Early Warning System

EIB-20220461

NORTHVOLT ETT EXPANSION-LARGE SCALE BATTERY PLAN

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Quick Facts

Countries	Sweden
Specific Location	Skelleftea
Financial Institutions	European Investment Bank (EIB)
Status	Approved
Bank Risk Rating	U
Voting Date	2023-12-21
Borrower	NorthVolt AB
Sectors	Construction, Energy, Industry and Trade, Transport
Investment Type(s)	Loan
Investment Amount (USD)	$ 1,050.00 million
Loan Amount (USD)	$ 1,050.00 million
Project Cost (USD)	$ 8,098.00 million

Project Description

As stated by the EIB, the project consists of the design, construction, commissioning, ramp-up and operation of an innovative large-scale vertically integrated lithium-ion battery cell manufacturing facility with a capacity of 42 GWh, together with an upstream cathode active materials plant and a battery cell recycling facility. The production is intended for the supply of European automotive manufacturers for premium electric vehicle models currently under development. The Project is located at the Northvolt Ett site in Skellefteå in northern Sweden.

The objective of the Project is to make a substantial contribution to the development of a competitive EU-based battery industry. The Project can be considered a key enabler for the development of the European EV industry.

According to news reports, the subsidiary of the company NorthVolt filed for bankruptcy in 2024 and project was halted. However in February 2026, Northvolt's assets were acquited by a US based battery company known as Lyten. The Skelleftea battery site has now resumed operations (https://secure.businesswire.com/news/home/20260226538293/en/Lyten-Completes-Acquisition-of-Northvolt-Sweden-and-Establishes-its-First-Lyten-Industrial-Hub-in-Sweden)

Early Warning System Project Analysis

The Northvolt Ett Expansion project in Skellefteå carries several documented environmental, social, and labour risks despite its role in battery production for the energy transition. The project overlaps with land used by the Mausjaur Sámi community for reindeer grazing, where construction-related noise, traffic, and light are expected to cause “avoidance effects” that disrupt seasonal livelihoods, even though no physical displacement is reported The industrial processes involved—including battery cell production and recycling—pose environmental risks linked to hazardous chemicals and waste streams, with evidence of high production waste levels raising concerns about pollution and waste management (electrive.com). There are also serious labour and occupational health and safety risks, including worker deaths, multiple accidents, and investigations into unsafe working conditions at Northvolt facilities (sifted.eu). In addition, the project has faced economic instability, with layoffs affecting around 1,600 workers and parts of the expansion being suspended, creating uncertainty for workers and the local economy (electrive.com; sifted.eu). Together, these issues highlight how large-scale battery projects can generate significant Indigenous rights, environmental, and labour risks alongside their climate objectives.

People Affected By This Project

The Mausjaur Sami village has grazing rights over the project area. Potential impacts relate to an area 100 m north of the site, which may be used for reindeer winter grazing mainly during February and March. Potential avoidance effects could arise during the construction phase from noise, traffic, and light pollution. The promoter has an agreement with the Mausjaur Sami village that includes compensation and benefit sharing measures, and consultation will be ongoing annually.

Investment Description

- European Investment Bank (EIB)

Private Actors Description

As stated by Bloomberg, Northvolt AB manufactures renewable energy components. The Company offers batteries to replace fossil fuels with electricity that helps in energy generation and distribution from coal, oil, and natural gas. Northvolt serves auto industries in Europe.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	NorthVolt AB	Client	Industry and Trade

Contact Information

Project contacts not provided at the time of disclosure.

Client - NorthVolt AB:

Address: Alströmergatan 20, SE-112 47, Stockholm, Sweden
Phone: +46761309427
Email: hi@northvolt.com / press@northvolt.com
Website: https://northvolt.com/

ACCESS TO INFORMATION

You can submit an information request for project information at: https://www.eib.org/en/infocentre/registers/request-form/request-form-default.htm

ACCOUNTABILITY MECHANISM OF EIB

The EIB Complaints Mechanism is designed to facilitate and handle complaints against the EIB by individuals, organizations or corporations affected by EIB activities. When exercising the right to lodge a complaint against the EIB, any member of the public has access to a two-tier procedure, one internal - the Complaints Mechanism Office - and one external - the European Ombudsman. A complaint can be lodged via a written communication addressed to the Secretary General of the EIB, via email to the dedicated email address: complaints@eib.org, by completing the online complaint form available at the following address: http://www.eib.org/complaints/form via fax or delivered directly to the EIB Complaints Mechanism Division, any EIB local representation office or any EIB staff. For further details, check: http://www.eib.org/attachments/strategies/complaints_mechanism_policy_en.pdf

When dissatisfied with a complaint to the EIB Complaints Mechanism, citizens can then turn towards the European Ombudsman. A memorandum of Understanding has been signed between the EIB and the European Ombudsman establishes that citizens (even outside of the EU if the Ombudsman finds their complaint justified) can turn towards the Ombudsman on issues related to 'maladministration' by the EIB. Note that before going to the Ombudsman, an attempt must be made to resolve the case by contacting the EIB. In addition, the complaint must be made within two years of the date when the facts on which your complaint is based became known to you. You can write to the Ombudsman in any of the languages of the European Union. Additional details, including filing requirements and complaint forms, are available at: http://www.ombudsman.europa.eu/atyourservice/interactiveguide.faces

Bank Documents

- Environmental and Social Data Sheet [Original Source]