

 Early Warning System

EBRD-56889

STEG - ELMED - Grid Reinforcement Grombalia-Kondar



Quick Facts

Countries	Tunisia
Specific Location	Grombalia, Kondar; Nabeul, Ben Arous, Zaghouan, and Sousse governorates
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Proposed
Bank Risk Rating	A
Voting Date	2025-12-17
Borrower	Societe Tunisienne de l'Electricite et du Gaz
Sectors	Energy, Infrastructure
Investment Type(s)	Loan
Investment Amount (USD)	\$ 23.43 million
Loan Amount (USD)	\$ 23.43 million
Project Cost (USD)	\$ 46.86 million



Project Description

According to the EBRD, the project consists of the provision of a sovereign guaranteed senior loan of up to EUR20 million to Societe Tunisienne de l'Electricite et du Gaz ("STEG" or the "Company") to finance the construction of the Grombalia 2 - Kondar Grid Reinforcement Project. The Project includes mainly a 400 kV overhead transmission line (OHTL) of approximately 85 km, connecting substations Grombalia2 to Kondar and crossing four governorates (Nabeul, Ben Arous, Zaghouan, and Sousse) as well as other entry and exit overhead lines connecting Grombalia2 substation to the 225kV network.

As part of wider ELMED project the Project will enable the evacuation of green electricity produced in the southern part of the country, as well as to realize the export ambitions via the ELMED interconnection between Tunisia and Italy. The Project with the grid reinforcement of transmission infrastructure involved is therefore necessary to ensure effective integration of new renewable capacities and secure delivery to consumption centers and export corridors.

A comprehensive Technical Cooperation (TC) package, jointly funded by the EBRD's Shareholder Special Fund (SSF) and the EU Neighbourhood Investment Platform (EU NIP), has been mobilised to support the Project.



Early Warning System Project Analysis

As stated by the EBRD, the project baseline passes through predominantly rural and agricultural areas in four governorates. A right of way (RoW) of 50 m (25 m on each side) has been created to provide flexibility for modifications to the line during the construction phase. No protected natural areas are intersected, but bird migration corridors may overlap with the route and have been considered in the assessment. The route avoids communities and structures, crossing primarily government land used for agriculture and grazing. There are no archaeological sites on the route.

There are expected impacts to landscape, soil disturbance, air and noise pollution, and waste generation. Measures include routing to avoid sensitive areas, soil restoration and waste management procedures, as outlined in the ESMP.

Impacts on birds are expected due to collision and electrocution risks, particularly near migratory corridors. To address this, mitigation includes pre-construction surveys, bird flight diverters, and deterrent activities. The BMP disclosed with the ESIA will be further developed during the detailed design stage based on pre-construction field ecological surveys that are required to inform measures to avoid, reduce or compensate biodiversity impacts, and rule out the presence of potential critical habitat species.

Social impacts are linked to occupational health and safety hazards and high expectation for employment, which may lead to increased community tensions. Key mitigation measures are linked to effective implementation of the Occupational Health and Safety Plan (OHSP) and Labour Management Plan (LMP), also disclosed with the ESIA package. Cultural heritage disturbances are considered manageable through avoidance and the application of chance find procedures.

No physical displacement is expected and routing as sought to avoid impact on any structures. Land acquisition will result in some economic impacts related to damage to crops, temporary restrictions to land, permanent loss of land where pylons are to be located and permanent restrictions on land use along a 10 m corridor that will limit tall trees and vegetation. These impacts are addressed in the Resettlement Framework, which will be the basis for the development of a Resettlement Plan that will be the responsibility of STEG and implemented jointly with the EPC Contractor.

A Stakeholder Engagement Plan (SEP), including grievance mechanism, has been prepared and disclosed for the Project. STEG will appoint a Stakeholder Engagement Manager to review and periodically update the SEP and provide guidance to the EPC Contractor. The implementation of the SEP shall be monitored based on the evaluation indicators in the plan with the objective of improving the way in which stakeholder consultation are conducted over the lifetime of the Project. The ESAP and overall E&S performance of the Project will continue to be monitored by EBRD on an annual basis.



Investment Description

- European Bank for Reconstruction and Development (EBRD)



Private Actors Description

As stated by the EBRD, STEG - STEG is Tunisia's 100% state-owned vertically integrated National Electricity and Gas Utility Company under the supervision of the Ministry of Industry, Mines and Energy. It was founded in 1962 and is responsible for the generation, transmission, distribution, import and export of electricity and gas.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Societe Tunisienne de l'Electricite et du Gaz	Client	-



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>



Bank Documents

- [PSD Translation \(French\)](#)