

# Hauts-de-France Gigafactory Dominance

*The rise of France's 'Battery Valley' in Europe's battery race.*

# Key Figures

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**€11.8bn**

Investment in specific projects

**10+**

Projects

**11,800**

Direct jobs

**46 GWh**

Current gigafactory battery capacity

**167 GWh**

Projected gigafactory battery capacity (2030)

# About this Report

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This report is part of a series looking at Europe's emerging battery supply sector clusters. The series will aim to highlight the opportunities from this sector for Europe's regions, and the benefits that this developing industry is bringing to Europe's economy. The reports give an overview of the hubs, key projects as well as the policies that are key to continuing to drive progress.

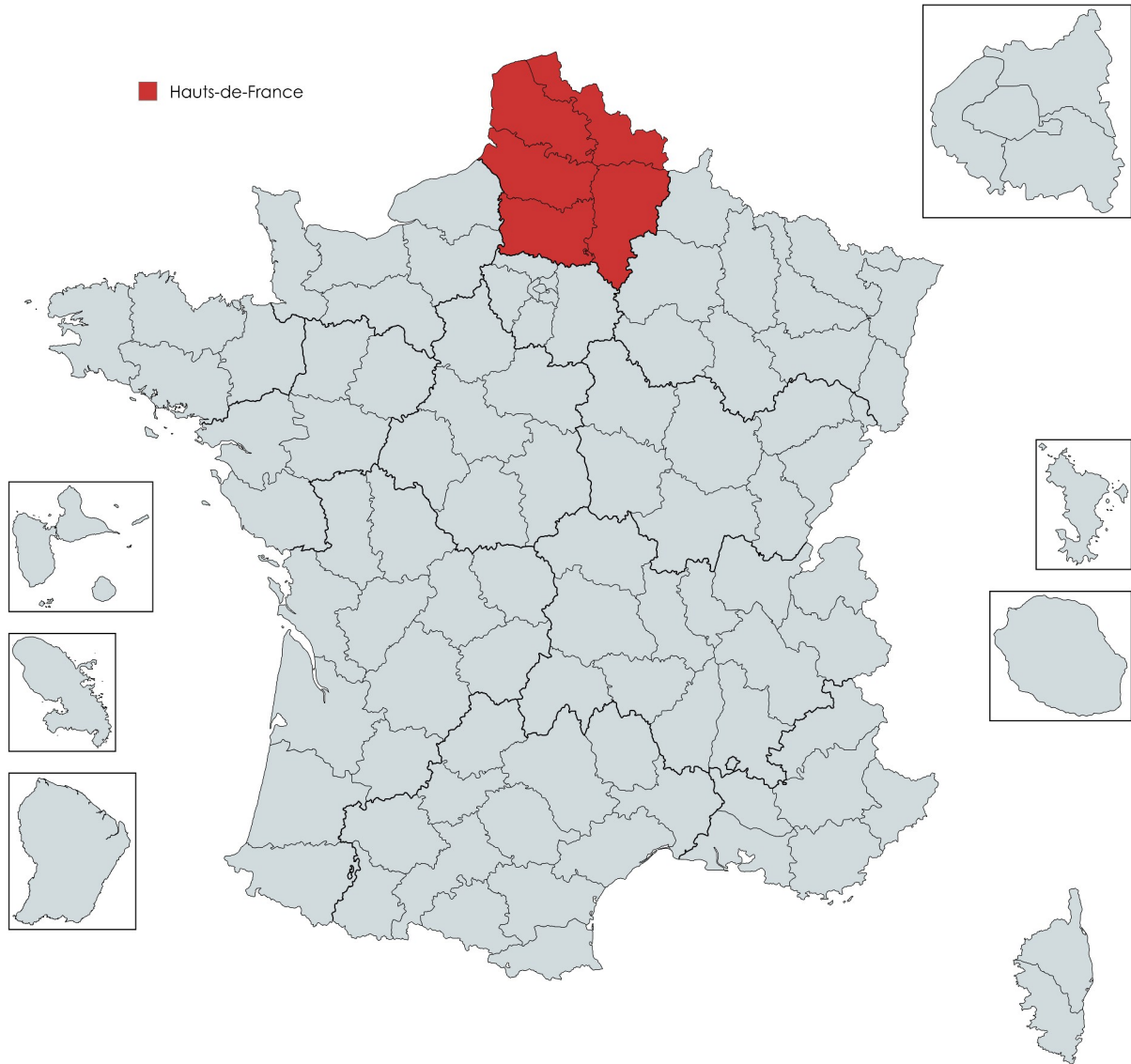
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# Regional Profile



Hauts-de-France is rapidly living up to its ‘battery valley’ nickname as it becomes the beating heart of France’s battery and electric vehicle transition. For decades, the region was synonymous with heavy industry, and later with the struggles of deindustrialisation. Today, it is rewriting that story: reindustrialisation anchored in electric mobility is reshaping both its economy and identity.

The automotive sector has long been central to the region. Plants operated by Renault, Toyota, and Stellantis employ tens of thousands, with Valenciennes, Douai, and Douvrin established names in French

manufacturing<sup>1</sup>. Crucially, these sites are no longer focused only on traditional cars and engines, they now produce EVs and hybrids. This industrial backbone has laid the foundations for Hauts-de-France to become a launchpad for France's EV ambitions.

What sets the region apart is the scale of battery investment it has secured. Six gigafactories are expected to be operating by 2030, three of them already online and three more under construction with openings planned within two years<sup>2</sup>. Together, they will provide more than 100 GWh of annual capacity and tens of thousands of direct and indirect jobs<sup>3</sup>. For a region long affected by factory closures and persistently high unemployment, the turnaround is striking: whilst it still exceeds the averages for France as a whole (7.3%), the unemployment rate fell from 9.8% in 2023 to around 8.7% at the end of 2024.

Hauts-de-France has also been a priority for policy support. National programmes such as France 2030, EU structural and Just Transition funds, and OECD guidance through the Regions in Industrial Transition initiative have all channelled resources into the region. Skills are a central focus: universities and technical schools are aligning training with industry needs, supported by initiatives such as the €80 million programme launched in 2023 by the regional government, UIMM Hauts-de-France, and Stellantis to deliver 400 hours of battery manufacturing training<sup>4</sup>.

Geography reinforces these strengths. At the crossroads of Europe, the region is a logistics hub with direct links to Belgium, Germany, and the UK, while the ports of Dunkirk and Calais, high-speed rail, and extensive road networks give manufacturers rapid access to continental markets. For battery makers looking to scale quickly and export across Europe, this connectivity is a decisive advantage.

The symbolism is powerful too. Once defined by coal and decline, Hauts-de-France is now a flagship of the EU's Just Transition regions. Its shift from industrial contraction to a magnet for investment illustrates the power of industrial policy and offers a model for how regions with heavy industrial legacies can reinvent themselves.

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1 The Automotive Industry in Hauts-de-France, Mickledore. Accessed: September 2025.

2 Battery Tracker. New AutoMotive, Accessed: September 2025

3 Battery Tracker. New AutoMotive, Accessed: September 2025

4 Battery Training Centre, OECD. Accessed: September 2025

# Anatomy of the Hub: Projects and Pull Factors

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Hauts-de-France's battery supply chain ecosystem is anchored by major gigafactories, but supported by projects in the mid and recycling section of the battery supply chain.

## The Projects

The region is home to 10+ projects that form parts of the battery supply chain.

**Envision AESC (Douai):** The latest gigafactory to be switched on in Europe, with operations beginning June 2025. It is a strategic partnership with Renault and is set to produce advanced lithium-ion batteries for key Renault EV models, including the new electric R5 and 4Ever. The project represents a total investment of €1.3 billion for its initial phase and is supported by a significant €450 million in EIB and InvestEU financing<sup>5</sup>. It has started with a capacity of 9 GWh, ramping up to 32 GWh by 2030<sup>6</sup>.

**Automotive Cells Company (ACC) (Billy-Berclau, Douvrin):** A joint venture between Stellantis, TotalEnergies, and Mercedes-Benz, ACC's facility is the first French gigafactory to begin series production, which it did in December 2023<sup>7</sup>. The plant focuses on producing both lithium-ion cells and modules with NMC chemistry. The project is designed for phased expansion, with a target capacity of 40 GWh by 2030, equivalent to supplying batteries for around 500,000 electric vehicles annually<sup>8</sup>.

**Neomat (Dunkirk):** This strategic joint venture between French nuclear giant Orano and China's XTC New Energy is set to establish two plants on a single industrial site in Dunkirk<sup>9</sup>. The project, known as Neomat, will include a Precursor Cathode Active Material (pCAM)

5 France: EIB makes InvestEU-backed investment of €450 million to build AESC electric battery gigafactory in Douai, European Investment Bank. Accessed: September 2025

6 Battery Tracker. New AutoMotive, Accessed: September 2025

7 Batteries - Business France, accessed August 28, 2025

8 Battery Tracker. New AutoMotive, Accessed: September 2025

9 Orano and XTC New Energy join forces to manufacture battery components for electric vehicles in France, Orano Group, accessed September 2025.

plant and a Cathode Active Material (CAM) plant, representing an investment of €1.5 billion<sup>10</sup>.

**Table 1: Battery supply chain projects in Extremadura and Andalusia**

<b>Area</b>	<b>Key Projects</b>	<b>Status</b>
Gigafactory	Envision AESC	Operational
Gigafactory	Automotive Cells Company	Operational
Gigafactory	Tiamat	Under Construction
Gigafactory	Energys	Operational
Gigafactory	Verkor	Under Construction
Gigafactory	Prologium	Under Construction
Cathode/ Anode plant	Neomat	Permitting stage
Precursor plant	Neomat	Announced M.O.U
Recycling	Battri	Operational
Recycling	Hydrovolt	Permitting

<sup>10</sup> France's Orano to set up two JVs with China's XTC, Reuters. Accessed: September 2025

Table 1: List of projects associated with the battery supply chain.

**Note:** Other projects also contribute to the battery supply chain but are not covered in detail here. These include the Saleux BESS, which enhances grid stability, and logistics projects centred on the Port of Dunkirk.

## **The Recipe for Success: Why Hauts-de-France**

The concentration of investment in this region is the result of a powerful combination of natural advantages and strategic policy.

**Low carbon energy advantage:** Unlike other emerging battery hubs that still rely on coal, France's industrial strategy is built on the unique strength of its electricity grid. France has one of the least carbon intensive energy mixes in the world due to its large nuclear fleet<sup>11</sup>. This provides a stable, affordable, and, most importantly, low carbon power supply for electro-intensive industries like battery manufacturing. This is a core competitive advantage that positions French made batteries favourably in a market where regulations are increasingly tied to embedded carbon footprint.

**Strategic Location and Skilled Workforce:** The strategic location of Hauts-de-France in Northern Europe is a major asset. The region provides streamlined logistics via road, rail, and inland ports to key European automotive markets like Germany and Belgium<sup>12</sup>. This is complemented by an existing, skilled industrial workforce with a deep history in the automotive and manufacturing sectors<sup>13</sup>. While the cost of labour may be higher than in some Eastern European countries, the region's long term value proposition is centred on logistical efficiency, a deep talent pool, and the development of a fully integrated, circular supply chain.

**Proactive Policy and Financial Support:** The French government is not a passive spectator in this industrial transformation. It is an active partner and a key driver of investment, providing a favorable and de-risked environment for large scale projects. The "France 2030" plan has supported 40 battery related projects with €2.3 billion in state aid, which has in turn triggered an additional €8.2 billion in private investment<sup>14</sup>. Major public financial institutions like the European Investment Bank (EIB), with the support of the InvestEU program, have been instrumental in de-risking and financing these ventures<sup>15</sup>. The EIB has provided hundreds of millions of euros in direct and indirect loans to projects like Envision AESC (€450M) and Verkor

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11 France, Ember. Accessed: September 2025

12 Axens in Exclusive Negotiations to Acquire Land in Saint-Saulve (59) for the Construction of Its Cathode Active Materials (CAM) Production Plant, Axens.net accessed September, 2025.

13 Hauts-de-France | Facts, Population, & Map - Britannica, accessed September, 2025,

14 Batteries - Business France, accessed August 28, 2025

15 French firm Verkor to mass-produce EV batteries in Dunkirk - European Investment Bank, accessed August 28, 2025

(€600M)<sup>16</sup>. This public funding acts as a powerful signal to the market, crowding in additional private financiers and demonstrating that the projects are aligned with broader European and national decarbonisation objectives.

**Existing industry ecosystems:** Hauts-de-France's battery boom builds on an already dense automotive ecosystem. The region is home to three major OEMs, Toyota, Renault, and Stellantis, operating seven production sites that anchor the local industry. Surrounding them is a network of more than 200 tier-1, 2 and 3 equipment manufacturers. Beyond that, the region supports over 550 automotive suppliers, subcontractors, and service providers, creating a highly integrated value chain. In total, around 40,000 people are employed in the automotive sector, including 16,000 directly at vehicle manufacturing sites, making Hauts-de-France one of Europe's most significant automotive clusters, and a natural foundation for the shift to EV and battery production<sup>17</sup>.

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<sup>16</sup> Construction of electric battery gigafactory in Douai - European Commission, accessed August 28, 2025

<sup>17</sup> The Automotive Industry in Hauts-de-France and the Growth of 'Battery Valley' Micklemore. Accessed: September 2025

# The Road Ahead

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The long-term success of the Hauts-de-France battery hub, like any large-scale industrial project, is not guaranteed. It faces several significant challenges that must be navigated to ensure its continued growth and viability.

## **Navigating Challenges**

While the region benefits from a strong industrial heritage, the expertise required for battery manufacturing is highly specialised. The national target of training 70,000 professionals by 2030 is therefore vital, yet a talent shortage could constrain the rapid ramp-up of factory operations<sup>18</sup>. At the same time, local concerns have emerged around the environmental impact of large sites and land disputes with farmers following acquisitions by the Port of Dunkirk. Maintaining community support will be essential, making proactive engagement a key factor in ensuring the long-term success of these projects<sup>19</sup>.

Recycling also presents a challenge, not least because the volume of end-of-life EV batteries remains limited. Smaller facilities, such as Battri in Saint-Laurent-Blangy and Hydrovolt's planned pre-processing site in Hordain, are beginning to build capacity for dismantling and black mass production. However, two recycling plants, Eramet-Suez's ReLieVe and Glencore's takeover of Li-Cycle's planned plant, have been suspended, with ReLieVe especially citing the lack of available batteries as key reasons. Until feedstock supply increases, the region's ability to close the loop and secure strategic materials from recycling will remain constrained - an issue being seen across Europe.

## **The Policy Imperative: Driving Domestic Demand**

For the first seven months of 2025 EVs accounted for 17.5% of new cars registered in France, up from 16.9% over the same period last year<sup>20</sup>. Still above the European average, and an early leader in

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18 Batteries. Business France. Accessed: September 2025

19 Commission of inquiry aimed at establishing the obstacles to the reindustrialization of France, National Assembly. Accessed: September 2025

20 Global EV tracker, New AutoMotive. Accessed: September 2025

electrification, France has seen growth slow in the last couple of years despite numerous consumer incentives. 2025 has been particularly slow with analysts stating it may be due to consumers waiting for the re-launch of the social leasing programme in September. As well as this, the new ecological bonus is now based on eco-scores as well as income, with some previously popular models excluded.

To regain momentum, concrete schemes will be essential. The reintroduction of leasing social with affordable monthly payments for low-income households, can unlock significant new demand if scaled effectively - this is due to restart at the end of September. Likewise, adjustments to the bonus-malus system or targeted fleet incentives could help stabilise the market. Such measures not only stimulate consumer demand but also help secure employment across vehicle assembly, battery plants, and the wider charging ecosystem.

France's industrial ambitions in EVs and batteries also hinge on a stable European framework. As one of the EU's leading automotive producers and the emerging heart of Europe's battery valley, Hauts-de-France in particular stands to benefit from strong EU-level targets and consistent policy signals. Any weakening of the EU's climate or vehicle regulations risks slowing demand, undermining investor confidence, and giving ground to international competitors. By contrast, a clear and predictable trajectory of electrification across Europe ensures that France's investments in the battery supply chain are matched by robust domestic and continental demand. Maintaining this momentum will be essential to the success of this industry.

# Conclusion

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The story of Hauts-de-France's emergence as a dominant force in the EV battery supply chain highlights its crucial role in Europe's green transition. With massive investments from major players like ACC and Envision AESC, along with a strong focus on circularity and supply chain integration, the region is well-positioned to drive the continent's decarbonisation goals. While challenges related to workforce training and local environmental concerns persist, Hauts-de-France's proactive industrial policy and deep rooted manufacturing expertise underscore its pivotal role in shaping the future of Europe's battery sector.

