# Honda Invests $65 Billion in Electric Vehicle Expansion Plan



**Honda Commits $65 Billion to Electric Vehicle Expansion**

Japanese automaker Honda has announced a significant investment of 10 trillion yen ($65 billion) through fiscal 2031 to boost its electric vehicle (EV) production and expand its presence in key global markets, including the United States and China. The company aims to have battery and fuel cell EVs account for 40% of its global auto sales by 2030, with a production capacity exceeding 2 million units annually.

A central element of Honda’s EV strategy is the "0 Series," a new line of EVs to be launched in North America in 2026, followed by a global rollout culminating in seven models by 2030. In China, the company plans to release 10 EV models by 2027, with a goal of making 100% of its auto sales in the country EVs by 2035.

Out of the total investment, 2 trillion yen ($13 billion) is allocated for research and development, and another 2 trillion yen for establishing comprehensive EV value chains in pivotal markets such as the U.S., Canada, and Japan. Additionally, 6 trillion yen ($39 billion) will go into manufacturing infrastructure, including next-generation EV plants and motorcycle electrification.

CEO Toshihiro Mibe highlighted Honda’s ongoing partnerships, including a recent agreement with IBM to innovate in computer chips and software, enhancing vehicle performance and energy efficiency.

Honda’s EV strategy sets it apart from domestic competitor Toyota, which has maintained a diversified approach by focusing on multiple powertrains, including hybrids. Honda, however, continues to incorporate hybrids in its portfolio while paving the way for increased EV production and enhanced battery technology.