

As BYD Accelerates Plans for Global Dominance, the EV Market Brakes for Consumer Reaction

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BYD, the Chinese electric vehicle (EV) giant, is accelerating its quest for global dominance. The company recently [announced](#) plans to build a \$1 billion factory in Turkey, a move that positions it strategically to circumvent the European Union's (EU) tariffs on Chinese-made EVs. This factory, slated to begin production by the end of 2026, will have the capacity to produce approximately 150,000 vehicles annually.

Turkey's Minister of Industry and Technology, Mehmet Fatih, confirmed the plans via a [statement](#) on X. This factory is BYD's second planned facility in Europe and is expected to provide a significant advantage by avoiding the 17.4% additional tariff that the EU has imposed on Chinese EV imports. Turkey, being part of the EU's Customs Union, allows vehicles manufactured there to enter EU markets without incurring these tariffs.

According to Mr. Fatih's post, the agreement was signed in the presence of Turkey's President, Recep Tayyip Erdoğan, and BYD's Chairman of the Board, Wang Chuanfu. The factory will not only produce electric and rechargeable hybrid cars but will also house a research and development (R&D) center for mobility technologies. The facility is expected to directly employ up to 5,000 people.

BYD's expansion strategy highlights the company's ambition to dominate the global EV market, a sector where it briefly

surpassed Tesla as the world's top seller last year. This aggressive push into international markets comes at a time when Western governments are implementing measures to protect their auto industries from an influx of affordable Chinese imports. The EU's recent tariff [imposition](#) is one such measure, aimed at curbing the influence of Chinese EV makers in the region.

Jack Lifton, Co-Chair of the [Critical Minerals Institute](#) (CMI), commented on BYD's latest move: "BYD's \$1 billion plant in Turkey is a game-changer. Tesla stands to lose the most because Turkey offers much lower production costs than Germany, and BYD already benefits from a cheaper supply chain. Elon Musk must be strategizing hard right now. BYD coming to Europe is big."

Alastair Neill, Director of CMI, added, "BYD has been very proactive in supply chain management and also in creative designs that we don't see in the West. They will be able to compete globally, no question. The big question is the talk in the US about 100% taxes on importing Chinese EVs to the USA. There will be a response to that. It's just a question of what element or material China decides to choose to respond with."

Tracy Hughes, Executive Director of CMI, provided her perspective: "I absolutely believe that we will see all kinds of exciting new legislation to stop BYD from penetrating the North American market, and we will be discussing this at our upcoming CMI Summit III in Toronto on August 21-22."

BYD's expansion is not limited to Turkey. The company recently [opened](#) a new plant in Thailand, marking its first factory in Southeast Asia. This facility is part of a \$1.44 billion investment from Chinese EV makers in Thailand, supported by government subsidies and tax incentives. The Thai plant will have a production capacity of 150,000 vehicles per year and will serve as a production hub for exports to ASEAN and other

regions.

In Mexico, BYD is in final [negotiations](#) for the location of a new plant, which is expected to create around 10,000 jobs. This move highlights the company's strategy to establish a significant presence in key global markets, thereby reducing its reliance on exports from China and mitigating the impact of international trade barriers.

Overall, BYD's aggressive expansion strategy underscores its ambition to become the world's leading EV manufacturer. With new factories in Turkey, Thailand, and Mexico, the company is well-positioned to navigate the complexities of international trade and compete with established players like Tesla on the global stage.