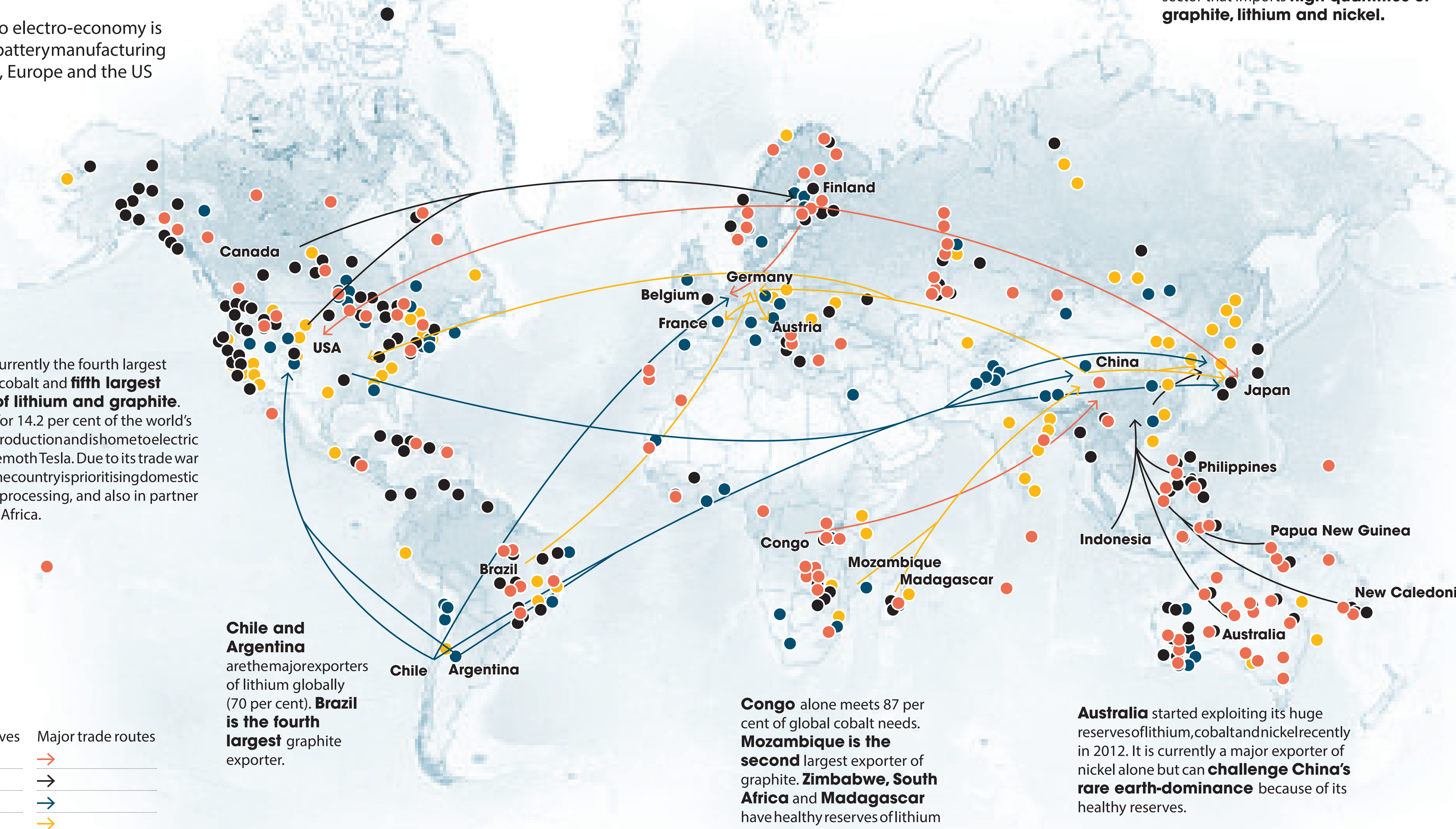
EMERGING ELECTRO WORLD

The transition to electro-economy is likely to benefit battery manufacturing hubs like China, Europe and the US

Poland, Germany and Austria are emerging as the **battery manufacturing hubs** of the world. This will create a ready market for **Finland** and other mineral-rich European countries.

China is in a unique position as it is the largest producer of batteries. As a result, it is both a large producer and importer of rare earth materials, and dominates the sector. **Japan** is the other important Asian player in the battery sector that imports **high quantities of graphite, lithium and nickel.**



The US is currently the fourth largest importer of cobalt and **fifth largest importer of lithium and graphite**. It accounts for 14.2 per cent of the world's battery cell production and is home to electric vehicle behemoth Tesla. Due to its trade war with China, the country is prioritising domestic mining and processing, and also in partner countries in Africa.

Chile and Argentina are the major exporters of lithium globally (70 per cent). **Brazil is the fourth largest** graphite exporter.

Congo alone meets 87 per cent of global cobalt needs. **Mozambique is the second** largest exporter of graphite. **Zimbabwe, South Africa** and **Madagascar** have healthy reserves of lithium and cobalt.

Australia started exploiting its huge reserves of lithium, cobalt and nickel recently in 2012. It is currently a major exporter of nickel alone but can **challenge China's rare earth-dominance** because of its healthy reserves.

Sources: United States Geological Survey, UN Comtrade, The Observatory of Economic Complexity and the Centre d'Etudes Prospectives et d'Informations Internationales