

## **TERNA: €307 MILLION LOAN SIGNED WITH THE EUROPEAN COMMISSION FOR THE ITALY–TUNISIA INTERCONNECTION**

**A further step towards the creation of the first direct current electricity connection between Europe and Africa**

**The project will help improve Italy's energy procurement security and contribute to the achievement of national and international energy targets**

**For the first time, Connecting Europe Facility funds have been allocated to an infrastructure project developed by a Member State and a Third Country.**

**Rome, 8 August 2023** – Terna, the operator of the Italian electricity grid, and Steg, the Tunisian electricity and gas operator, have signed a Grant Agreement with the European Commission for € 307 million to support “Elmed”, the invisible interconnection between Italy and Tunisia which will form the electricity bridge between Europe and North Africa.

The authorisation procedure was launched by the Italian Ministry of the Environment and Energy Security in late 2022, and the project is set to receive investments of approximately € 850 million. Of these, € 307 million have been allocated by the European Commission through the Connecting Europe Facility (“CEF”), the European Union fund established to support key projects that aim to optimise energy infrastructure in the EU ([europa.eu/!Qcx9rB](https://europa.eu/!Qcx9rB)). This is the first time that CEF funds have been allocated to an infrastructure project developed by a Member State and a Third Country.

*“The signing of the Grant Agreement marks yet another step towards the development of a strategic project for the electricity systems of the two countries and of Europe as a whole,”* said Terna’s Chief Executive Officer Giuseppina Di Foggia. *“Elmed will enable the development of renewable energy and, at the same time, deliver economic and industrial benefits, attracting investment and creating new jobs.”*

The Italy – Tunisia Interconnection will help to integrate the electricity markets and improve energy procurement security thanks to the diversification of sources and, most importantly, the increase in renewable energy production in both Europe and Africa.

Once it enters into service, the power line will also enable reductions in greenhouse gas emissions, contributing to the achievement of the national and international energy and climate targets defined in the Integrated National Energy and Climate Plan and the Green New Deal.

Furthermore, the World Bank recently granted \$268.4 million in financing to Tunisia, in part aimed at building the converter substation (included in the scope financed by the CEF) and in part for internal grid reinforcements necessary to operate the interconnection.

The power line will run from the electrical substation at Partanna, in the province of Trapani, to the substation at Mlaabi on the Tunisian peninsula of Cape Bon, for a total length of around 220 km (most of which is submarine cable). It will have a capacity of 600 MW and a maximum depth of approximately 800 m along the Strait of Sicily. The procurement process began last May.

More information on the Elmed project is available on the website:  
<https://elmedproject.com>