

Battery makers turn northern French region into 'electric valley'

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in Paris



French President Emmanuel Macron stressed his agenda to re-industrialise France on Friday.

Global battery makers are turning a formerly depressed northern French region into a 21st-century manufacturing hub and a key European source

of new energy technology.

Taiwanese battery maker Prologium became the latest group on Friday to announce a plant in the Hauts de France region, home to many struggling towns that have spent decades in the doldrums after the collapse of the local steel and mining industries.

The 5.2-billion-euros (\$5.7-billion) investment in the port of Dunkirk follows similar moves from rival power cell producers in the area, which borders Belgium and boasts good road and port connectivity.

European producer ACC—a tie up between Stellantis, TotalEnergies and Mercedes—has chosen the town of Billy-Berclau for its plant, while Chinese-Japanese group Envision opted for Douai, around 30 kilometers (20 miles) to the south of regional hub Lille.

France-based Verkor also picked Dunkirk, a deep-sea port famous for being the scene of a chaotic Allied retreat in the early stages of World War II.

"It's fair to say that there is a developing ecosystem for batteries in northern France," the vice president for international development at Prologium said in a statement announcing the new factory on Friday.

News of the investment led French President Emmanuel Macron to travel to Dunkirk on Friday, giving him an opportunity to stress his ambitions to re-industrialize France after decades of the country shedding jobs to China and other lower cost countries.

The pro-business former investment banker, 45, has cut taxes, loosened labor law and offered investment incentives since coming to power in 2017 in a bid to cut unemployment and attract companies.

"I'm proud to say here, in an employment market that has known closing factories for decades, that we are in the process of re-opening them, to industrialize," Macron said as he visited an aluminum factory.

He also announced a new 1.5-billion-euro investment in Dunkirk from French nuclear group Orano and Chinese firm XTC to produce cathode components used in lithium batteries.

Over the last 40 years, France has lost 50,000 industrial jobs every year on average, according to Macron's office.

Car-making cluster

The Hauts de France region was once one of the industrial heartlands of France, a key source of textiles, coal, steel and then vehicles as car manufacturing took off in the middle of the last century.

Despite suffering a string of plant closures, this latter industry has survived, with the region the biggest source of vehicles in France today, according to the local investment body Nord France Invest.

It is home to seven car production sites including Toyota, Renault and Stellantis as well as a dense network of component suppliers—a key reason why battery manufacturers are keen to position themselves nearby.

"It's strategic to have all of the sector," the head of the region, Xavier Bertrand, was quoted as saying by Le Monde newspaper. "We're in a decade of transformation."

The investments could be a boon for the ambitious conservative politician, a failed presidential candidate for the Republicans party last year who is still thought to harbor ambitions of winning the country's top

political office.

Macron is also from the Hauts de France, having been born in Amiens. Far-right leader Marine Le Pen has been elected to parliament twice from a local constituency in the former mining town of Henin-Beaumont.

Her National Rally party is strongly implanted across the region, drawing support from mostly white, working-class voters who have suffered the consequences of France's industrial decline since the 1980s.

The regional unemployment rate has fallen sharply in recent years, hitting 8.7 percent in the last quarter of 2022.

This is still higher than the mainland average of 7.0 percent.

It has long been the region with the highest poverty rate in mainland France, with 18 percent of the population classed as below the poverty line, according to 2018 figures from statistics agency INSEE.

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