









## WHAT YOU NEED TO KNOW

- For the second time in just four months, China announced export controls for key minerals. This time, China is restricting access to graphite – which the U.S. is not currently producing at home – showcasing the reality of U.S. mineral insecurity.
- The recommendations contained in the Biden administration's Interagency
  Working Group's (IWG) recently released <u>"Recommendations to Improve</u>
  <u>Mining on Public Lands"</u> would only further weaken America's domestic mining industry.
- The recommendations introduce new obstacles that further complicate U.S. access to minerals, deepening our reliance on geopolitical adversaries like China and Russia.

## LETTER FROM THE PRESIDENT AND CEO

**OCTOBER 24, 2023** 

Dear Joe,

U.S. mineral insecurity is once again at the forefront of the news media after China announced for the second time in four months that it would restrict access to key minerals needed by global manufacturing and energy supply chains. Foreign companies will now have to apply for permits to receive shipments of graphite. According to the U.S. Geological Survey, China produces 65% of the world's mined graphite. This recent announcement follows on the heels of China's export controls on gallium and germanium – two minerals essential for military applications.

By contrast, the U.S. is asleep at the wheel when it comes to its mineral supply chains. Instead of ramping up domestic minerals production, the Biden administration has withdrawn mineral-rich acreage, preemptively blocked projects, withdrawn leases and proposed new hurdles for miners when we

should be doing the exact opposite.

The Biden administration has been focused on securing minerals from other nations – in the instance of graphite – from Mozambique, a country known for its corruption and child labor. Rather than relocating our mineral supply chain vulnerabilities to other countries, the U.S. should be focused on producing more minerals right here at home and solving the issue altogether.

In another head-scratching moment, the President's Interagency Working Group (IWG) on Mining Reform released its long-awaited recommendations on mining in the U.S. The group's recommendations revealed a fundamental lack of understanding of the mining industry and the laws that govern it and would throw insurmountable obstacles in the way of responsible domestic projects and potential future investment.

The IWG proposed new taxes and royalties that could cripple existing mining operations and completely dissuade any new investment. IWG's recommendations do nothing to address the unnecessarily long and complicated permitting process that is currently stalling many American mines. What's more, the recommendations actively ignore the President's Infrastructure and Investment Jobs Act, which calls for federal agencies to implement permitting reform. Permitting reform is the single most important factor in reviving America's mineral dominance; the IWG's lack of focus on this issue is a major miss.

It's time for the U.S. to focus on securing the minerals our economy and national security require here at home. The U.S. mining industry leads the world in environmental and labor law standards. Done right, U.S. miners can secure our nation's mineral supplies while ensuring environmental protection.

Thank you,

Rich Nolan NMA President and CEO



If the Biden-Harris administration's stated objective is to secure our nation's domestic mineral supply chains while supporting responsible mining, the recommendations contained in this report don't do anything to advance the ball.

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