



Department for Business & Trade

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20 July 2023

Dear Darren,

Tata Group gigafactory investment

Yesterday Tata Group announced that it has chosen the UK for its first gigafactory outside of India, creating thousands of jobs. I am delighted to be able to share details of this investment with you, which was secured through in-depth engagement across Government and Tata over the last two years. This multi-billion-pound investment is one of the largest ever in the UK's automotive sector and represents an historic moment for our electric vehicles industry.

The new gigafactory will supply all JLR's future battery electric models including the Range Rover, Defender, Discovery and Jaguar brands, with the potential to also supply other car manufacturers. Up to 4,000 highly skilled direct jobs and thousands of further jobs in the wider supply chain for battery materials and critical raw minerals, helping to grow the economy and decarbonise our automotive sector.

This will be one of the largest gigafactories in Europe and is crucial to boosting the battery manufacturing capacity needed to support our electric vehicle industry in the long term. Initial production of 40GWh means it will provide almost half of the battery production that the Faraday Institution estimates the UK will need by 2030. The site location in the UK will be confirmed by Tata following the finalisation of due diligence, with production due to start in 2026.

The automotive sector is a vital part of the UK economy, and it is integral to delivering on levelling up, net zero and driving economic growth. We are committed to making the UK one of the best places in the world for automotive investment, evidenced by the Automotive Transformation Fund, British Industry Supercharger and our strong programme of support for research and development.

We are working with industry to unlock investment in our EV supply chain and have longstanding and comprehensive programmes of support for the automotive sector including the Automotive Transformation Fund, the Advanced Propulsion Centre and the Faraday Battery Challenge. The Automotive Transformation Fund was instrumental in securing this investment and supports the development of a high-value end-to-end electrified automotive supply chain and is enabling a UK-made transition to net zero.

The strength of the UK's automotive R&D is also evidenced by the welcome decision by Tata that it will also create two R&D Innovation Hubs, one in India and one in the UK. Supported by leading academia, these Hubs will focus on next-generation battery cell technologies.

This investment is fantastic news and a major vote of confidence in UK automotive. I look forward to continuing our close partnership with the sector to ensure that we take the necessary steps to put the UK at the forefront in the transition to zero emission vehicles.

Best wishes,

A handwritten signature in black ink that reads "Kemi Badenoch". The signature is written in a cursive, flowing style.

THE RT HON KEMI BADENOCH MP

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