

Pakistan Companies Move into Lithium Battery Assembly with China Partners

Rapid influx of Chinese solar panel boosts Pakistani demand for rechargeable power

- *Pakistani companies are partnering with Chinese manufacturers to establish lithium-ion battery assembly plants to meet rising demand from the country's solar power boom.*
- *ME Solar Energy is investing \$15 million with China's CATL to establish a plant with a capacity of 10,000 five-kilowatt batteries per month.*
- *Treet Battery and Kohinoor Energy are also planning battery assembly facilities with Chinese partners.*
- *Pakistan's lithium-ion battery imports nearly tripled to \$171 million in 2025, up from \$60 million in 2024, with China supplying \$167 million.*
- *Pakistan imported a record 16.86 GW of Chinese solar panels in 2025, becoming the second-largest importer globally.*
- *Rising electricity tariffs and unreliable grid supplies are increasing demand for solar power systems and rechargeable batteries.*
- *Falling global battery prices and Chinese overproduction could limit the profitability of domestic assembly plants.*
- *Experts recommend focusing on battery assembly, system integration, warranties and after-sales services rather than capital-intensive battery cell manufacturing.*

[ABS News Service/16.10.2026]

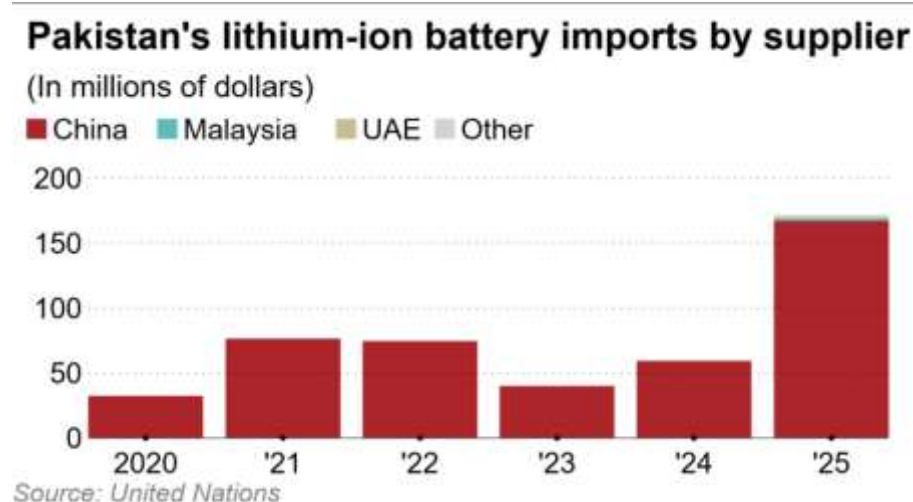
Chinese solar panels are pouring into Pakistan, fueling demand for lithium-ion batteries and persuading local companies to partner with Chinese manufacturers to assemble the power packs domestically, even as prices plunge globally and insiders predict they will fall even further.

ME Solar Energy, a Karachi-based solar power solutions company, is setting up an assembly plant in the city through a tie-up with China's Contemporary Amperex Technology Co., Ltd. (CATL). With a \$15 million investment and technical support from CATL, the plant will be operational in March and able to produce 10,000 5-kilowatt lithium-ion batteries per month, ME Solar CEO Zubair Ahmed told Nikkei Asia.

ME Solar Energy is not alone.

According to disclosures submitted to the Pakistan Stock Exchange, Treet Battery, a subsidiary of blade and razor manufacturer Treet Corporation, is planning to set up a lithium-ion battery assembly plant with China's Contemporary Nebula Technology Energy. Also, Kohinoor Energy, an Islamabad-based independent power producer, plans to build a battery assembly plant in partnership with China's Hebei Juhang Energy Technology Group.

The companies aim to capture growing local demand for lithium-ion batteries that foreign suppliers currently feed.



According to United Nations data, Pakistan's imports of lithium-ion electric accumulators, or rechargeable batteries, jumped nearly threefold to \$171 million in 2025 from \$60 million the previous year, with China accounting for \$167 million. Ember, a U.K.-based think tank that compiles Chinese customs data, says that, in a broader category, these battery imports from China rose to \$294.3 million in 2025 from \$147.1 million in 2024. In the first eight months of this year, these imports came to \$537.2 million.

"The clearest industrial opportunity is therefore not simply to import more batteries; it is to move part of the engineering, assembly, testing and integration value chain into Pakistan," the Pakistan Solar Association said in a recent report.

Industry insiders say China's Dongjin Group has operated a battery factory in Karachi since 2021, producing lithium-ion batteries on a limited scale. But Pakistani companies and their Chinese partners are now venturing into battery assembly one after another as a solar boom spreads across the country.

According to Ember, Pakistan was the second-largest importer of Chinese solar panels in 2025, up from fifth in 2023, behind the Netherlands, and imports of Chinese panels hit a record high of 16.86 gigawatts in 2025, more than double 2023. The World Nuclear Industry Status Report 2026, authored by a group of independent analysts, says Pakistan generated

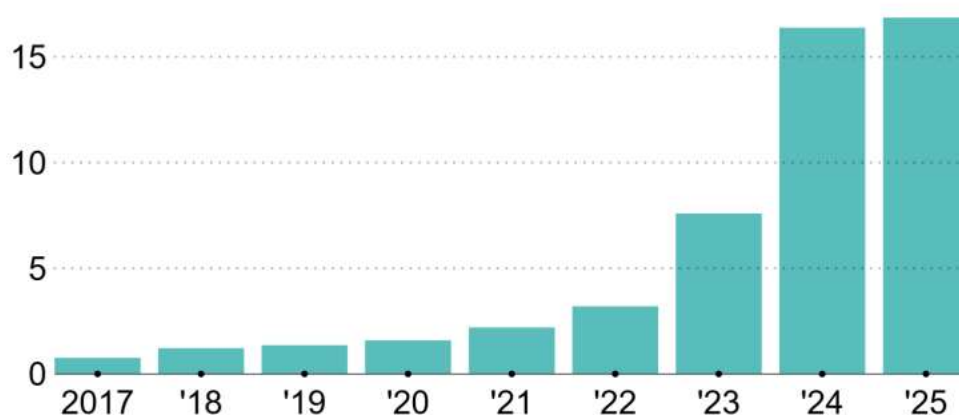
an estimated 36.3 terawatt-hours of power from solar panels in 2025, 60% more than from reactors.

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Pakistan's solar-panel imports from China

(In gigawatts)



Source: Chinese customs data compiled by Ember

Higher electricity tariffs and declining grid reliability are pushing people to install solar panels, which need rechargeable batteries to store the energy they collect.

"Pakistan's battery market could [create] a multibillion-dollar industrial opportunity," Osama Rizvi, a global market and product strategist at Primary Vision, a U.S.-based energy market consultancy, told Nikkei Asia. "At current import volumes, even capturing a fraction would support skilled employment and domestic industry," he said.

However, declining local battery prices could cap revenues for companies now preparing assembly plants. Ahmed of ME Solar Energy said the local average price of a basic 5-kw battery has halved since 2024 to \$720 "due to a global price decline and overproduction by China" and, if a new assembly plant becomes operational in Pakistan, the average price "could fall by 18%" to \$590.

Experts also warn that Pakistan cannot afford to consider integrated production of lithium-ion batteries beyond assembly.

"Assembly is relatively feasible in the short term, but manufacturing battery cells requires significant capital, technological expertise, and economies of scale," Khalid Waleed, a research fellow at the Sustainable Development Policy Institute in Islamabad, told Nikkei Asia.

Vaqar Ahmed, an Islamabad-based economist, agrees, saying Pakistan's market cannot afford to move to "full cell manufacturing," as it "requires a market size and capital intensity." He added that the realistic near-term approach is "capturing assembly, integration and warranty value rather than cell production," meaning embedding the battery cell in a comprehensive system and after-sales services.