

 Early Warning System

EBRD-56649

CGES BIH-MNE-ALB 220kv OHL reconductoring



Quick Facts

Countries	Montenegro
Specific Location	Trebinje (BIH); Peruiica (MNE); Podgorica (MNE); Vau i Dejes (ALB)
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Proposed
Bank Risk Rating	B
Voting Date	2025-12-17
Borrower	Crnogorski Elektroprenosni Sistem AD
Sectors	Energy, Hydropower, Infrastructure
Investment Type(s)	Loan
Investment Amount (USD)	\$ 17.62 million
Loan Amount (USD)	\$ 17.62 million
Project Cost (USD)	\$ 19.97 million



Project Description

According to the information provided on the project disclosure page, the EBRD is considering providing a sovereign-guaranteed loan of up to EUR15 million to Crnogorski Elektroprenosni Sistem AD ("CGES"). The proceeds of the EBRD financing will be used to support the upgrade of the Trebinje (BIH) - Peruiica (MNE) - Podgorica (MNE) - Vau i Dejes (ALB) power transmission corridor, increasing its capacity from approximately 300 MW to 600 MW. The upgrade will primarily involve replacing existing conductors with High Temperature Low Sag (HTLS) conductors along the 220 kV overhead transmission line that runs through Montenegro, from the border with Bosnia and Herzegovina, through key substations at the Peruiica hydropower plant and the main Podgorica substation, to the border with Albania.

The Project will strengthen regional energy connectivity and grid resilience across the Western Balkans aimed at doubling its transmission capacity from 300 MW to 600 MW. This upgrade will be instrumental in facilitating the integration of a substantial portfolio of Renewable Energy (RE) power plants into the regional grid. The realization of this project is projected to significantly reduce energy losses.

The Project holds significant importance in ensuring the continued stable and safe operations of the transmission system of Montenegro. The Project targets the "Resilient" Transition Impact quality as it includes a dedicated Technical Cooperation (TC) supporting the Company's governance with a TC for the assessment of CGES' readiness to establish regional available transfer capacity market coupling (i.e. allocation of cross-border capacity) in support of RES penetration and regional trading and in line with the country's EU approximation process. The second quality is "Green" as the Project implementation will allow the connection of new renewable energy sources, and will lead to a reduction of transmission losses, thereby reducing CO2 emissions.

Technical cooperation funds have been provided for environmental and social due diligence.

Additionally, it is envisaged that further technical cooperation support will be provided to assist the Company with the diagnostic of the CGES' readiness in the set-up of a regional Day-Ahead Market Coupling in Available Transfer Capacity mode (i.e. allocation of cross-border capacity) in support of RES penetration and regional trading and in line with the country's EU approximation process.



Investment Description

- European Bank for Reconstruction and Development (EBRD)



Private Actors Description

As stated by the EBRD, CGES is the Montenegrin transmission system operator, responsible for the ownership and operation of substations and transmission lines across 400kV, 220kV, and 110kV voltage level. The Company manages a transmission network consisting of 59 lines with a total length of approximately 1,512 km. Total transformation capacity comprises 4,166 MVA (with a total of 55 transformer units). CGES plays a vital role in regional energy integration, with interconnections to neighbouring power systems in Serbia, Kosovo, Bosnia and Herzegovina, Albania, and Italy, via a strategic undersea cable, strengthening Montenegro's position within the broader European electricity market.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Crnogorski Elektroprenosni Sistem AD	Client	Energy



Contact Information

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ACCESS TO INFORMATION

You can request information by emailing: accessinfo@ebrd.com or by using this electronic form:

<https://www.ebrd.com/eform/information-request>

ACCOUNTABILITY MECHANISM OF EBRD

The Project Complaint Mechanism (PCM) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an European Bank for Reconstruction and Development (EBRD)-financed project. If you submit a complaint to the PCM, it may assess compliance with EBRD's own policies and procedures to prevent harm to the environment or communities or it may assist you in resolving the problem that led to the complaint through a dialogue with those implementing the project. Additionally, the PCM has the authority to recommend a project be suspended in the event that harm is imminent.

You can contact the PCM at: pcm@ebrd.com or you can submit a complaint online using an online form at:

http://www.ebrd.com/eform/pcm/complaint_form?language=en

You can learn more about the PCM and how to file a complaint at: <http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html>