

# Indonesia launches first EV battery plant

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Indonesia launched its first electric vehicle battery plant on Wednesday, President Joko Widodo said, as Southeast Asian countries move to gain a foothold in the emerging industry.

The country, which is the region's largest economy and home to the

largest nickel reserve in the world, has been seeking to position itself as a key player in the global electric vehicle supply chain.

The plant is a [joint venture](#) between South Korean manufacturers Hyundai Motor Group and LG Energy Solution (LGES) and can produce up to 10 Gigawatt hours (GWh) of [battery cells](#) every year.

Widodo said the plant, located in West Javan town of Karawang, was "the biggest in Southeast Asia".

Its opening marked "a new chapter" that underscored the resource-rich nation's ambition to become a global player in the electric vehicle supply chain, Widodo said at the launch.

"We have abundant natural resources, but for decades we only exported it in the form of raw materials without added value," he said.

"But now with smelters being built, with the electric vehicle battery cell being built, we will become an important global player in the [global supply chain](#) for electric vehicles."

The plant is part of a \$9.8 billion electric vehicle battery deal signed between Indonesia and LG in 2020.

It will produce batteries for Hyundai's electric vehicles, with 50,000 of its Kona Electric SUV expected to be powered by the Indonesian-made battery.

Joint venture company PT HLI Green Power is expected to spend \$2 billion to raise the plant's capacity to 20 GWh.

Hyundai Motor Group executive chairman Euisun Chung said that Indonesia's electric vehicle industry would create new economic

opportunities.

"This country is the biggest automotive market in Southeast Asia. The vehicles that are produced and sold here are the standard for the Southeast Asian region with 700 million potential customers," he said through an interpreter.

"The [mineral resources](#) in this country, such as iron and nickel, are important components of the battery that will mobilise millions of [electric vehicles](#) in Indonesia."

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