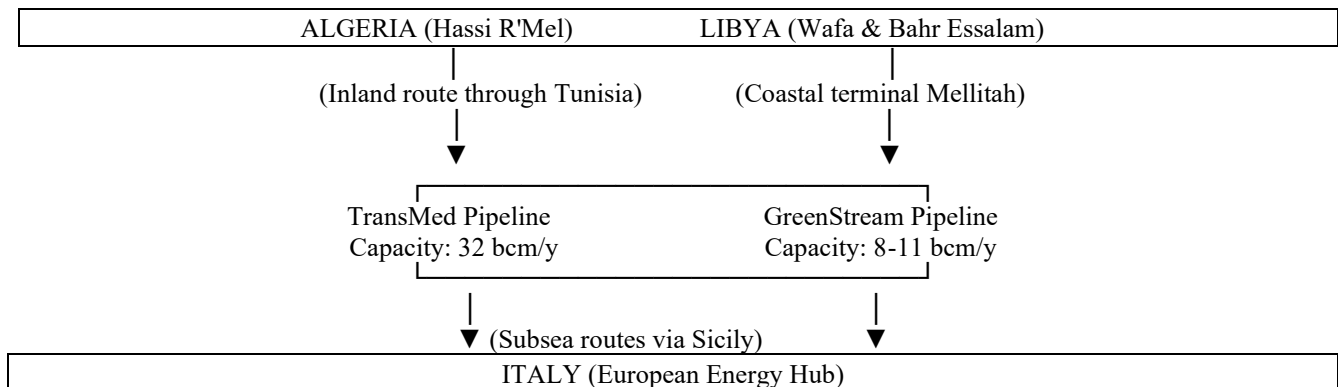


Figure 2: Technical and structural scheme of subsea gas corridors between North Africa and Italy. Source: Author, based on operational data from Eni and Snam

The TransMed Pipeline (Enrico Mattei Pipeline)

This pipeline represents the backbone of Italian energy security and a vital artery for the supply of the entire EU. It extends from the Hassi R'Mel field in Algeria, through Tunisia and across the Mediterranean Sea to Mazara del Vallo in Sicily. With a maximum technical capacity of approximately 32 billion cubic meters (bcm) per year, TransMed has enabled Algeria to displace Russia and become Italy's largest supplier of natural gas. Following the signing of a series of new agreements between Eni and the Algerian state company Sonatrach, this corridor has been utilized to its maximum operational peak, proving that geographical proximity and existing infrastructure possess primary geoeconomic value in times of crisis.

The GreenStream Pipeline

This corridor connects the Mellitah coastal terminal in Libya with Gela in Sicily, spanning a length of 520 kilometers across the seabed. Its projected capacity ranges between 8 and 11 billion cubic meters per year. However, unlike the stable Algerian environment, GreenStream operates within a highly complex and volatile geopolitical dynamic of imports from an unstable Libya [Šarić, 2025a]. Due to the chronic political fragmentation of the country between the rival governments in Tripoli and Tobruk, as well as the constant threat of sabotage by local militias, the actual gas flow through GreenStream often fluctuates far below its maximum capacity. Italy is consequently forced to deploy a hybrid strategy: a combination of a military-naval presence in Libyan waters (to protect Eni's offshore platforms) and intensive geoeconomic diplomacy with local actors to ensure the continuity of supply.

3.3. The Five Pillars of Diversification

Aware that a purely extractive model (taking gas in exchange for capital) is unsustainable in the long

term and vulnerable to critiques of neocolonialism, the Meloni government has redefined its approach through the Mattei Plan. The strategy is structured around five foundational pillars of diversification that transcend the sphere of fossil fuels, with the explicit goal of establishing a deep, structural, and long-term binding of African partners to the Italian geoeconomic orbit:

1. **Education and Training:** Investments in local schools, technical institutes, and universities. The objective is to create a qualified local workforce capable of managing modern infrastructure, while simultaneously reducing the incentives for irregular migration by generating economic perspectives at home.
2. **Healthcare:** Strengthening local health systems, constructing hospitals, and transferring medical technologies. Through this pillar, Italy projects soft power and builds social legitimacy on the ground.
3. **Agriculture:** The implementation of advanced Italian agrotechnologies to combat desertification, increase grain yields, and empower the food sovereignty of African states. A stable food supply in the Sahel region directly mitigates security risks for Southern Europe.
4. **Water:** The construction of irrigation systems, desalination plants, and the rehabilitation of water supply networks. Access to clean drinking water is identified as a critical factor in preventing local conflicts and mass population displacement.
5. **Energy (Beyond Fossil Fuels):** The development of renewable energy projects, with a particular emphasis on solar energy and green hydrogen. The long-term vision of this pillar is the repurposing of existing pipelines (such as TransMed) to transport African green hydrogen to the European market once the era of natural gas concludes.

Through these five pillars, Italy successfully applies Šarić's theoretical postulate regarding geoeconomic defense and offense [Šarić, 2024]: economic resources and development aid are integrated into a unified national security strategy that protects Europe's southern borders while simultaneously securing Rome's energy primacy.

4. The Mediterranean Chessboard: Regional Competition and Overlapping Interests

With the ascent to power of the right-wing government of Prime Minister Giorgia Meloni in late 2022, Italy fundamentally sharpened its geoeconomic doctrine [Šarić, 2024; Šarić, 2025a]. Traditional, often passive Italian multilateralism was replaced by offensive, sovereignty-oriented action in which economic diplomacy is utilized as the primary weapon for the projection of national power.

The Meloni government successfully strengthened this doctrine by skillfully leveraging ideological proximity with key international actors:

- **The Axis with Washington (USA):** Meloni positioned Italy as the most reliable transatlantic partner in the Mediterranean. Rome's uncompromising detachment from China's "Belt and Road" initiative and its firm stance against Russia earned it the political blessing of Washington to assume a leading role

in the stabilization and energy management of Africa.

- **The Ideological Alliance with Budapest (Hungary):** The close relationship with Viktor Orbán's government was not merely ideological but carries deep geoeconomic weight. Italy utilizes this alliance to construct a transcontinental vertical line of influence stretching from the North African coasts, across the Adriatic, and straight into Central Europe [Šarić, 2025a, Šarić 2025d]. Hungary, desperately seeking alternative supply routes to reduce its dependence on transit through Ukraine, views the Italian energy hub as a long-term partner. This alliance provides Rome with additional leverage within the European Council, enabling it to bypass the restrictive policies of the Brussels administration more easily.

In the context of this intensified foreign policy, an open overlap of interests and fierce competition has emerged within the Mediterranean basin among three key regional competitors.

4.1. The Turkish Factor

The most intense friction point of the Italian geoeconomic offensive manifests in Libya. The conflict of Italian interests in Western Libya (Tripolitania) directly collides with the robust military and economic presence of Ankara.

[ITALY (Eni)]
Historical Influence
GreenStream

[TURKEY (Ankara)]
Military Support to GNA,
Maritime Agreement

WESTERN LIBYA (Tripoli)
- Arena of Asymmetric Geoeconomic Conflict -

Figure 3: The asymmetric geoeconomic friction between Italy and Turkey in Western Libya (Tripolitania)

Figure 3 illustrates the asymmetric geoeconomic friction between Italy and Turkey in Western Libya, mapping a dual-penetration matrix where Italian corporate-state synergy, driven by Eni's GreenStream pipeline, contrasts with Turkey's hard security veto via the Misrata and Al-Watiya airbases. This model highlights a zero-sum, hybrid conflict over energy logistics, demonstrating how Turkey's logistical control challenges Italian economic interests in the region.

Turkey attempted to unilaterally redraw Exclusive Economic Zones (EEZ) in the Mediterranean by signing a controversial maritime memorandum with the government in Tripoli, thereby directly threatening the planned routes of European pipelines. While the Italian conglomerate Eni controls critical extraction infrastructure in offshore fields and the GreenStream pipeline, Turkey controls the airspace and military

logistics on the ground through permanent bases in Misrata and Al-Watiya.

Šarić points out that with the arrival of the Meloni government, Italy has abandoned its defensive tactics [Šarić, 2024]. Rome now deploys a combination of a strong naval presence (Operation "Mediterraneo Sicuro") and the Mattei Plan to offer local Libyan elites a financially more lucrative and institutionally more stable European alternative, aiming to neutralize the Turkish military and economic primacy in Tripolitania.

4.2. Greece and the Eastern Mediterranean Corridor (EastMed)

On the eastern axis, the sharpened Italian doctrine enters a zone of covert competition with Greece. The core of this rivalry lies in the match between two distinct concepts of European supply: Levantine gas versus North African pipelines.

Greece, in alliance with Cyprus and Israel, has spent years pushing the EastMed pipeline project, designed to transport gas from mega-discoveries in the Levantine Basin (such as Leviathan and Aphrodite) directly to mainland Europe via Greece. However, Rome views the EastMed project with skepticism due to immense technical challenges, extreme sea depths, and prohibitive construction costs.

The government of Giorgia Meloni therefore gives absolute priority to its own, already operational infrastructure in North Africa (TransMed and GreenStream) and its subsequent expansion [Šarić, 2024]. Italy aims to impose its route as faster, cheaper, and more reliable, deliberately marginalizing Greek ambitions to become the primary energy gateway for Southeastern Europe.

4.3. The Spanish Alternative

On the western flank of the Mediterranean, Spain possesses the largest regasification capacity for liquefied natural gas (LNG) in the whole of Europe, alongside well-developed pipeline connections with Algeria (Medgaz). On paper, Madrid was the natural candidate to claim the title of the main energy bridge between Africa and the interior of the EU.

However, the Spanish geoeconomic offensive suffered a collapse due to the technical limitations of the Pyrenean interconnector. The planned MidCat pipeline, intended to connect Catalonia with France and facilitate the mass transit of gas toward Germany, was permanently blocked due to French protectionism and Paris's refusal to finance infrastructure that competes with its domestic nuclear sector.

This blockade had decisive implications for the Italian primacy in supplying the EU hinterland [Šarić, 2025a]:

- Spain remained geopolitically cut off, functioning as an "energy island."
- Italy, on the other hand, maximized the exploitation of this vacuum. The Alps, unlike the Pyrenees, possess a highly developed

network of transit pipelines (Tarvisio and Passo Gries).

- The Meloni government, utilizing its ideological and strategic alignment with Hungary and Austria, successfully redirected the focus of European buyers toward the Italian route, transforming Spain's technical handicap into an absolute geoeconomic triumph for Rome.

5. The Position and Threats to the Republic of Croatia: An Asymmetric Environment in the Adriatic

The geopolitical and energy architecture of the Northern Adriatic is undergoing an intense reshuffle, wherein the Republic of Croatia is evolving from a passive consumer into an active energy distributor. The primary catalyst for this transformation is the Floating Storage and Regasification Unit (FSRU) for liquefied natural gas on the island of Krk [LNG-1]. However, within the geoeconomic framework established by Šarić (Šarić, 2024), Croatia's position cannot be observed in isolation from the expansive energy strategies of its neighbors, most notably Italy. While Croatia strives to capitalize on its geographical location, it faces asymmetric geoeconomic pressure emanating from the Gulf of Trieste and the broader Italian energy system.

The role of the United States in this context carries a twofold, deeply strategic dimension. On the one hand, Washington provides robust political and infrastructural support to the Krk terminal, treating it as a crucial geopolitical stronghold for displacing Russian influence from Central and Eastern Europe and as an entry point for American LNG into the European market. On the other hand, the US pragmatically supports the Italian Mattei Plan in North Africa to stabilize NATO's southern flank and secure alternative resources for major Western European economies. This situation creates a distinct geoeconomic paradox for Croatia: it enjoys an American security and energy shield while simultaneously being forced to compete on the open market with cheaper pipeline gas that Italy draws from Algeria and Libya.

GEOPOLITICAL BALANCING IN THE NORTHERN ADRIATIC

[USA: European Diversification / American LNG Placement]



[MARKET COMPETITION FOR THE SUPPLY OF THE EUROPEAN HINTERLAND]

Figure 4: Schematic representation of the geopolitical balancing and market competition in the Northern Adriatic
 Source: Author; Šarić M., based on geoeconomic mapping models

The market competition in the European hinterland represents the primary geoeconomic threat to the interests of the Republic of Croatia (Figure 4). The announced capacity expansion of the Krk terminal to 6.1 billion cubic meters (bcm) of gas annually assumes that these surpluses will be placed toward traditional markets in Central Europe—primarily Hungary, Slovakia, Slovenia, and, in the long term, Austria and Bavaria. However, the implementation of the Italian Adriatic Line pipeline corridor enables Rome to push vast quantities of cheaper African gas northward, directly competing with Croatian supply routes.

According to Šarić’s thesis on asymmetric geoeconomic threats (Šarić, 2025a), if Italy, in collusion with the energy strategies of Hungary and Serbia, successfully and permanently books Central European transit capacities, the Croatian energy project on Krk risks losing its economic viability and being downgraded to an object of purely local significance.

6. Strategic Recommendations for the Energy Policy of the Republic of Croatia (Results of the Discussion)

To adequately respond to the challenges imposed by Italian geoeconomic dominance backed by the Mattei Plan, the Republic of Croatia must abandon its reactive foreign policy and shift toward pro-active management of its own energy resources. Based on the analysis of power relations in the Mediterranean, four key strategic vectors of action emerge:

6.1. Dynamic Acceleration of Infrastructural Integration

Croatia must urgently synchronize the capacity expansion of the Krk terminal with the development of its domestic gas transmission network. The gas transmission system operator, Plinacro, must complete the trunk pipelines toward Slovenia (the Zlobin–Ruprecht route) and Hungary without delay. The current physical absence of adequate interconnection capacity represents

a severe bottleneck that Italy exploits to preempt Croatian offers in the Central European market. In contemporary geoeconomics, infrastructure is the equivalent of territorial presence; whoever is the first to lay pipelines with sufficient capacity permanently dictates the market conditions.

6.2. Political-Economic Binding of Consumers via Long-Term Contracts

Relying exclusively on the spot market is unsustainable in the long term under conditions where competitors offer stable pricing through long-term pipeline contracts. Croatian diplomacy, leveraging its strategic partnership with the United States, must initiate the signing of multi-year capacity booking contracts with governments and energy companies in Slovakia, Hungary, and Austria. These contracts must be communicated not merely through an economic prism, but primarily as a geopolitical insurance policy for Central Europe against potential new instabilities in the North African and Sahel regions.

6.3. Micro-Regional Expansion: The "Southern Interconnection" Project

While the northern and western hinterlands are exposed to direct Italian competition, the space of Southeastern Europe—with a specific emphasis on Bosnia and Herzegovina—represents a natural zone of Croatian geoeconomic influence. The realization of the Southern Interconnection project (the Zagvozd–Posušje–Novi Travnik route, with a branch to Mostar) is crucial for achieving a twofold objective. On the one hand, it eliminates the Russian gas monopoly held by Gazprom in Bosnia and Herzegovina, thereby contributing to the stability of the neighboring state. On the other hand, Croatia permanently secures a monopoly position as the primary energy supplier and integrates the Bosnian-Herzegovinian market into its own sphere of influence.

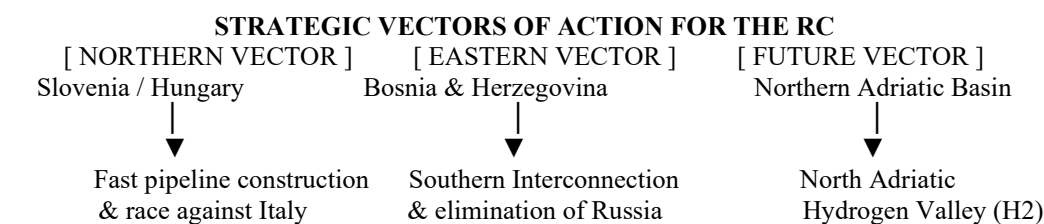


Figure 5: Conceptual diagram of the strategic vectors of action for the Republic of Croatia
 Source: Author, based on Plinacro data and regional energy initiatives.

6.4. Transitional Adaptation and Adriatic Cohesion

In accordance with Šarić’s warning that geoeconomic power in the 21st century is gradually shifting from fossil fuels to renewable energy sources, Croatia must not remain trapped exclusively within the natural gas paradigm. Existing gas infrastructure must be systematically adapted for the reception and transport of green gases and hydrogen.

Through the "North Adriatic Hydrogen Valley" project, in which Croatia participates alongside Slovenia and the autonomous Italian region of Friuli-Venezia Giulia, Zagreb must redefine its relationship with Rome. Instead of engaging in exclusive rivalry within the gas market, Croatia needs to position itself as an indispensable transit corridor for green hydrogen. In the future, within the framework of the Mattei Plan, Italy

intends to import this green hydrogen from solar and wind power plants in North Africa and route it toward the industrial heartland of Europe.

Table 1: Geoeconomic SWOT Matrix of the Energy Position of the Republic of Croatia

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Operational and functional FSRU terminal: The Krk LNG terminal is already constructed, tested, and fully operational [LNG-1], unlike many competing projects in the Mediterranean. • Strong geopolitical support from the US: Washington directly backs the Krk terminal as a crucial stronghold for placing American LNG into the European hinterland. • Geographical leverage toward Central Europe: The shortest and most natural transit route for supplying Hungary, Slovakia, and Slovenia. • High source diversification: The capacity to receive LNG tankers from any point across the globe (USA, Qatar, West Africa), eliminating dependency on a single supplier. 	<ul style="list-style-type: none"> • Bottlenecks in the domestic transmission network: Plinacro's current interconnection capacities toward neighboring countries limit the immediate export potential of the expanded terminal. • Lack of long-term contracts: Overreliance on the spot market instead of fixed, multi-year intergovernmental capacity-booking agreements. • Reactive foreign and energy policy: Traditional delays in adopting major infrastructural decisions compared to aggressive regional players. • High costs of the LNG chain: The processes of liquefaction, transport, and regasification of LNG are generally more expensive than direct pipeline gas. • Vulnerability through internal conflicts: Unresolved relations in INA's corporate governance and legal disputes that weaken the coherence of the domestic energy strategy.
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Regional supply vacuums: An opportunity to permanently displace Russian gas in the Bosnia and Herzegovina market through the Southern Interconnection project. • Synergy through the "North Adriatic Hydrogen Valley": An opportunity to integrate with Italy and Slovenia in transporting green hydrogen from Africa to the EU hinterland. • Utilization of European CEF funds: The possibility of withdrawing vast non-refundable EU grants for the urgent expansion of trunk pipelines. • Positioning as a regional security guarantor: By raising its capacity to 6.1 bcm, Croatia can become a crucial energy hub for four neighboring states [Plinacro]. 	<ul style="list-style-type: none"> • The Italian Mattei Plan: The penetration of cheaper African gas via the Italian network (<i>Adriatic Line</i>) which could price out gas from the Krk terminal. • Competition from Greece and Turkey: Accelerated development of LNG terminals in Greece and the expansion of Turkish routes toward Hungary and Serbia (the so-called southern energy sandwich). • Political instability in the neighborhood: Obstructions and political disagreements surrounding the construction of the Southern Interconnection within Bosnia and Herzegovina. • Behind-the-scenes geoeconomic deals: The possibility of Hungary and Italy forming direct arrangements that completely bypass and marginalize Croatian transit routes [Šarić, 2025a].

From the attached SWOT analysis (**Table 1**), it is evident that the energy strategy of the Republic of Croatia stands at a critical crossroads. Croatia's greatest strength (an operational LNG terminal on Krk backed by American political support) collides directly with its two most profound limitations: weaknesses in the form of an incomplete domestic pipeline network and the threat posed by the Italian Mattei Plan. The mathematics of geoeconomics is unyielding: if Croatia does not urgently exploit the opportunities presented through EU funds and the Southern Interconnection project, its weaknesses will inevitably override its strengths. Utilizing the advantage of lower pipeline transport costs from Algeria, Italy will permanently close the Central European market to gas from Krk, thereby confirming Šarić's theses regarding the asymmetric threats to the Adriatic energy space (Šarić, 2024)]

7. CONCLUSION

The scientific and practical evaluation of contemporary energy processes in the Mediterranean unequivocally confirms the core postulates of Šarić's geoeconomic model. The collapse of the liberal paradigm regarding dematerialized, self-regulating markets and the return to the hard logic of physical infrastructure have transformed the Mediterranean into a primary arena for regional competition over energy primacy. In this new order, Italy's Mattei Plan for Africa does not represent a mere development or humanitarian project, but rather a highly sophisticated geoeconomic offensive. Utilizing the energy giant Eni as an extension of state sovereignty and relying on the robust subsea routes of *TransMed* and *GreenStream*, Rome successfully redefines the concept of the "Expanded Mediterranean," transforming its own vulnerabilities into instruments of regional dominance and diplomatic supremacy within the European Union.

This Italian expansion toward the North African gas basin, in synergy with Hungarian and Serbian energy maneuvers, poses asymmetric and urgent challenges to the Republic of Croatia. The systematic analysis has demonstrated that the position of the Krk LNG terminal—despite its unquestionable operational strength and the firm geopolitical patronage of the United States—remains deeply vulnerable to the penetration of cheaper African gas and the coordinated efforts of neighboring states to bypass Croatian transit routes (JANAF and Plinacro) in order to evade transit fees and cushion pressures in bilateral conflicts. This paper vividly proves that geographical location in the 21st century carries no intrinsic value; it represents merely a passive potential that, in the absence of rapid infrastructural operationalization and the resolution of internal legal-governance conflicts (the case of INA), is easily neutralized by more pro-active regional actors.

Ultimately, this study offers a clear theoretical and practical roadmap for Croatian decision-makers. To neutralize the threat of marginalization and permanently secure its status as a Central European energy hub, Croatia must not allow its energy monopolies to fall victim to neighboring bypass maneuvers and Italian price supremacy. By positioning itself as an aggressive and indispensable gatekeeper for Central Europe—through the timely construction of interconnectors, the stabilization of regional enterprises, the expansion of the network toward Bosnia and Herzegovina via the Southern Interconnection, and integration into the future hydrogen corridors of the Adriatic basin—Croatia will successfully neutralize the asymmetric threats from its surrounding environment. Only through a transition from a reactive to an offensive geoeconomic strategy can Croatia successfully counter the Italian Mattei Plan, validate the insightful theoretical premises of contemporary geoeconomic science, and become a permanent and sovereign architect of European energy security.

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