Early Warning System

EIB-20220643

TALGA ANODE PRODUCTION

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Quick Facts

Countries	Sweden
Specific Location	Nunasvaara South, Vittangi; Luleå, Northern Sweden
Financial Institutions	European Investment Bank (EIB)
Status	Approved
Bank Risk Rating	U
Voting Date	2023-06-15
Borrower	TALGA GROUP LTD
Sectors	Energy, Industry and Trade
Investment Type(s)	Loan

Project Description

According to the Bank’s website, it consists of an integrated graphite anode project powered by renewable energy, to produce low emission intensity anodes supporting green battery manufacturing in Europe.

The project comprises the following components: a) a natural graphite mine with an annual ore mining capacity of 120,000 tonnes and a concentration plant, both located at Nunasvaara South, Vittangi and b) a purification plant constructed in the port city of Luleå, Northern Sweden and an anode plant in Luleå with production capacity of 19,500 tonnes per annum anodes “Talnode®-C” (coated purified spherical natural graphite). The project is phase 1 of the broader Vittangi operation of the Promoter.

The installation falls under Annex I of the environmental impact assessment (EIA) directive 2014/52/EU amending the EIA Directive 2011/92/EU and hence is subject to a full EIA. The project requires EIAs at both the mine site and the processing plant. The permitting process is well advanced and the promoter understands the timelines associated with approval. Environmental and social aspects will be appraised in detail during due diligence. In particular, considering the presence of Sámi villages in the project area, due attention will be paid to impacts on Indigenous Peoples and how those are addressed through the EIA process and beyond.

Early Warning System Project Analysis

The Talga anode production project in northern Sweden presents **significant environmental, social, and governance risks**, alongside **documented opposition from Indigenous Sámi communities and civil society**. The mine is located in **Sápmi**, where it overlaps with **reindeer grazing lands central to Sámi livelihoods**, raising serious concerns about Indigenous rights and cultural survival. Sámi herders report that the project could **destroy winter grazing areas and disrupt migration routes**, undermining their subsistence practices and long-term viability (Mongabay). Civil society groups and the Saami Council have also warned that proposed mitigation measures such as seasonal mining, are insufficient and would still leave grazing lands unusable and ecosystems disturbed (Indigenous Business Review).

Environmental risks include **air and water pollution, habitat disruption, and cumulative ecological damage** associated with graphite mining, which could further destabilize already fragile Arctic ecosystems (Intercontinental Cry). These impacts are compounded by the scale of the project, which is part of a broader push to expand mining for critical minerals in the region. At the same time, the project reflects **governance and procedural concerns**, as Swedish authorities have **overridden local planning delays and dismissed legal appeals** to fast-track development due to its strategic importance for the EU's battery supply chain (Mining.com ; North Sweden Business).

Opposition has been **sustained and multi-level**, including **legal appeals by Sámi communities and environmental organizations**, public protests, and broader civil society criticism of inadequate consultation and environmental safeguards. Despite this resistance, courts and the Swedish government have largely upheld project approvals, highlighting tensions between **"green transition" priorities and Indigenous rights, environmental protection, and local decision-making** (Mining.com ; North Sweden Business).

Investment Description

- European Investment Bank (EIB)

Private Actors Description

Talga Group Ltd is an **Australia-based mining and battery materials company** focused on producing graphite anodes for lithium-ion batteries. It is developing a **vertically integrated supply chain** in northern Sweden, including the **Vittangi graphite mine and Luleå anode refinery,** positioned as part of Europe's clean energy transition. (https://in.marketscreener.com/quote/stock/TALGA-GROUP-LTD-160250660/company)

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	TALGA GROUP LTD	Client	-

Contact Information

No contact information provided at the time of disclosure.

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

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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

- Environment Impact Assessment Nunasvaraa South [Original Source]
- Environmental and Social Data Sheet [Original Source]

Media

- Government forces Kiruna to adopt local plan
- Mining industry threatens livelihoods of Sweden's Indigenous Sámi people
- Sámi Communities Say New Mining Project Threatens Reindeer Herding Traditions
- Sámi reindeer herders protest EU-backed graphite mine, fearing lost grazing ground