



Press Release

The European Union allocates €307 million to finance the "ELMED" Project

On Thursday 8 December 2022, the European Commission decided to allocate €307 million to finance the "ELMED" electrical interconnection project between Tunisia and Italy. This decision was taken following the outcome of the call for proposals to finance energy infrastructure through the 2022 *Connecting Europe Facility* (CEF) programme.

The project involves the installation of a 600 MW High-Voltage undersea cable linking the two Italian and Tunisian electricity grids, at an estimated investment cost of approximately €850 million.

The Tunisian Government has obtained US \$12.5 million from the World Bank to carry out some of the preparatory work for the ELMED project, including studies of the marine and land routes, environmental and social impact studies and overall project organisation. Discussions with financial backers are already under way to jointly finance outstanding funds.

STEG and its Italian partner, Terna SpA, (operator of the Italian electricity transmission grid), and the Tunisian-Italian joint venture "ELMED Études Sarl", have joined forces to conduct the feasibility studies needed to reach the Project authorisation and implementation phase.

Points to note:

- ✓ The "ELMED" project features in the list of Projects of Common Interest (PCI) for the European Commission, which is aiming to install an energy infrastructure for the transmission of electricity linking European and North African electricity grids.
- ✓ The project will help to guarantee Tunisia's energy security, diversify its sources of electricity supply and promote the development of renewable energy sources whilst helping to reduce greenhouse gas emissions and facilitate the economical exchange of electricity in both directions between Tunisia and Italy. The electrical interconnection will also ensure greater security for the electricity system *per se*.
- ✓ The project will help to achieve international energy and climate objectives.
- ✓ The ELMED Project is supported by the Italian and Tunisian governments which signed an agreement on 30 April 2019 for the mutual development of the project.