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Chairman Smith, Ranking Member Neal, and Members of the Committee, thank you for the opportunity to testify today on critical minerals supply chains and the trade partnerships needed to secure them. It is an honor to do so. My name is Morgan Bazilian, and I am a Professor and Director of the Payne Institute for Public Policy at the Colorado School of Mines, the world's leading institution on these topics in both breadth and depth. I have spent three decades in public service across several continents primarily in the areas of energy and minerals security and investment, and I have researched extensively on the issues before this Committee today.

This Committee's jurisdiction over trade policy sits close to the center of how the United States may solve its mineral dependence. The levers this Committee controls, trade preferences, normalized trade status, and the plurilateral minerals agreement now under negotiation, are the essential foundation of success.

This written testimony begins by discussing the historical context of minerals partnerships, then turns to competition with China, a look at resilient military supply chains, then moves to finance and capital markets, before going through a brief look at the regions of Central Asia, sub-Saharan Africa, and a bit on Latin America. It closes with consideration of policy and offers four recommendations.

COOPERATION

International cooperation on minerals is not a new idea in Washington, though the tools have changed with each administration. The State Department launched the [Energy Resource Governance Initiative in 2019](#) under the first Trump Administration, a lighter-touch effort built around mining governance and best-practice sharing with an initial partner group of Australia, Botswana, Canada, and Peru. The Biden Administration built on that foundation with the [Minerals Security Partnership in 2022](#), a larger coalition of fourteen countries and the European Union organized around identifying and helping finance specific mining and processing projects. FORGE, launched at [February's Critical Minerals Ministerial](#) as the successor to both efforts, keeps that project-identification function but adds the price and trade architecture its predecessors lacked. Each iteration has moved closer to the same conclusion, that mineral security is a problem no single country can solve alone, and that a durable partnership needs credible demand through price cycles, a genuine stake for producer states beyond raw export, and rules built to be durable and to show US leadership.

The United States is unlikely in the near term to mine its way to mineral security on its own. That said, the domestic push for more mining and more robust supply chains remains a core part of national security and should be pursued with vigor. While this hearing focuses on international partnerships, building robust domestic coalitions across industry, academia, civil society, and Tribal Nations and Indigenous communities is the best way to build the foundation for wider engagement.

Diversifying where ore comes from produces resilience only if the trade partnerships built around it create economically viable supply chains running from extraction through processing, end use, and recycling. Access to ore is necessary but insufficient. Material still has to be processed, converted into the form a manufacturer can use, qualified against that manufacturer's specifications, and produced at commercial scale. A mine matters to American security only if its output can clear each of those steps fast enough to

matter, in a supply disruption or in ordinary commercial competition with China. Consider a single aluminum alloy missile component. Bauxite is mined in Australia, shipped to a refinery in Asia to become alumina, smelted into aluminum in Europe, then alloyed, cast into billets, and forged by one of a handful of house-sized presses capable of the work. Access to the ore at the first step says little about whether that chain can deliver a qualified part on a wartime timeline, and the [consolidation of American aerospace and defense prime contractors from 51 to just five since the 1990s](#) has narrowed the number of firms that can perform the final forging step even further.

We can call this a “mine to mission” approach because it is deeply connected to American economic power and military strength. This Committee could usefully apply that test to every trade instrument it considers, and Central Asia, Africa, and the proposed Agreement on Trade in Critical Minerals are the three places where that test matters most to the tools within this Committee's jurisdiction.

THE CONCENTRATION PROBLEM

China's concentration across this supply chain is not difficult to diagnose. A 2023 assessment found China was the leading producer of [nearly two in three of the fifty minerals](#) then on the U.S. Geological Survey's critical minerals list, a concentration the agency has not yet recalculated against the [newly expanded, sixty-mineral list it published in November 2025](#), and China holds the leading refining position in 19 of the 20 strategic minerals tracked by the International Energy Agency, with an average market share near 70 percent. For rare earths, gallium, and germanium, Chinese processing capacity exceeds 90 percent, and the United States still imports [more than 70 percent of its rare earths from China alone](#), leaving American defense manufacturing a single policy decision in Beijing away from serious disruption. These figures vary by source and year, but the direction and scale are not seriously disputed.

Twice in 2025, Chinese officials threatened broader export controls, and Beijing had already restricted shipments of [antimony, gallium, and germanium](#). These enter jet engines, missile guidance systems, and semiconductor fabrication lines. The concentration compounds because import dependence and processing dependence are different problems that require different remedies, and most of the trade tools within this Committee's jurisdiction address the latter. This is not a homogeneous category of goods, and bespoke measures, not a single blanket policy, are needed for markets that range from bulk commodities to minute, secondary specialty inputs. I addressed much of this context in [my address to the House Natural Resources Committee last year](#).

China's leverage over this Committee's jurisdiction runs primarily on two tracks. Beijing can choke off physical supply through export licensing, and it can also flood global markets with state-subsidized material during ordinary price cycles, pushing spot prices below the cost of Western production and driving private capital out of mining and refining. The tools that answer the second track, antidumping enforcement, countervailing duties, and price-defending trade mechanisms, sit within this Committee's jurisdiction as much as tariff policy does.

Artificial intelligence is creating a fast-growing category of mineral demand that barely existed when Congress began building its critical minerals lists. Colleagues and I have traced how [indium phosphide](#), the compound semiconductor that generates the laser light powering optical interconnects inside AI data centers, depends on refined indium the United States has been entirely import reliant on since 1993. China produces roughly 70 percent of the world's refined indium as a byproduct of zinc smelting, and just three firms control 90 percent of the wafers that turn it into usable chips. When China added indium to its export control list in early 2025, alongside tungsten, tellurium, bismuth, and molybdenum, prices jumped from roughly 359 dollars per kilogram to more than 649 dollars within months, or 2,600 to 4,700 yuan in the domestic Chinese terms in which the trade is often quoted, a distinction worth getting right given how easily the two get conflated. Copper is the most important mineral input to the AI boom at scale, and [a recent academic paper](#) I coauthored tracks that demand alongside grain-oriented electrical steel, another

constrained enabling material. On copper: more than 50% of the world's copper is smelted in China, creating a significant dependency on China for not only semi-fabricated copper and the products it is essential for, but also creating a repository of expertise in the advancement of smelter and copper processing technology.

RESILIENT SUPPLY CHAINS

One useful example of the gap between access and resilience is tungsten, though there are several others, from scandium to samarium. Colleagues and I have documented how tungsten hexafluoride, a specialty gas used to deposit tungsten films inside advanced logic and memory chips, sits at a [semiconductor chokepoint](#) few policymakers have heard of. A fab typically needs 18 to 24 months to qualify a new gas supplier. Unqualified capacity is not real capacity during a crisis, and a supplier headquartered outside China can still depend on Chinese tungsten feedstock further up the chain. The United States has had no commercial tungsten mine production since 2015, and China mined about 79 percent of the world's tungsten in 2025. Opening a new allied mine does not shorten qualification clocks. Congress should measure every new partnership against whether it does.

Steel and aluminum show the same gap at greater scale. Colleagues and I have documented that a single aircraft carrier contains [60,000 to 70,000 tons of steel](#) and a guided missile destroyer 3,500 tons, and that military-grade steel's narrow specifications mean mills depend on non-military demand to stay open, since it made up just 7 percent of Cleveland-Cliffs' and Nucor's revenue in 2023. Aluminum is dangerous for the opposite reason, its ubiquity rather than its rarity. The United States depends on imports for a net 47 percent of its aluminum, and this spring's closure of the Strait of Hormuz, which carries roughly a quarter of the non-Chinese tradable pool, pushed prices toward a four-year high within weeks, the kind of shock that argues for treating smelting capacity and industrial chemistry as a [prelogistics problem rather than one for wartime logistics alone](#).

This distinction between access and usable capacity now defines modern warfare. My coauthors and I have [identified](#) that every drone used in the Russia-Ukraine War depends on battery chemistry and components that originate from Chinese factories. Benchmark Mineral Intelligence estimates defense applications consumed 4.3 gigawatt hours of batteries in 2025, a small share of the 1.6 Terawatt hour global market, yet drones accounted for 39 percent of that defense demand. Further, the [War Department's Drone Dominance Program](#) is scaling from tens of thousands of low cost attack drones in 2026 toward more than 200,000 by 2027. A battery assembled by an American or allied firm can still depend on Chinese cells, cathode or anode materials, or processed lithium or graphite several tiers down. This demonstrates that domestic final assembly is not supply chain independence. [The Government Accountability Office reported in 2025](#) that the Department has far better visibility into prime contractors than into the raw materials and equipment several tiers down. It found American MQ-9s with Chinese content in the sub-tiers even where visible suppliers appeared concentrated in the United States and Europe. Section 154 of the fiscal year 2024 National Defense Authorization Act will bar the Department from procuring batteries produced by CATL, BYD, and other covered Chinese manufacturers beginning October 2027. While this is a sound step, it still leaves the upstream cells, cathode materials, and manufacturing equipment those firms supply to the broader commercial market defense also depends on.

Recent combat experience makes the point concretely. My coauthors and I [tracked munitions expenditure](#) during the first weeks of the Iran conflict this spring and found the coalition fired more than 11,000 munitions, costing about 26 billion dollars, with the sharpest strain falling on long range interceptors and precision strike munitions. Even the ordinary gun ammunition expended in those sixteen days to shoot down Iranian Shahed drones required almost 4,000 kilograms of tungsten, drawing on the same constrained upstream material base that supports missile production. That expenditure also placed additional demand on the constrained energetics capacity represented by facilities such as Holston and Radford Army ammunition plants. With over 1,000 Tomahawks [fired](#) at Iran, even with a \$22.9 billion contract awarded

to Raytheon, the Navy will not restore its [prewar inventory](#) until 2030 – and that timeline assumes that enough high-purity dysprosium, terbium, samarium, and tungsten can be [sourced](#) to meet this industrial surge requirement. What matters most in a sustained fight is not the size of a stockpile in dollar terms but whether stockpile coverage exceeds the time a disrupted supply chain needs to recover, a standard we call “[prelogistics](#),” which applies the military concept of securing vital industrial inputs “left-of-boom” to ensure the industrial base possess verified raw materials before the shooting starts.

Conventional military logistics begins with the assumption that a weapon, munition, spare part, or fuel already exists and must be airlifted or sealifted to deployed units. Prelogistics asks what must happen before there is anything to move: the minerals must be mined, materials processed, chemicals produced, components manufactured, suppliers qualified, and factories capable of converting those inputs into military capability at scale. In modern combat, readiness is more than just stockpiled weapons; it must also account for whether the industrial system can replace munitions as fast as they are shot. The Iran War demonstrated how a military can consume years of industrial production in weeks of combat.

This problem becomes even larger for coalition warfare. American and allied forces use many of the same weapons, such as Patriot interceptor missiles, and consequently draw upon many of the same processors, magnet producers, battery-material suppliers, energetics plants, and specialty-metal sources. Industrial planning should model coalition wartime consumption rather than just American demand. A peacetime supply chain becomes quickly insufficient during American wartime consumption, where allied and civilian demand converge on the same constrained suppliers.

Sulfur illustrates how easily these dependencies hide until a crisis exposes them. The United States produces sulfur domestically but consumes about 90 percent of it as sulfuric acid, the reagent behind the copper leaching, battery-material processing, and semiconductor wafer etching that keep both civilian industry and munitions production running. Sulfur is overwhelmingly a byproduct of processing sour natural gas and crude oil rather than a commodity that can be scaled on demand, what colleagues and I have called a [byproduct trap](#), so supply answers to hydrocarbon and smelting operations, not to a wartime surge order. When this spring's Strait of Hormuz disruption cut into the roughly half of global seaborne sulfur trade that transits it, domestic prices rose 165 percent year over year and then jumped a further 25 percent within weeks, a reminder that a single chokepoint far upstream of any weapons system can still cap how fast the defense industrial base replaces what it expends.

Everything I have mentioned here concerns how America diversifies not just supply but also demand. It matters just as much how the coalition sustains itself collectively, because in a long war American and allied forces will draw from many of the same processors, magnet suppliers, battery-material producers, and specialty-metal sources. A supply chain adequate against U.S. peacetime demand can fail once allied wartime demand is added on top of it. Congress could ask the Administration to plan explicitly for pooled coalition demand, distributed reserves, allied co-production, pre-negotiated export authorities, and wartime allocation mechanisms, rather than treating each ally's stockpile as a separate national project. The Iran conflict already showed allies voicing concern that American prioritization of its own restocking would delay deliveries they had already paid for, a coalition allocation problem that will recur in any sustained conflict.

Congress cannot yet be confident that the stockpile is sized and configured to bridge the period between a supply interruption and restored qualified production. [The governing metric should be that stockpile coverage exceeds the supply recovery period](#) not a dollar target, and that applies equally to the Administration's new Project Vault, a 12-billion-dollar public-private reserve. Vault is built for market stabilization and civilian and commercial use, while the Stockpile is built for statutory wartime requirements, and [my coauthors and I have argued](#) the two need deliberate integration rather than parallel operation. Left uncoordinated, Vault risks becoming a second buyer chasing the same bottlenecked processed materials the Stockpile needs in a crisis. Congress should require that the two reserves separate

bulk market stabilizers from defense-usable processed forms, coordinate procurement through the Defense Logistics Agency to prevent self-defeating bidding wars between them and define release protocols for disruptions that fall short of a formal national emergency but still threaten defense production. For batteries specifically, the Department currently holds no dedicated reserve at all, and any battery reserve would need to rotate inventory by chemistry rather than warehouse aging cells.

The mine to mission gap sits mostly between the mine and the end user, not in the ground. Across the value chain my colleagues and I study, processing and pilot scale capability, technical qualification, geological data, and the workforce to run all of it are more often the binding constraint than ore itself. That has a direct implication for how Congress designs the incentives this hearing is considering. A trade agreement or a financing vehicle that unlocks ore without also building qualification capacity and the technical workforce to operate it will not shorten the mine to mission clock. I return to the workforce question at the close of this testimony.

MOBILIZING PRIVATE CAPITAL

Diplomacy and trade tools can open access, but they cannot finance a mine or a refinery. Producer countries increasingly want American capital in the mix because it balances their reliance on Chinese and Russian financing and raises operating standards across an entire mining district. Mongolia's Oyu Tolgoi copper mine, majority owned by Rio Tinto, has [returned more than 6 billion dollars in taxes and fees](#) to Mongolia since 2010, though [Mongolia and Rio Tinto are still renegotiating revenue sharing terms](#) after fifteen years of production.

American private capital remains reluctant, in part because the specialized expertise for financing emerging market mineral projects sits disproportionately in London rather than New York. Tanzania's Kabanga nickel project shows the pattern. [The U.S. Development Finance Corporation has been engaged since 2024](#). But, the scale of investment needed to scale up rapidly, including with the private sector, to effectively counter Chinese engagement.

The Administration's own dealmaking has been significant in this genre. In August the Department of War extended up to [400 million dollars in conditional financing](#) to Sunrise Energy Metals' Syerston project in Australia, which aims to become the world's first primary scandium mine. The arrangement gives Lockheed Martin an option to purchase up to a quarter of the mine's output over its first five years, subject to applicable milestones and execution of a binding offtake agreement. The United States has not mined scandium since 1969, and roughly 80 percent of global supply runs through China, Russia, and Ukraine, so a single mine will not dissolve that concentration on its own even if every milestone is met. The Pentagon's equity and debt positions across minerals and defense firms now [exceed two billion dollars](#) and the pending defense policy bill would let it take stakes up to 500 million dollars per company. Congress should carefully monitor on this expanding portfolio, since taxpayer capital deployed this way needs the same transparency and exit discipline private investors would demand of themselves, reinforced by the statutory trade and tariff tools only this Committee can provide.

I now turn to specific issues in the regions of Central Asia, and sub-Saharan Africa. I have also included brief commentary on countries in South America because of their importance to the discussions at hand.

CENTRAL ASIA

Central Asia illustrates both the opportunity and a specific, fixable obstacle within this Committee's jurisdiction. Kazakhstan is [the world's leading uranium producer, accounting for roughly 40 percent of global output, and holds about 14 percent of identified global uranium resources](#), and already supplies a significant share of the uranium used in American reactors. Rare earth and other critical mineral deposits are also found throughout the region, though no comprehensive digitized geological survey of Central Asia's

mineral wealth yet exists. The [C5+1 framework](#) produced a leaders' summit in Washington last November and a Critical Minerals Dialogue that met again in [Astana this June](#) where an Assistant Secretary of Commerce told delegates that accessible geological data, not political risk, is now the binding constraint on American investment.

Uranium shows why this partnership work has to go deeper than mining contracts. Kazakhstan produces roughly 40 percent of the world's uranium, but much of it still moves through [Russian conversion and enrichment infrastructure](#) and the port of St. Petersburg before reaching Western utilities. A statutory ban on Russian-origin enriched uranium [takes effect in January 2028](#) giving American utilities a hard deadline to replace a source that has historically supplied close to a quarter of domestic enrichment services. Buying more Kazakh ore does not solve that on its own. Congress should pair mineral partnerships with support for Middle Corridor transport routes that let Kazakh and Uzbek uranium reach Western conversion and enrichment facilities without transiting Russia, and for domestic and allied enrichment capacity that can absorb the additional volume. This support should be aligned with the significant domestic efforts on uranium and its processing. That notion is true for almost any of the recommendations made in this testimony.

One statutory obstacle deserves this Committee's direct attention. The 1974 [Jackson-Vanik amendment](#) still denies permanent normal trade relations to Kazakhstan, Uzbekistan, and Tajikistan, even though all three met its original emigration conditions long ago and Congress has already graduated other former Soviet states from the same restriction. At least two bipartisan House bills were introduced to address this problem in the previous Congress, the [Uzbekistan Normalized Trade Act](#) and the [Kazakhstan Permanent Normal Trade Relations Act](#), both referred to this Committee. The [US-Kazakhstan Trade Modernization Act](#) builds on that effort with bipartisan cosponsors who sit on this Committee, and Secretary of State Rubio told the House Foreign Affairs Committee this June that the Administration supports repeal as well, which gives this long-stalled effort more momentum than it has had in years.

Some Members may object that graduation overlooks governance and human rights concerns beyond the amendment's original emigration test. That concern is legitimate, but Jackson-Vanik was written to address a specific harm, not to serve as a general human rights lever, and Congress already has better targeted tools for that purpose, including the Global Magnitsky Act, which can sanction specific individuals without holding an entire bilateral trade relationship hostage to a five decade old statute addressing a problem that no longer exists in these three countries by the government's own consistent findings. Continuing to apply a Cold War trade restriction to countries the Administration is simultaneously courting for uranium and rare earth partnerships hands China and Russia a ready argument that Washington's interest is transactional rather than durable.

AFRICA

Sub-Saharan Africa holds roughly 30 percent of the world's known critical mineral reserves, and the Democratic Republic of the Congo alone accounts for [nearly three-quarters of global mined cobalt production and roughly half of global reserves](#). Colleagues and I have argued that this endowment is a genuine opportunity for structural economic transformation on the continent, [not simply a resource to extract](#) provided policy frameworks account for local governance and benefit sharing from the outset, and that standard should apply to AGOA, the Lobito Corridor, and the DRC partnership alike. [This Committee's own analysis](#) estimates China has invested 8 to 10 billion dollars across the continent pursuing these supply chains and has built the infrastructure to move what it controls. The Lobito Corridor is the American and European answer. Last week the DRC [signed a 1.26 billion dollar concession](#) with the Portuguese firm Mota-Engil to rehabilitate roughly 1,000 kilometers of railway linking the copper and cobalt centers of Kolwezi, Tenke, and Lubumbashi to the Atlantic port of Lobito. [The Development Finance Corporation has signaled readiness](#) to provide up to a billion dollars toward the roughly 1.1-billion-dollar rehabilitation cost, alongside 500 million dollars each from the European Investment Bank and the World Bank, which

is the kind of American capital participation Congress should want to see scale. Every infrastructure project of this kind needs an anchor customer to prove commercial viability and unlock financing, and [Ivanhoe Mines](#) played that role for the corridor. That concentration was a necessary first stage, and the DRC's new financing package is explicitly designed to broaden the customer base as capacity expands roughly tenfold. Congress should watch whether that diversification materializes, since a corridor still dependent on one shipper five years from now would be a different story than one still ramping up today.

It is also worth being candid about what the corridor does and does not accomplish against China. The railway itself was rehabilitated with a nearly two-billion-dollar Chinese loan a decade ago, Chinese buyers still purchase a large share of the copper that now moves over it, and Mota-Engil, the contractor now rebuilding the Congolese section, is itself roughly 32 percent owned by a Chinese state-owned construction firm. The strategic value to the United States is less about denying China the minerals than about ensuring American and allied firms control the logistics chokepoint those minerals move through, and about giving Congolese and Zambian producers a genuine alternative to Chinese-financed routes. That is a real and defensible goal, and it is a narrower one than the corridor is sometimes sold as.

Formal partnerships in the DRC have to reckon with the illicit trade running alongside them. The M23 insurgency in the eastern DRC is substantially financed by coltan, tin, tantalum, and gold that mixes with legitimate production before reaching international buyers, and Rwanda's own rules of origin make the laundering easier, since minerals reprocessed there with as little as 30 percent value addition can be certified as Rwandan-origin. Colleagues and I have argued that the DRC's weak territorial control in the east means any minerals-for-security arrangement will only be as credible as the [ore-tracking and independent audit regimes built alongside it](#).

Resource nationalism is the other side of that same coin, and Niger illustrates it. The French firm Orano lost control of its Somaïr uranium mine to nationalization last year following Niger's 2023 coup, and Niger separately stripped GoviEx Uranium of its Madaouela uranium permit in 2024. GoviEx pursued international arbitration, and its successor company, Atomic Eagle, [reached a settlement this month](#) that restores a 60 percent operating interest under a new mining convention with legal and tax stabilization terms, in exchange for withdrawing the arbitration. The episode shows that mining assets can be seized regardless of which country's capital built them, and it shows that a legally binding, arbitration-backed agreement, not an informal understanding, is what let capital return after the shock. Congress cannot prevent a coup, but it can insist that DFC- and EXIM-backed agreements include binding arbitration and stabilization clauses as a condition of financing from the outset.

AGOA is this Committee's most direct lever on the continent, and it remains underused for minerals. Colleagues and I [made this case in Foreign Policy in 2023](#) arguing that Washington could link AGOA eligibility to the sourcing rules behind the Inflation Reduction Act's clean vehicle tax credit. The House passed a three-year extension in January by a vote of 340 to 54, the Senate cut that to a one-year extension through the end of 2026 that was signed into law in February, and on August 8 the Senate passed a further amendment restoring the three-year extension to December 31, 2028 as part of a government funding measure. That amendment now awaits a House concurrence vote. USTR has separately [opened a formal request for comment on AGOA modernization](#) that names sub-Saharan Africa's role in critical mineral supply chains as a gap the current statute does not address. Most raw and semi-processed minerals already enter the United States at low or zero tariffs outside AGOA, so duty-free access alone does little to move mining investment decisions. AGOA's real value here is diplomatic and structural, a standing framework Congress can attach mineral-specific provisions to, rather than a tariff mechanism that will independently redirect supply chains.

LATIN AMERICA

Latin America is not the subject of this hearing, but no accounting of American mineral partnerships is complete without it, and the mine to mission test applies there as directly as it does in Central Asia and Africa. Chile alone accounted for [close to 24 percent of global copper supply in 2024](#) and Peru for nearly 12 percent, and the two countries sit at the center of any serious American strategy for the copper the grid, defense electronics, and the munitions programs discussed above will need. American capital is already moving. Southern Copper Corporation, majority owned by Mexico's Grupo México but listed in New York, [raised 1.25 billion dollars in the American bond market this summer](#) to help finance its Tia María project in Arequipa, a 120,000 tonne annual copper cathode operation expected to begin production in 2027, part of a Peruvian investment pipeline the company now puts above 10 billion dollars over the coming decade. That is a genuine mine to mission example, American capital financing a mine designed from the outset to produce a qualified cathode rather than raw ore for sale to the highest bidder. It is worth being equally candid that Chinese capital sits in the same country and often the same mineral. MMG, a Chinese state-linked miner, operates the Las Bambas copper mine in Peru's Apurímac region and [plans to spend up to 850 million dollars there in 2026 alone](#), a reminder that American and Chinese capital are competing directly for the same ore bodies rather than for access to different ones. Chile signed only a [lighter declaration of intent establishing critical minerals consultations with the United States in March](#), a step below the binding memoranda of understanding Washington signed with four other Latin American countries in February.

Lithium follows a similar pattern. Chile, Argentina, and Bolivia together hold what geologists call the [Lithium Triangle, an estimated half of the world's known lithium reserves](#), and Argentina alone produced roughly 8 percent of global lithium supply in 2024 with output still climbing. Argentina's Incentive Regime for Large Investments, known locally as RIGI, has become the clearest test in the hemisphere of whether a rules-based investment framework can convert reserves into financed production, and Washington formally folded RIGI into a [bilateral Agreement on Reciprocal Trade and Investment signed with Argentina in February](#), the kind of statutory anchoring this testimony has argued the ATCM itself still lacks. The regime is not exclusively American in practice. [A Chinese-owned lithium expansion in Catamarca province cleared RIGI's investment committee this summer](#) on the same published terms available to Western firms, a reminder that access to the rules is not the same as American capital winning the underlying competition for ore.

Brazil offers the clearest mine to mission example in the region. The U.S. Development Finance Corporation [committed up to 565 million dollars this year to Serra Verde's Pela Ema ionic clay mine in Goiás](#), a heavy rare earth project that terminated its long-term Chinese offtake agreements in December 2025 and is targeting 6,500 tonnes of annual rare earth oxide production by the end of 2027, precisely the qualified, non-Chinese offtake structure this testimony has argued should be the standard against which trade and financing tools are measured. None of this makes the Western Hemisphere a substitute for the Central Asian and African partnerships that are this Committee's more immediate concern, but a mineral security strategy that treats Latin America as an afterthought would be ignoring capacity that is already financed, already producing, and already in direct competition with Chinese capital for the same deposits.

POLICY

The Administration's central new trade instrument is the proposed [Agreement on Trade in Critical Minerals, or ATCM](#), a plurilateral arrangement USTR is negotiating to establish common, border-adjusted price mechanisms for specific minerals. A price floor could blunt China's practice of flooding markets whenever a new mine or refinery threatens its position, a tactic that has already killed American projects on pure price grounds. But setting prices is a tricky business. Economists have raised doubts about how a small group of countries could set durable global prices for commodities China still dominates, and the Administration has already retreated once from an earlier, narrower version of this idea, [shelving a plan for unilateral price floors on domestic producers](#) after running into legal and fiscal complications. It is [not yet](#)

[clear](#) whether the ATCM aims to reduce Chinese-sourced dependence or eliminate it outright, and it is not yet clear how mineral-producing countries themselves, particularly in Africa, will be brought inside the agreement rather than left [outside as a buyers' club](#). (Related, Indonesia is in the process of establishing a commodities exchange for the minerals and metals produced there.)

Silverado Policy Accelerator's [comments to USTR on the agreement's design](#) made a similar point in March, arguing the arrangement cannot function as a buyers' club and that any price mechanism should apply only to narrowly concentrated, structurally distorted markets, sit at the most transparent point in the value chain, and carry sunset periods tied to project commercialization timelines rather than running indefinitely.

Congress holds the appropriations, tariff, and fast-track authorities that will determine whether the ATCM becomes durable law or another executive initiative that lapses with the next administration. American producers won preliminary antidumping duties on Chinese battery-anode graphite in 2025 that briefly pushed import costs toward 200 percent, only for Chinese suppliers to [reroute shipments through Indonesia](#) and for the International Trade Commission to [rule in March that the imports were not injuring the domestic industry](#), a negative finding that left no antidumping or countervailing order in place at all. The rare earths truce Presidents Trump and Xi struck in Busan last October, and reaffirmed at a Beijing summit in mid-May, [fractured five weeks later](#) when Beijing blacklisted MP Materials and USA Rare Earth on June 22. The broader truce remains nominally in place but is due to expire in November, with another Trump-Xi meeting expected around that time.

Executive-branch tools can reverse course quickly. Trade agreements built with Congress's direct involvement tend to be more durable, which is one reason this Committee may want to explore a formal consultation role before any ATCM agreement is finalized, with statutory requirements covering producer-country participation, rules of origin, qualification standards for processed material, and diversification criteria that prevent the agreement from simply relabeling Chinese-processed inputs. Congress has already begun building the domestic incentive side of this architecture through the Inflation Reduction Act's 45X production tax credit and 48C investment tax credit for critical mineral processing. The ATCM is also not the Administration's only new instrument. FORGE, the Forum on Resource Geostrategic Engagement, brought fifty-five foreign delegations to Washington in February and shares the same goal of making non-Chinese supply chains bankable. The ATCM and FORGE represent the international supply side, but neither yet rests on the kind of statutory foundation those tax credits provide.

RECOMMENDATIONS

This Committee should focus on at least four decisions within its jurisdiction, with the tools already discussed serving as supporting mechanisms.

First, pass the pending legislation graduating Kazakhstan, Uzbekistan, and Tajikistan from Jackson-Vanik to permanent normal trade relations, removing a symbolic irritant that costs the United States credibility in a region it is actively courting.

Second, complete House action on the AGOA extension already before this Committee's chamber and write a critical minerals chapter into that reauthorization that rewards qualified processing and transparent beneficial ownership, rather than leaving African partners uncertain about long-term market access or creating a route for Chinese-processed material to enter the American market under an African label.

Third, consider statutory requirements for the ATCM covering producer-country participation, rules of origin, qualification standards for processed material, and diversification criteria, potentially exercised through a formal congressional consultation role before any agreement is finalized rather than only a review after signature.

Fourth, require a government-wide mine to mission resilience assessment, run jointly by the Departments of Defense, Energy, Commerce, and State, that measures the consequence of a supply interruption for each critical system and the recovery time needed to restore qualified production, and that uses stockpile coverage against that recovery time, not tonnage or dollar value, as the metric for whether the National Defense Stockpile and Project Vault are sized correctly and integrated with each other.

Concrete projects are following the diplomacy, transparency and conflicts of interest standards will need to be carefully monitored. Several, more modest, supporting steps may help strengthen these four priorities. Congress could fund the geological surveying that remains inadequately characterized across Central Asia and Africa, since American firms consistently cite the absence of digitized geological data, not political risk, as the binding constraint on new investment. It should pair new trade agreements with technical training and exchange programs, in partner countries and at American universities, because American mining and geological engineering programs graduate a small fraction of the domestic industry needs each year, and because the qualification and processing bottlenecks described throughout this testimony are ultimately workforce problems as much as they are capital or geological problems. It should scale blended finance vehicles like Orion Critical Mineral Consortium so that American private capital can compete with the speed of Chinese and Gulf capital already active in these markets, and it should condition DFC and EXIM financing for producer-country projects on binding arbitration and stabilization clauses, so American capital has a legal remedy when resource nationalism strikes. It should pair Central Asian mineral partnerships with support for Middle Corridor transport routes that move Kazakh and Uzbek material to Western markets without transiting Russia.

Congress might also choose to direct the Defense Logistics Agency to establish a dedicated, chemistry-rotated battery reserve alongside the National Defense Stockpile, since neither the Stockpile nor Project Vault currently holds one, and it should expand the defense supply chain reporting requirements that currently cover permanent magnets to other mineral-intensive systems, including batteries, following the model [Congressman Buchanan's provision in the fiscal year 2026 National Defense Authorization Act](#) already applies to critical defense infrastructure.

Genuine security does not mean American isolation from global markets, and it does not mean pursuing total self-sufficiency in which every segment of production, from the mine to the missile, is fully domesticated. The objective is to eliminate single points of failure through diversification and enforcing trade rules that keep adversary price manipulation from bankrupting the alternative suppliers that diversification depends on. The trade tools before this Committee, AGOA, Jackson-Vanik, and the ATCM now under negotiation, are the primary means by which the United States converts partnerships in Central Asia and Africa into secure, market-based supply. Still, grounding all of these partnerships in a vibrant domestic mining, processing, and advanced manufacturing base is the only way to ensure mission success.

What the United States needs is a U.S. and allied industrial system capable of continuing to replace the weapons and systems consumed during months of sustained combat, and that system depends on partnerships that carry minerals all the way from the mine to the mission. I will note that ultimately these minerals and metals are only aspect of the wider industrial economy and advanced manufacturing, but that is largely beyond the scope of today's event.

Thank you again for the opportunity to testify.