

Sweden: European backing for Northvolt's battery gigafactory



©Northvolt

- EIB supports Northvolt's gigafactory for lithium-ion battery cells in Skellefteå, Sweden, with backing from the Investment Plan for Europe.
- EIB financing of \$350 million follows the successful financing of Northvolt's demo line in 2018, which the EIB supported with a €52 million loan.

The European Investment Bank (EIB) has signed a \$350 million loan agreement to support the financing of Europe's first home-grown gigafactory for lithium-ion battery cells, *Northvolt Ett*, in Sweden. The financing is supported by the [European Fund for Strategic Investments \(EFSI\)](#), the main pillar of the [Investment Plan for Europe](#). In 2018, the EIB also supported the establishment of the demonstration line *Northvolt Labs*, which produced its first battery cells in late 2019, and which paved the way for Europe's first home-grown gigafactory.

The new gigafactory is currently under construction in Skellefteå in northern Sweden – a region home to a prominent raw material and mining cluster, which has a long history of process manufacturing and recycling. Noting the region's clean power base, building the factory in northern Sweden will enable Northvolt to utilise 100% renewable energy within its production processes.

EIB Vice-President **Andrew McDowell**, noted: *"Since the creation of the European Battery Alliance in 2018, the EIB has stepped up its support for the battery value chain to order to help build Europe's strategic autonomy in a*

technology that is key to its competitiveness and low carbon future. I believe that EIB financing support for Northvolt has been a textbook example of how our financial and technical due diligence can help crowd in private investors to visionary projects.”

European Commissioner Vice-President in charge of the European Battery Alliance, **Maroš Šefčovič**, said: *“The EIB and the Commission are strategic partners under the EU Battery Alliance, working closely with the industry and Member States to put Europe on a firm path towards global leadership in this strategic sector. Northvolt has been among our frontrunners, set to build Europe’s first home-grown Gigafactory for lithium-ion battery cells, with a minimal carbon footprint. By supporting this state-of-the-art project, we also confirm our resolve to boost Europe’s resilience and strategic autonomy in key industries and technologies.”*

Northvolt Ett will serve as Northvolt’s primary production site, hosting active material preparation, cell assembly, recycling and auxiliaries. Ramping up to full capacity, *Northvolt Ett* will produce 16 GWh of battery capacity per year in its initial phase, to be scaled up at a later stage to potentially 40 GWh. Northvolt’s batteries are designed to be used in automotive, grid storage, and industrial and portable applications.

Peter Carlsson, Co-founder and CEO of Northvolt, said: *“The EIB has played a key role in making this project possible from the very beginning. We are tremendously grateful for the support we have received from them and the European Union. Europe needs to build its own supply chain for large-scale battery manufacturing and the EIB is a true cornerstone of that process.”*

Northvolt is a European supplier of sustainable, high-quality battery cells and systems. Founded to enable the European transition to a decarbonised future, the company has made swift progress on its mission to deliver the world’s greenest lithium-ion battery with a minimal CO₂ footprint. Among Northvolt’s industrial partners and customers are ABB, BMW Group, Scania, Siemens, Vattenfall, Vestas and the Volkswagen Group. For more information visit [northvolt.com](https://www.northvolt.com)