

# Critical Mineral Supply Chains

## Summary of Comments - June 13, 2024

On June 13, 2024, OurEnergyPolicy hosted a discussion on the resource challenges in meeting U.S. energy requirements. Find the recording [here](#).

## SPEAKERS



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Our Energy Policy is a non-partisan organization. The following represents a summary of comments from the panelists.

## Summary of Key Points

- Mining capacity is not increasing rapidly enough to meet accelerating critical mineral demand for clean energy and smart technologies.
- Since the U.S. does not have the geological capacity to have completely localized critical mineral supply chains, working with international producers is unavoidable.
- China dominates international critical mineral supply chains.
- The Inflation Reduction (IRA), Bipartisan Infrastructure Law (BIL), and Defense Production Act (DPA) all provide mechanisms of support for secure supply chains.
- Full value mining would improve supply chain diversification and resilience.
- The U.S. Department of Energy (DOE) has multiple offices dedicated to innovations that can reduce the strain on critical mineral supply chains.

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### Diversifying Supply Chains

- Critical minerals like Nickel are recyclable, so the utilization of these materials in energy technology to replace fossil fuels paves the way for a more circular economy in the future and creates the opportunity for further supply diversification.
  - However, there is not yet enough critical minerals above ground to meet infrastructure needs through recycling alone—mining is still needed.
- Full value mining secures as many valuable minerals from ore as possible, instead of focusing on one major mineral and releasing the rest in waste tailings.
- Reprocessing mine waste can recover hundreds of thousands of tons of valuable minerals every year.
- Industry innovators should work with national labs in the U.S. so these labs can provide third-party validation to innovative technologies.
- De-risking investments in mining can help improve capital flow to upstream projects.
- The American Battery Materials Initiative aims to develop more sustainable, secure, and resilient supply chains.
- Offices at the DOE dedicated to innovation and commercialization of energy technologies that could reduce strains on critical mineral supply chains include:
  - Office of Technology Transitions
  - Office of Manufacturing & Energy Supply Chains
  - Advanced Research Projects Agency-Energy
  - Loan Programs Office

### International Supply Chains

- Supply chain security necessitates reducing reliance on Foreign Entities Of Concern (FEOCs).
- Chinese control over the flow of materials in many critical mineral supply chains is so strong that it can also control pricing.
  - The influence of China spans past its physical borders. Chinese companies heavily dominate international production and processing of critical minerals.
  - Tariffs on Chinese-made EVs and EV materials are being established to reduce Chinese influence in the U.S. economy.
- The Minerals Security Partnership represents half of the world's GDP and is one of many international efforts to secure critical mineral supply chains and meet demand for the energy transition.