

# ESG Infra Deal of the Year – Stegra Water Treatment Plant, Sweden

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A transaction that is closely aligned with the Stegra Green Steel Plant, John Laing's water treatment plant associated with the famed hydrogen project is a worthy winner of the ESG infra award.

[Stegra Water Treatment Plant](#) supports the [Boden Green Steel Plant](#) that is being delivered by the Swedish startup the formerly operated as H2 Green Steel (H2GS).

Stegra and John Laing entered a private-to-private partnership (PtPP) to create a sustainable water treatment plant (WTP) for Stegra's industrial site in Boden, Sweden.

The WTP will support the world's first large-scale green steel plant, treating wastewater from that process.

John Laing is providing essential water treatment services to Stegra's flagship green steel industrial site in Boden, Sweden, through the design, build, financing, operation, and maintenance of a new WTP.

Project financed via a green loan structure aligned with LMA Green Loan Principles and EKN's ESG requirements, construction commenced in 2023 and operations are expected to begin next year (2026).

With financial closed reached in August 2024 it is expected that the plant will produce 5 million tonnes of green steel annually by 2030.

The WTP is critical ancillary infrastructure required to operate what will be the world's first large-scale green steel plant.

John Laing secured non-recourse project finance including equity and an ECA backed Green Domestic Guarantee supported senior debt financing.

The financing comprises 4 facilities, including an EKN backed facility covering 80% of the political and commercial risks under the EUR export credit; a commercial uncovered facility in respect of project costs; a contingent uncovered facility for additional project costs; and a debt service reserve facility, all made available under a Common Terms Agreement.

The EKN backed facility required considered negotiation with the ECA in line with their ESG principles which included the incorporation of EKN's General Conditions for Green Credit Guarantee within the documentation.

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