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Work starts on Lithium Werks battery gigafactory in China

Dutch energy storage and battery company Lithium Werks B.V. (www.lithium-werks.com) has started preliminary work on site to become the first European company to build a battery gigafactory in China.

The plant will consist of a total 60 hectares giga factory, with an initial annual production capacity of 8GWh.

Construction in Jiashan near Shanghai, in the Yangtze River Delta in one of the most developed regions in China, is set to start in 2019, in partnership with the Jiashan Economic and Technological Development Zone, a national-level development zone.

“Together with our Chinese partners, we will deliver much needed energy storage solutions to facilitate a global transition from fossil fuels to clean energy,” said Kees Koolen, chairman of the board, Lithium Werks during the launch ceremony.

“By partnering with a European company, we reaffirm our global commitment to the reduction of CO2 and other harmful emissions. Together, we believe we could create a sustainable future for all,” said Xiaofan Yu, Director of Administrative Committee of Jiashan Economic and Technological Development Zone.

The Lithium Werks factory and related facilities will produce battery cells and systems for lithium-ion batteries to be used for energy storage and smart grids, as well as for large transportation equipment and industrial applications.

This is in line with a framework agreement that was signed in The Hague, Netherlands in October, in the presence of the Chinese Premier Li Keqiang and Dutch Prime Minister Mark Rutte.

Great ambitions

As batteries are an essential part of the energy transition, Lithium Werks’ plans to build multiple gigafactories across the world. This will be part of a 15-to-20-year program that mirrors the long-term business models of the wind and solar industry.

“As more and more energy is created by wind turbines and solar panels, we’ll need safe, reliable, clean and sustainable energy storage solutions, to ensure

electricity is available to people even when there is no wind or sunshine,” said Koolen.

Lithium Werks is expanding quickly, both organically and through acquisitions, as it continues to work to meet a near insatiable demand for batteries. It expects its revenue to exceed \$1bn by 2020.

“Demand for lithium-ion batteries is set to grow tenfold over the next decade alone, so our industry must step up to the challenge and construct enough factories to deliver capacity in excess of 10,000 GWh in the next three decades. Lithium Werks aims to provide a substantial contribution in delivering this capacity and become one of the leading companies in this space.” said Koolen.

We work closely with our customers to meet their specific energy storage requirements and are excited to develop new business relationships, and China will play a major role in this strategy.

“China is a leader in battery cell production, so it is natural for us to start here where there is so much expertise, and where the regulatory system and the level of government and local authority support make it possible for us to respond swiftly to our customers’ requests,” said Koolen.

Other countries and partners are invited to take up the dialogue in order to accelerate the rollout of gigafactories in other locations,” said Koolen.

About Lithium Werks

Lithium Werks is a fast-growing global lithium-ion battery company with production facilities in the Netherlands and China, and offices in the USA, the Netherlands, Northern Ireland, Great Britain and Norway. Lithium Werks provides cells, modules and energy management systems to markets such as industrial, transportation, marine and clean energy.

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About Jiashan

With its unique geographic advantage, in the center of the Yangtze River Delta, Jiashan offers excellent access to Europe. It borders Jiangsu and Shanghai, and from nearby Zhejiang there is a 13,000 kilometre train link to Madrid that takes 18 days. Established in 1430, Jiashan is named for its “honest folk, good land and kind people”. Covering an area of 506km²,

Jiashan has a residential population of 800,000. Jiashan Economic and Technological Development Zone was established in 1993 and is a national -level development zone. The Zone covers a core area of nearly 30 k m² and has been awarded with many honours, including China Excellent Development Zone, Development Zone with the Most Investment Value in Yangtze River Delta, Zhejiang's Top 10 Development Zone. Zhejiang sino-dutch (jiashan) industrial cooperation park in the zone is a province-level national cooperation park and the only comprehensive industrial cooperation park between China and the Netherlands. Since its establishment more than two years ago, the park has become a big platform for industrial cooperation between China and the Netherlands and a new driving force for economic and trade development between the two countries.

Jiashan Eco-Tech Development Zone which is an export-oriented and investment-oriented industrial park has attracted more than 1,300 enterprises to invest in the zone. The total investment adds up to 95 billion yuan (75% industrial investment). Meanwhile the Zone has attracted nearly 500 enterprises from more than 30 countries and regions. Foreign investment amounts to a total of 7.2 billion US dollars which is 55% of all the investment in the Zone

Power and electronics and new energy industry are both the traditional industry and key industry in the future in Jiashan. Started from the electroacoustic industry and photovoltaic industry, industry in Jiashan has developed into smart power grid, microelectronics, optical communication, fuel cell, solar green energy system, LED and so on with completed industry chain surrounded. The representative enterprises are ReneSola, Huarui, Geke, Oufeiguang, Futong, Edelman, Foxconn, Pegatron and others.

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