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The next step for the artillery plant in Lithuania: Rheinmetall, EPSO-G Invest and Giraitės ginkluotės gamykla officially sign partnership agreement

The project of the German-Lithuanian artillery plant in Baisogala continues to move forward. On 20 December 2024, representatives of the German defence technology company Rheinmetall, the Lithuanian energy transmission and exchange group EPSO-G, the EPSO-G company EPSO-G Invest and the Lithuanian company Giraitės ginkluotės gamykla signed a partnership agreement. This regulates the acquisition of shares in the company Rheinmetall Defence Lietuva, which will build the artillery shell manufacturing plant for 155-mm artillery shells.

The agreement stipulates that Rheinmetall will hold 51 percent of the shares in Rheinmetall Defence Lietuva. 48 percent will be owned by EPSO-G Invest and 1 percent by Giraitės ginkluotės gamykla.

"At the end of November, we signed a contract for the lease of a land plot for the future factory in the Radviliškis district and the purchase of 155 mm ammunition. With the signed agreement with our Lithuanian partners, we have completed another very important stage and will now plan the construction of the new factory and prepare it for operation together," says Armin Papperger, Chairman of the Rheinmetall executive board.

“Lithuania’s energy independence and security are inseparable from each other and these are the main strategic directions of the EPSO-G group. In this project, we will use our accumulated experience in implementing strategic infrastructural energy and security projects,” says Tomas Varneckas, CEO of EPSO-G Invest.

According to Violeta Kašėtienė, interim manager of the Giraitės ginkluotės gamykla, the involvement of the Giraitė Armaments Factory in this project is a significant step, opening up new opportunities for cooperation with one of the world's leaders in the defense sector. "This partnership project not only strengthens our competencies and role in the Lithuanian defense industry, but also contributes to ensuring the country's security interests. From an economic point of view, this is a targeted development step, strengthening the potential of the Lithuanian defense industry and promoting its further development," says V. Kašėtienė.

The plant near Baisogala is expected to start operations in two years period and, once completed, will be capable of producing tens of thousands of 155 mm calibre artillery shells annually. According to the preliminary calculations total investments into the facility may reach around €260 million. The plant is expected to create at least 150 new direct jobs in the region.

▶ Key facts

- Rheinmetall, EPSO-G Invest and Giraitės ginkluotės gamykla agree on shares in joint venture Rheinmetall Defence Lietuva
- Rheinmetall will hold 51 percent, EPSO-G Invest 48 percent and Giraitės ginkluotės gamykla 1 percent.
- According to the preliminary calculations total investments in the facility may reach around €260 million; 150 new direct jobs
- Begin of operations expected in two years period

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