

Bavarian village opens way for key BMW factory

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A sleepy Bavarian village on Sunday gave the green light to BMW's plan to build a huge battery factory there, removing a key obstacle for the German automobile giant on its drive towards electromobility.

An overwhelming majority of residents in Strasskirchen—around 90 minutes' drive from Munich with a population of around 2,700—voted in favor of the construction project in a local referendum.

With German industry in a slump amid slowing global demand and high energy costs, the project has been billed as a vote of confidence in the future of products "made in Germany".

The positive result is an "important signal" for Germany's future economic prospects, BMW's head of human resources Ilka Horstmeier said in a statement after the result.

It came at a crucial time for BMW as the car industry transitions from combustion-engine vehicles to electric-powered ones.

The auto giant wants to invest "several hundred million euros" in the plant, which would be "at the heart of the development of electric vehicles in Germany", according to Alexander Kiy, who is in charge of the project.

The factory could employ more than 3,200 people and churn out 600,000 high-voltage batteries a year to supply electric cars made at BMW's plants in Regensburg, Munich and Dingolfing, the company's largest European site.

Because batteries are large and heavy, it makes sense for them to be produced as close as possible to vehicle assembly lines.

For this reason, BMW has already built battery factories to supply its plants in Hungary, the United States, Mexico and China.

Local fears

In Strasskirchen, some residents had feared the factory would transform their leafy village on the edge of the Bavarian forest into an industrial zone with roaring trucks.



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"More than 100 hectares of prime arable land would be destroyed forever," said Thomas Spoetzl, 44, a spokesman for local residents who were opposed to the plans.

Martin Goetz, a 45-year-old native of Strasskirchen and spokesman for the other side, disagreed.

The factory would be "a huge opportunity for the region to invest in sustainable technologies and jobs for the future", he said.

"For Bavaria, and for Germany in general, it must still be possible to create a major industrial site of this type," said Armin Soller, mayor of the nearby village of Irlbach.

'Germany pact'

Germany "needs a commitment to economic growth, especially at a time of transformation" in terms of energy and digital technology, Milan Nedeljkovic, a board member at BMW in charge of production, said before the vote.

Europe's biggest economy has drawn several major investments in recent months as it seeks to bring home production of vital supplies, such as semiconductors, in a bid to cut reliance on China.

In a drive to move faster, Chancellor Olaf Scholz recently called on the country's regions and municipalities to support a "Germany pact" intended to make the country more agile, dynamic and less bureaucratic.

But the business community remains unconvinced.

"We need a global concept that will ensure we remain competitive and maintain our locations," Arno Antlitz, Volkswagen's chief financial officer, told reporters in Frankfurt on Monday.

BMW's victory in the vote goes against the tide of companies leaving the region.

In July, for example, a paper mill on the nearby Plattling industrial estate with 500 employees announced that it was shutting down—due to high

energy costs.

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