



# CPG Modernisation Project

Environmental and Social Assessment

Non-Technical Summary

**EBRD**

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## Acronyms

Acronym	Full text
BAT	Best Available Techniques
CPG	Compagne des Phosphates de Gafsa
E&S	Environmental and Social
EBRD	European Bank For Reconstruction and Development
EPC	Engineering, Procurement and Construction
ESAP	Environmental and Social Action Plan
ESMS	Environmental and Social Management System
H&S	Health and Safety
HR	Human Resources
LFP	Lithium Iron Phosphate
LMFP	Lithium Manganese Iron Phosphate
PR	Performance Requirement
SLR	SLR Consulting France
SoE	State-owned Enterprise

## Units

Units	Full text
mm	millimetre
m	metre
km	kilometre
m <sup>3</sup>	cubic metres
%	Percentage
°C	Degrees Celsius
g/L	Grams per litre

# 1 Introduction

This document is a Non-Technical Summary (NTS) of the environmental and social assessment of the Modernisation Project, being developed by Compagnie Des Phosphates De Gafsa (CPG). CPG is working with the European Bank for Reconstruction and Development (EBRD) to secure funding for the Project. This non-technical summary provides a description of the Project and its context, highlights its environmental and social benefits and potential adverse impacts, describes additional assessments to be undertaken by CPG, and a summary of actions to be taken by CPG to align with EBRD's Environmental and Social Policy.

# 2 The Project

The Project includes two main components:

- **Reinforcement and partial replacement of CPG's existing mobile mining fleet** with newer, more efficient equipment, including 5 hydraulic shovels with a capacity of 14–18 m<sup>3</sup>, 19 rigid dump trucks with a capacity of 90–100 tonnes, 2 rotary drills, 2 rotary percussion drills and supporting equipment (7 water bowsers, and 9 graders).
- **Installation of filter presses at selected wash plants**, which are intended to significantly increase water recovery and eliminate the discharge of tailings into nearby wadis. The planned technology includes a high-pressure filter press system, integrated with a thickener. This combined system is expected to increase water recovery from 65% to approximately 90%. Installation of filter press units will include a move to dry stack tailings in line with good international practice.

It is located at CPG's existing operations in the Gafsa region, which comprise phosphate mining sites and processing plants distributed across five sectors (Métlaoui Kef Schfaier, Métlaoui Kef Eddour, Moularès, Redeyef, M'dhilla) (see Figure 1 below).

The new mining fleet would be distributed across the various mining sites. It would enable production to be ramped up, firstly by strengthening the existing fleet and secondly by replacing certain obsolete equipment.

At the same time, the acquisition of ancillary equipment (water bowsers and graders) for all sites will be used to maintain the haul roads. This maintenance has a positive effect on the performance of dumpers, while meeting safety requirements by improving working conditions, in particular by reducing dust.

The reinforcement and replacement of the mining fleet is planned for the second half of 2026.

The number and location of the filter presses to be installed has not yet been defined. The footprint of each filter press unit is expected to be minimal (less than 0.1 hectares), with installations located within or directly adjacent to existing wash plant areas. The most significant land use will relate to the dry stack tailings area. Only a small number of additional workers will be needed for installation and operation of the Project. The timeline for the installation of the filter press units is not yet known.

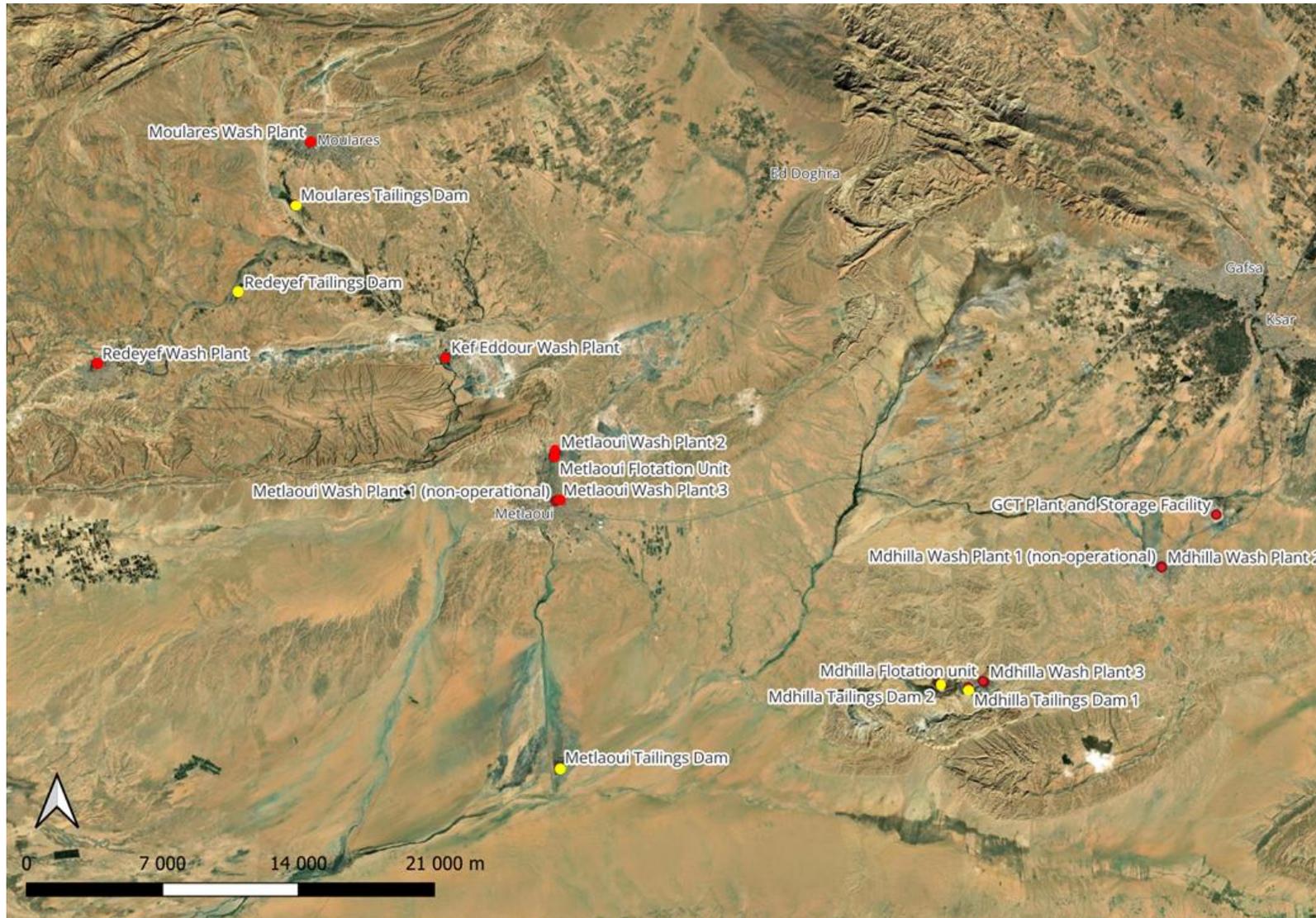


The Project design will be led by CPG, in partnership with an Engineering, Procurement and Construction (EPC) Contractor yet to be appointed. CPG's Procurement Department will oversee the construction and project management contracts.

The EPC Contractor will conduct detailed engineering and appoint a Construction Contractor to carry out the works, while ensuring compliance with environmental, social (E&S), and health and safety (H&S) requirements.

During operations, CPG will be responsible for ongoing monitoring and supervision.





Source: SLR with data on CPG's operations provided by CPG

Figure 1 – Overview of CPG Wash Plants (red dots) and Tailings Dams (yellow dots) in the Gafsa Region



## 3 Background

### 3.1 Rationale for the Project

Phosphate is identified as a critical raw material 'crucial for the fertilisers sector, but may also play an increasing role in energy transition, enabling production of lithium iron phosphate (LFP) and lithium manganese iron phosphate (LMFP) batteries that have become more widely used in the electric vehicles'.

The Modernisation Project is part of CPG's 2025–2030 expansion plans. It is designed to modernise key operations, improve efficiency, and reduce environmental impacts at CPG's mining and wash plant sites.

### 3.2 Environmental and Social Context

The Gafsa region comprises varied terrain, including highland jebels (up to ~1,000 m) and low-lying depressions (~100 m). The regional geology is characterised by sedimentary phosphate deposits interbedded with clay, marl, and limestone. Soils in the region are generally shallow, stony, and of low fertility, with areas of salinity observed, particularly in lower-lying basins and sebkhas. Soil erosion risk is elevated in exposed areas.

The project is located in a semi-arid to arid climate zone, with average annual rainfall ranging from 150–300 mm. Temperature extremes are common, exceeding 40°C in summer and falling below 0°C in winter. Prevailing winds include strong northwesterlies and seasonal Sirocco events (hot, dry southerly winds), with ~19 days/year of recorded Sirocco activity.

Groundwater is the primary water source, with both shallow and deep aquifers reportedly over-exploited (estimated 130–140%). Water quality is generally poor, with elevated salinity levels (e.g. ~7 g/L reported in CPG boreholes). Surface water is limited and primarily seasonal, draining to endorheic basins such as sebkhas and chotts.

The project lies within the Mediterranean dry woodland and steppe ecoregion. Vegetation cover is sparse and mainly comprises drought-tolerant shrubs and grasses. Ecosystems are modified due to historical land use, including grazing, agriculture, and mining. Two protected areas are located within a 50 km radius: Jebel Bouhedma National Park (~40 km east) and Dghoumes National Park (~8 km northeast). These areas support native fauna including gazelles, porcupines, and various raptor species. No critical habitats or endangered species have been confirmed within the immediate project area. However, site-specific biodiversity assessments have not been undertaken.

The project area lies within Gafsa Governorate, which had an estimated population of 389,000 in 2024. Key affected delegations include Mé'tlaoui, M'dhilla, Moularès, Redeyef, and Gafsa Sud. Settlements range from urban centres to small rural villages, some of which are located near mining infrastructure. Primary livelihoods include employment in mining and related industries, small-scale agriculture (e.g., olive, date palm cultivation), and livestock rearing. Land use in proximity to the project includes grazing and subsistence farming. The area is serviced by road and rail infrastructure linked to CPG operations. Public services such as education and healthcare are present but may be limited in smaller communities. Preliminary sources indicate the presence of fossil and archaeological resources (e.g., Roman and marine fossils) in the wider region. No systematic cultural heritage survey has been undertaken within the project footprint.



### **3.3 Alternatives Considered**

Once the locations of the filter press units and associated tailings facilities are confirmed, CPG will assess the land requirements and screen the area for sensitive environmental and social features. The final siting will seek to minimise disturbance and demonstrate that the least impactful option has been selected.

The no-project alternative would mean that the status quo remains unchanged, with the risk that the current problems continue. Implementation of the Project will not solve all existing issues but would demonstrate CPG's commitment to adopting more responsible practises. It also paves the way for concrete actions to clean up and rehabilitate the affected wadis.

## **4 Evaluation of Project Impacts**

### **4.1 Environmental Benefits and Impacts, and Associated Measures**

#### **4.1.1 Reinforcement and Partial Replacement of Mining Fleet**

The reinforcement and partial replacement of the mining fleet should generate positive impacts both on the environment (reduction in GHG emissions, air pollutants and noise levels) and on working conditions (thanks to track maintenance and dust suppression). These improvements stem from the increased efficiency and low-emission technology of the new machines, which also feature ergonomic cabins designed to maximise safety, minimise vibrations and prevent occupational illnesses. Transporting components by trucks could have local and temporary impacts on air quality and noise, especially near residential areas. These nuisances will be limited, short-term and non-significant. To mitigate them, the use of reputable suppliers will ensure compliance with environmental and safety standards during deliveries. Technical assistance will be provided to supervise regular maintenance (aimed at reducing emissions and leaks) and to train maintenance teams through knowledge transfer and refresher courses to ensure the safe handling of the new vehicles and the management of health and safety risks.

#### **4.1.2 Filter Presses**

The installation and operation of filter presses will bring improved use and conservation of water resources. The use of dry stack technology will significantly increase water recovery, reducing demand on local aquifers and helping to minimise competition over water with other users. During the operational phase, filter presses will reduce the volume of liquid tailings, thereby lowering the risk of groundwater contamination and improving the overall efficiency of tailings management. Nonetheless, both the construction and operational phases are associated with environmental risks that will require mitigation. Construction will involve earthworks and grading activities between the wash plant and tailings facility, leading to permanent but localised physical disturbance of soils. Additional impacts during construction include potential pollution from hazardous waste, particularly used oil from construction machinery, as well as wastewater if not properly managed, minor infiltration risks to groundwater during rainfall, and short-term air quality degradation from dust and vehicle emissions. Noise



levels may also increase locally due to construction activities and traffic, particularly where selected wash plant sites are close to communities.

To manage these risks, CPG will implement a suite of environmental management plans focused on soil conservation, dust and emissions control, hazardous materials and waste management, and runoff control. Hazardous waste will be collected and disposed of by an accredited contractor, and natural habitats will be avoided during site selection wherever possible. If unavoidable, a Biodiversity Management Plan will be implemented to manage potential habitat disturbance from dust, noise, and light pollution.

During operation, the key risk is the inappropriate handling or disposal of tailings, which could cause long-term contamination of soil, groundwater, or surrounding wadis, especially during heavy rainfall events. Currently, the CPG uses existing slurry dikes to minimize this risk. If not properly contained, dry tailings may also contribute to dust emissions and airborne particulate matter under windy conditions. Transport of tailings by truck could generate localised air and noise impacts, especially where roads pass near communities.

## **4.2 Social Benefits and Impacts, and Associated Measures**

### **4.2.1 Reinforcement and Partial Replacement of Mining Fleet**

Very limited adverse social impacts are expected. Some non-significant, temporary, once-off and localised impacts may occur, including short-term alteration of air quality and ambient noise levels from truck movements delivering the new fleet to site, particularly where delivery routes pass through or near residential areas. The most significant potential impact relates to road safety risks. The delivery of abnormally sized equipment using public roads presents a risk of traffic accidents involving other road users and pedestrians. During operations, the use of mobile mining fleet represents a safety risk for operators, with the principal hazard expected to be accidents involving vehicles and machinery.

To manage road safety and community disturbance, reputable suppliers will be used for fleet delivery, and supplier route planning will be undertaken to avoid residential areas where possible. CPG will engage with local prefectures to coordinate the transport of abnormal loads, including providing advance notification to affected communities. A Community Grievance Mechanism will be in place to allow residents to raise any concerns related to transport disturbance or safety.

### **4.2.2 Filter Presses**

For the filter presses, the exact location has not yet been defined. However, construction will require considerable land for a laydown area, grading of a road from the wash plant to the tailings facility, and associated earthworks. Although impacts on homes and livelihoods are not currently expected, there is potential for the development to encroach on land used by nearby communities for grazing. To avoid these risks, the Project will conduct site screening and an alternatives assessment to identify a location that minimises disruption. If avoidance is not feasible, CPG will prepare and implement a Livelihood Restoration Plan to address any loss of access to communal or economically productive land.



Construction activities are expected to result in temporary, short-term and localised impacts on air quality due to dust generated during earthworks and emissions from construction vehicles. Similarly, elevated noise levels will occur during the six-month construction period, particularly where works are undertaken near residential areas. These impacts, while limited in duration, may affect communities in close proximity to the construction zone. In parallel, the use of existing CPG roads by construction vehicles, including those transporting abnormally sized equipment, will temporarily increase the volume of project-related traffic. This presents potential safety risks for pedestrians and local vehicles, especially where transport routes pass through residential zones or areas with limited road infrastructure. Construction also introduces a number of occupational health and safety risks for workers. The principal hazards include working at heights, exposure to heat and dust, contact with electrical and cutting tools, excessive noise, and interactions with mobile machinery. There is also a low but notable risk of disturbing subsurface cultural heritage features, such as fossilised or archaeological materials, during earthworks. These will be managed through implementation of a Chance Finds Procedure and, where relevant, the development of a Cultural Heritage Management Plan.

As construction moves into operations, certain risks continue into the operational phase. The tailings facility and filter presses will be located either within or adjacent to the wash plant, depending on final siting decisions. Ongoing occupational risks for workers will include mechanical hazards, noise, dust, and heat stress, associated with the operation of heavy machinery and processing equipment. If tailings need to be transported along roads also used by the public for long distances, this may increase the risk of road safety incidents, especially in areas where pedestrian use is high or infrastructure is poor. Furthermore, the long-term presence of a tailings facility near communities could present health and safety risks if not adequately managed.

To address these concerns, CPG will implement a comprehensive package of management measures. These include development of an Occupational Health and Safety Management Plan for workers, and a Tailings Management Plan to ensure the safe handling, disposal and rehabilitation of tailings using dry stack methods in line with international best practice. A dam break assessment will be undertaken and used to inform emergency preparedness and community safety planning. In addition, CPG will prepare and implement a Community Health and Safety Management Plan to monitor and mitigate operational impacts on local populations. Traffic safety will be addressed through route planning, speed controls, driver training, and regular vehicle maintenance. Additionally, CPG will maintain a Community Grievance Mechanism to allow affected individuals and communities to raise concerns and access redress mechanisms.

During operations, a short-term positive impact is anticipated through the creation of construction jobs and related economic opportunities for local workers.

## 5 Implementation Monitoring

The E&S Assessment produced for the Project Components, once these are known, will include a monitoring programme to be implemented by CPG.



## 6 Environmental and Social Action Plan (ESAP)

The Project is expected to align with Best Available Techniques (BAT) for waste and water management through the selection of Project-specific equipment and technologies.

CPG has developed an Environmental and Social Action Plan (ESAP) that includes a series of actions aimed to align the Project with EBRD's E&S requirements and support CPG in addressing E&S risks and capacity at its existing operations.

As part of the ESAP, CPG is required to carry out for the Project:

- A **screening (alternatives analysis) of locations** for siting Project infrastructure (filter presses and associated facilities, including tailings) to minimise disturbances to potentially sensitive environmental and social features as far as practically possible.
- **Site-specific assessments of the selected sites** to define mitigation, management, monitoring, and stakeholder engagement measures to be implemented during construction and operations.
- Any elements of **land take, biodiversity** and **cultural heritage** will be identified and disturbance avoided as much as possible during construction. Where avoidance is not possible, impacts will be assessed and management plans will be developed to adequately manage and monitor impacts.
- Development of any **new tailings facilities** in line with good international practice.

For the existing operations, CPG is required to undertake:

- A comprehensive assessment of the impact of CPG's operations on **water resources** in the Gafsa region with steps taken to ensure that water use is sustainable and monitored.
- An investigation of **tailings discharges** into the wadis and development of rehabilitation plans.
- A review of **existing tailings facilities** and identification of priority actions to address potential safety and environmental impacts and risks.
- A **transport** study to assesses CPG's use of public roads including preparation of a plan/procedure for implementation by CPG.
- A **Community Health** Impact Assessment will be conducted within the governorates in which CPG undertakes its activities and a monitoring programme developed and put in place.

Additionally, the ESAP requires CPG to put in place the following:

- **Regular E&S monitoring and reporting** to the EBRD.
- An **E&S management system (ESMS)** including formal roles and procedures for the management and monitoring of E&S risks. CPG will designate/appoint and provide training of staff required to implement the ESMS. The ESMS will be initially developed for the Project but shall be extended to cover all of CPG's operations.
- Improved **labour, health and safety practices** to align with EBRD PR 2. Specific targets and reporting requirements will be defined to formalise CPG's existing



occupational health and safety systems and an HR policy will be developed in line with the Tunisian Labour Code. A formal worker grievance mechanism will be defined for all of CPG's operations.

- An **Emergency Preparedness and Response Plan** focussed on potential emergency situations associated with the Project in the first instance and then expanded to all CPG operations.
- A **Stakeholder Engagement Plan** to cover the Project and all of CPG's operations. As part of this plan, CPG will implement a community grievance resolution mechanism.

Substantial technical cooperation support will be provided to CPG to implement the Project and ESAP, improve E&S performance including health and safety practises and E&S risk and impact mitigation and management.

While the Project, ESAP and technical cooperation support will significantly improve CPG's E&S practises, it is unlikely that existing operations will be brought fully in line with the EBRD's requirements during the period of the Loan.

## 7 Stakeholder Engagement

A Stakeholder Engagement Framework has been prepared to guide CPG in undertaking meaningful engagement with Project-affected communities and Project-interested stakeholders throughout CPG's operations. The framework includes a system to receive, investigate and resolve grievances.

## 8 Who to contact

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