



American Critical Minerals Association

December 2023 Newsletter Update

Welcome to the newest edition of the American Critical Minerals Association's newsletter, which highlights the latest news and policy developments around the continued efforts to strengthen and build out the U.S. critical minerals supply chain. We hope you find this to be an informative resource.

Let us know what you think: For general inquiries to learn more about ACMA or suggestions for future content, you may reach us at info@critical-minerals.us.

WASHINGTON UPDATE

Although significant efforts were expended on preventing a government shutdown, Congress continued to focus on critical minerals, including through Congressional oversight hearings, as noted below.

ACMA IN THE NEWS

I. ACMA Hosts Member Meeting and Roundtable Discussion

II. ACMA Submits Statement to U.S. House Committee

I. ACMA Hosts Member Meeting and Roundtable Discussion

On **Nov. 29**, ACMA hosted a member meeting and a geopolitical roundtable discussion on the critical minerals supply chain with leaders in the industry including Amy Celico of the Albright Stonebridge Group, Helaina Matza of the Department of State, and the Ambassador Johnnie Carson and moderated by Abigail Hunter of the SAFE Center for Critical Mineral Strategy. During the discussion, the speakers focused on the importance of having greater understanding of vital discussions with China and African nations such as Angola, Zambia and the Democratic Republic of the Congo as those efforts relate to the

II. ACMA Submits Statement to U.S. House Committee

On **Nov. 29**, ACMA submitted a [letter](#) to the House Science, Space, and Technology Committee as they convened for a hearing to discuss “[The Role of Federal Research in Establishing a Robust U.S. Supply Chain of Critical Minerals and Materials.](#)” ACMA applauded the work they've done in elevating the importance of research and development in bolstering the critical minerals supply chain, and urged the Committee to take further action to consider policies and maintain funding for vital R&D programs.

During the hearing, Republicans and Democrats alike supported diversifying supply chains away from China and promoting public-private partnerships in the sector. Republicans advocated for reforms to the mining permitting process while Democrats emphasized the need to establish high labor and environmental standards. Other topics of discussion included the limited mineral refinement capabilities in the U.S., the commercialization of innovative technologies, deep-sea mining, mineral recycling systems, R&D efforts, domestic mineral exploration, integrating artificial intelligence and machine learning into mining methods, and developing clear industry standards.

POLICY DEVELOPMENTS

I. U.S. House Oversight Committee Evaluates Critical Mineral Supply Chain

II. Department of Energy Releases Proposed Guidance on Foreign Entity of Concern Interpretation

III. DOD Enters Agreement to Expand Domestic Graphite Supply Chain

IV. U.S. Senators Push to Support Critical Mineral Projects in the U.S.

V. USGS Study Highlights Potential of Significant Critical Mineral Resources in the Western U.S.

VI. Salton Sea's Lithium Supply Could Fuel U.S. Clean Energy Expansion, DOE Lab Says

VII. Remarks by President Biden at the Indo-Pacific Economic Framework

VIII. Biden-Harris Administration Announces \$3.5 Billion to Strengthen Domestic Battery Manufacturing

IX. MINVEST Established to Promote Sustainable Dialogue and Investment in Critical Minerals Supply Chains

X. EU Agrees Mineral Supply Targets to Cut Reliance on China

I. U.S. House Oversight Committee Evaluates Critical Mineral Supply Chain

On Nov. 30, the U.S. House Committee on Oversight Subcommittee on Economic Growth,

Energy Policy, and Regulatory Affairs held a hearing entitled "[Digging Deeper: Ensuring Safety and Security in the Critical Mineral Supply Chain](#)." During the hearing, members emphasized the urgency in which the U.S. must secure its domestic critical mineral supply chain given the forecasted rise in global demand for these materials to support the transition to renewable energy and ensure U.S. military readiness. Through discussing solutions, the subcommittee examined actions taken by the Biden Administration to address this issue, including the Executive Order 14017 on America's Supply Chain, White House Council on Supply Chain Resilience, and achievements of the Interagency Working Group (IWG).

II. Department of Energy Releases Proposed Guidance on Foreign Entity of Concern Interpretation

The U.S. Department of Energy on Dec. 1 [released](#) its proposed interpretation of the definition of the foreign entity of concern (FEOC) in the Bipartisan Infrastructure Law (BIL), which is aimed at decreasing FEOC participation in domestic battery supply chains. The DOE proposed to further define an FEOC by adding interpretations of key terms such as "government of a foreign country," "foreign entity," "subject to the jurisdiction," and "owned by, controlled by, or subject to the direction." The Department stated that it worked with the U.S. Department of the Treasury and the Internal Revenue Service to ensure the interpretation meets requirements set by the 30D Clean Vehicle Credit. The DOE has also enacted a 30 day public comment period.

Concurring the DOE's announcement, the U.S. Department of the Treasury [released](#) proposed guidance on to clarify the FEOC requirements, stating that beginning in 2024, an eligible clean vehicle may not contain any battery components that are made by a FEOC, and beginning in 2025, an eligible clean vehicle may not contain any critical minerals that were extracted, processed, or recycled by a FEOC. The Treasury Department also outlined that a clean vehicle must be assembled in North America for its final phase of production.

III. DOD Enters Agreement to Expand Domestic Graphite Supply Chain

The U.S. Department of Defense on Nov. 29 [announced](#) a \$3.2 million agreement with South Star Battery Metals Corporation for a feasibility study on Coated, Spheronized, Purified Graphite (CSPG) to support domestic production at a facility in Alabama. Using Inflation Reduction Act funds and under Defense Production Act Title III Authorities, the study will focus on the life cycle of mining CSPG and analyze economic and environmental, social, and governance (ESG) criteria. Once successfully completed, South Star aims to construct a downstream battery-grade processing facility that would transport materials from the BamaStar mine and transform it into CSPG. The company is hopeful that this facility will be used to support domestic lithium-ion battery anode production.

IV. U.S. Senators Push to Support Critical Mineral Projects in the U.S.

Seven members of the U.S. Senate Intelligence Committee on Nov. 17 [sent](#) a letter Senior Advisor to the President for Energy and Investment Amos Hochstein urging the

Administration secure the critical mineral supply chain and reduce U.S. dependence on China. Senators James Lankford (R-OK), Mark Warner (D-VA), Marco Rubio (R-FL), Chris Van Hollen (D-MD), Chris Coons (D-DE), Kirsten Gillibrand (D-NY), and Michael Rounds (R-SD) emphasized the growing demand for critical minerals and their significance to national security, and highlighted China's near-total control of the end-to-end supply chain, urging the administration to take steps such as supporting domestic industry, enhancing coordination across government agencies, and collaborating with allies to counter China's dominance. The Senators emphasized the need to focus on building processing, refining, and metallurgical capacity domestically.

V. USGS Study Highlights Potential of Significant Critical Mineral Resources in the Western U.S.

A new United States Geological Survey (USGS) [report](#) released on Oct. 27 highlights the potential of recovering critical minerals from various sources, including unmined deposits, active mines, and processing facilities. Focusing on subduction-related magmatic-hydrothermal systems, it identifies significant untapped resources of minerals like antimony, bismuth, germanium, and tellurium, especially in Western U.S. deposits. Efficient recovery of these minerals during copper refining could reduce or eliminate import reliance, though improved recovery techniques are needed. This report is part of the USGS's broader efforts to map and assess the nation's mineral resources, including creating a comprehensive mineral deposit database

VI. Salton Sea's Lithium Supply Could Fuel U.S. Clean Energy Expansion, DOE Lab Says

The Department of Energy on Nov. 28 announced results from an analysis conducted by the Department of Energy's Lawrence Berkeley National Laboratory finding that the Salton Sea in California has the potential to address the growing U.S. demand for lithium. The region is believed to have the world's highest concentration of lithium in geothermal brines, and could provide over 3,400 kilotons of lithium to potentially support over 375 million batteries for electric vehicles (EVs). The study noted that additional innovation in direct lithium extraction and geothermal development is needed to fully tap into the region's potential. The researchers also assessed environmental impacts of lithium extraction and involved the surrounding community to ensure local engagement.

VII. President Biden Announced Critical Minerals Dialogue at Indo-Pacific Economic Framework (IPEF)

In remarks to the Indo-Pacific Economic Framework (IPEF) in San Francisco, California, President Joe Biden on Nov. 16 [announced](#) the IPEF Critical Minerals Dialogue to support U.S. expansion and development of the critical minerals supply chain. The dialogue will make concerted efforts to diversify the supply chain and focus on the entire life cycle, from mining to processing. President Biden also stated that the U.S. and 13 APEC partners signed an agreement to advance the clean energy transition in the Indo-Pacific by ensuring

more U.S. and private sector investment in innovation and infrastructure in partner countries.

VIII. Biden-Harris Administration Announces \$3.5 Billion to Strengthen Domestic Battery Manufacturing

The U.S. Department of Energy (DOE) on Nov. 15 [announced](#) \$3.5 billion from the Bipartisan Infrastructure Law to advance domestic production of advanced batteries and battery materials across the U.S. The funding will expand existing facilities and help construct new facilities to process critical minerals and other necessary battery components. The DOE will prioritize next-generation technologies, battery chemistries, and lithium-based technologies in this funding opportunity, while also focusing on projects that will increase separation of battery-grade critical materials, expand production facilities for cathode and anode materials production, and battery component manufacturing facilities. Concept papers are due by January 9, 2024, and full applications are due March 19, 2024.

IX. MINVEST Established to Promote Sustainable Dialogue and Investment in Critical Minerals Supply Chains

The U.S. State Department on Nov. 1 [announced](#) the establishment of a new public private partnership with nonprofit SAFE's Center for Critical Minerals Strategy called the Minerals Investment Network for Vital Energy Security and Transition (MINVEST). MINVEST's mission in facilitating public-private dialogue demonstrates the importance of public-private sector collaboration in transitioning to a technology-backed green economy. MINVEST also emphasizes the need for investment in strategic mining, processing, and recycling opportunities to adhere to high ESG standards.

X. EU Agrees Mineral Supply Targets to Cut Reliance on China

Reuters on Nov. 13 [reported](#) on the European Union's (EU's) agreement to establish targets for domestic supply of critical minerals. In a separate law focused on critical minerals proposed in March, the European Commission included suggestions regarding the level of extraction, recycling, and processing that the EU should lead by 2030, but the recycling target has been increased in the latest proposal. In an effort to reduce dependence on China, the European Parliament and Council agreed upon terms, including the addition of aluminum and synthetic graphite to the list of strategic raw materials.

NEWS, ANALYSIS & OPINION

I. China's Graphite Export Restrictions Alarm Lawmakers

II. Toyota and Redwood Materials Agree to Battery Recycling, Materials Procurement

III. ExxonMobil Plans to Become Leading Lithium Supplier for EVs by 2030

I. China's Graphite Export Restrictions Alarm Lawmakers

Politico Pro on Dec. 1 [reported](#) that China's most recent announcement to further restrict exports of natural and artificial graphite has alarmed lawmakers, including officials from the DOE's Office of Fossil Energy and Carbon Management and the Department of Defense (DOD), who warned that the decision makes the U.S. critical minerals supply chain vulnerable to disruption. At a House Oversight hearing, DOD official Halimah Najieb-Locke said the U.S. must bolster its own supply chain to hold up against these types of "tactics" by the CCP, to which lawmakers on both sides agreed. Najieb-Locke said the government could rely on existing stockpiles of minerals if China were to cut off existing resources, but said that "readiness would be in danger." DOE official Ryan Peay stated that the government is working to diversify supply chains and ramping up traditional mining production, unconventional feedstocks and recycling.

II. Toyota and Redwood Materials Agree to Battery Recycling, Materials Procurement

Toyota Motor on Nov. 16 [announced](#) its continued partnership with Nevada-based Redwood Materials to create a circular supply chain through recycling and procurement of electric vehicle batteries. TMNA will source Cathode Active Material (CAM) and Anode copper foil from Redwood along with battery collection and recycling to help create a "circular supply chain" said Christopher Yang, Group Vice President, Business Development, TMNA. Their efforts will increase automotive battery recycling as the lifecycle of nearly 5 million operating units of first-generation EV models end. Toyota Battery Manufacturing North Carolina (TBMNC) will utilize Redwood's recycling to assist in their plan to implement a \$14 billion dollar facility in 2025.

III. ExxonMobil Plans to Become Leading Lithium Supplier for EVs by 2030

ExxonMobil on Nov. 13 [announced](#) its intentions to be a leader in lithium production and renewable energy transition. ExxonMobil revealed that Phase I of its North American lithium production has begun in southwest Arkansas. Dan Ammann, president of ExxonMobil Low Carbon Solutions, said this project will apply "decades of ExxonMobil expertise to unlock vast supplies of North American lithium with far fewer environmental impacts than traditional mining operations."

Ammann added this project will "enhance North American energy security, expand supplies of a critical industrial material" at a crucial time as demand for lithium is expected to quadruple by 2030. The company is targeting its first lithium production for 2027, and is aiming to produce enough lithium to power a million EVs per year by 2030.

RECENT LEGISLATION

- [H.R. 6146](#): No CCP Consultants Act - *introduced by Rep. Mark Green (R-TN-7)*
- [H.R.6395](#): Recognizing the Importance of Critical Minerals in Healthcare Act of 2023 - *Rep. Curtis (R-UT-2)*

- [H.R.6178](#): Bidirectional Electric Vehicle Charging Act of 2023 - *Rep. Bownley (D-CA-26)*
- [H.R.2670](#): National Defense Authorization Act for Fiscal Year 2024 - *Rep. Rogers (R-AL-3)*

If you have questions or would like to learn more about the American Critical Minerals Association, please contact us at info@critical-minerals.us



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