






U.S. Government Efforts to Incentivize Investment in Base Metal Mining

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U.S. Department of Commerce | International Trade Administration | Industry & Analysis


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- Business Matchmaking
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42,000 Clients

In FY 2021, our assistance facilitated nearly **\$92 billion** in U.S. exports and investment, supporting **380,000 American jobs**.

\$172 Return on Investment

For every **\$1** appropriated to ITA, our work assisting U.S. companies **returns \$172 back** to the U.S. economy.



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Nickel

- 56 percent United States net import reliance
- Major supplier markets – Canada, Norway, Australia (primary); Canada, Mexico, UK (nickel-containing scrap)
- U.S. reserves – 370,000 metric tons
- U.S. production – 18,000 metric tons (ores and concentrates)

Zinc

- 76 percent United States net import reliance (refined zinc)
- Major supplier markets – Canada, Mexico, Peru, Spain
- U.S. reserves – 7,300,000 metric tons
- U.S. production – 770,000 metric tons (ores and concentrates) 220,000 metric tons (refined)



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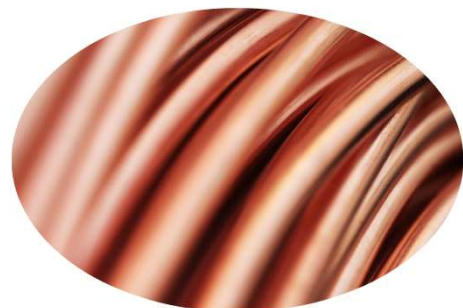


Lead

- 42 percent United States net import reliance (refined lead)
- Major supplier markets – Canada, Mexico, Korea
- U.S. reserves – 4,600,000 metric tons
- U.S. production – 280,000 metric tons

Copper

- 41 percent United States net import reliance
- Major supplier markets (refined copper) – Chile, Canada, Mexico
- U.S. reserves – 44,000,000 metric tons
- U.S. mine production – 1,300,000 metric tons
- U.S. refinery production – 1,000,000 metric tons



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E.O. 14017 on "America's Supply Chains" February 24, 2021



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E.O. 14017

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100-day Supply Chain Report Recommendations on Critical Minerals

1. Developing and Fostering New Sustainability Standards for Strategic and Critical Material Intensive Industries
2. Expanding Sustainable Domestic Production and Processing Capacity, Including Recovery from Secondary and Unconventional Sources and Recycling
3. Deploy the DPA and Other Programs
4. Convene Industry Stakeholders to Expand Production
5. Promote Interagency Research & Development to Support Sustainable Production and a Technically-Skilled Workforce
6. Strengthen U.S. Stockpiles
7. Work with Allies and Partners and Strengthen Global Supply Chain Transparency



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President Biden – February 7, 2023 State of the Union Address

“We’re investing to make America stronger. Investing in American innovation, in industries that will define the future.

We’re also investing in our alliances and working with our allies to protect our advanced technologies.

Bridges are forming between partners in the Pacific and those in the Atlantic.”



I. Support for Domestic Projects

Biden-Harris Administration Fundamental Principles for Domestic Mining Reform

February 22, 2022

- Establish Strong Responsible Mining Standards
- Secure a Sustainable Domestic Supply of Critical Minerals
- Prioritize Recycling, Reuse and Efficient Use of Critical Minerals
- Provide Permitting Certainty
- Solicit Community Input and Conduct Tribal Consultation
- Adopt Fair Royalties So Taxpayers Benefit
- Establish a Fully Funded Hardrock Mine Reclamation Program
- Conduct Comprehensive Planning
- Protect Special Places
- Utilize the Best Available Science and Data
- Build Civil Service Expertise in Mining



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Mining Reform

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Defense Production Act (DPA) Title III

What is the Defense Production Act?

The Defense Production Act (DPA) authorizes the President to ensure the availability of domestic sources to meet the United States' defense, essential civilian, and homeland security requirements.

What is DPA Title III?

Title III of the Defense Production Act provides broad based authorities to incentivize domestic sources to develop, maintain, modernize, and expand production capacity or critical technologies.

- Loans / loan guarantees
- Purchases or purchase commitments
- Grants, contracts, and subsidies

Priority Areas §303 (50 U.S.C. 4533)

Sustain Critical Production	Commercialize Research and Development Efforts	Scale Emerging Technologies
"To create, maintain, protect, expand, or restore domestic industrial capabilities essential for National Defense"	"From Government sponsored research and development to commercial applications" and "from commercial research and development to National Defense"	"For the increased use of emerging technologies in security program applications and the rapid transition of emerging technologies"



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Federal Funding Opportunities – DPA Title III

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Bipartisan Infrastructure Law

The Largest Long-term Investment in our Infrastructure and Economy in our Nation's History

BIL appropriates over \$9 billion in funding to DOE for 14 critical mineral-related provisions to:

- Establish a rare earth element demonstration facility from secondary sources
- Secure rare earth minerals from coal, coal byproducts, and coal wastes Advance innovation through DOE's Critical Materials Research, Development, Demonstration, and Commercialization Program
- demonstration and deployment of processing and manufacturing while driving development of recycling and reuse
- Advanced manufacturing and recycling across multiple energy sectors with additional funds for clean hydrogen and recycling and electrolysis manufacturing
- Recycling of critical minerals in wind and solar energy
- Build a domestic battery supply chain through



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Bipartisan Infrastructure Law

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Inflation Reduction Act

On March 31, the Treasury Department released proposed guidance on the Clean Vehicle Tax Credits and the Critical Minerals and Battery Components Requirements in the form of a Notice of Proposed Rule Making (NPRM).

The proposed rule will be open for public comment for 60 days after the April 17 publication date.

To meet the critical mineral requirement, the applicable percentage of the value of the critical minerals contained in the battery must be extracted or processed in the United States or a country with which the United States has a free trade agreement, or be recycled in North America.

For 2023, the applicable percentage is 40 percent.

For 2024, the applicable percentage is 50 percent.

For 2025, the applicable percentage is 60 percent.

For 2026, the applicable percentage is 70 percent.

Beginning in 2027, the applicable percentage is 80 percent.

To meet the battery component requirement, the applicable percentage of the value of the battery components must be manufactured or assembled in North America.

For 2023, the applicable percentage is 50 percent.

For 2024 and 2025, the applicable percentage is 60 percent.

For 2026, the applicable percentage is 70 percent.

For 2027, the applicable percentage is 80 percent.

For 2028, the applicable percentage is 90 percent.

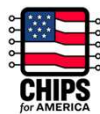
Beginning in 2029, the applicable percentage is 100 percent.



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Inflation Reduction Act

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CHIPS for America

- In 2022, President Joe Biden signed into law **the CHIPS and Science Act of 2022** which provides the Department of Commerce with \$50 billion for programs to strengthen and revitalize the U.S. position in semiconductor research, development, and manufacturing.

- On Feb.28, 2023, Commerce released the first Notice of Funding Opportunity (NOFO) for commercial fabrication facilities.
- Commerce will release a second NOFO later this year that will focus on **material suppliers** and equipment manufacturers.
- Commerce will provide **all companies across the semiconductor supply chain** the opportunity to submit a short statement of interest to inform the Department of Commerce of their anticipated interest in CHIPS funding and to share initial project visions.

Be sure to visit chips.gov and sign up for the mailing list!

Questions? Reach out to AskCHIPS@chips.gov



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CHIPS for America

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Other Federal Funding for Critical Minerals and Metals

Department of Energy (DOE) Loan Programs Office (LPO): LPO can provide first-of-a-kind projects and other high-impact, energy-related ventures with access to debt capital that private lenders cannot or will not provide. For more information please visit: [Department of Energy | Loan Programs Office | Critical Minerals](#)

NSF Industry-University Cooperative Research Center Program (IUCRC): NSF is looking for proposals for IUCRCs on priority areas including critical minerals and rare earth element prospecting, recovery, and green mining. For more information please visit: [National Science Foundation | Call for Geo-themed IUCRCs](#)

Energy and Mineral Development Program (EMDP) Grant: Administered by the Department of Interior, the EMDP provides the opportunity for Tribes to receive financial assistance to evaluate the energy and mineral resource potential of their lands through its grants. For more information please visit: [Department of Interior | Energy and Mineral Development Program](#)



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Federal Funding Opportunities

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I. Support for International Projects



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EXIM EXPORT-IMPORT BANK OF THE UNITED STATES

Domestic

To help companies make more in America – especially in sectors critical to national security – EXIM will make available the agency's existing medium- and long-term loans, loan guarantees, and insurance to export-oriented domestic manufacturing projects.



International

EXIM provides medium- and long-term financing for U.S. content in critical minerals projects abroad. Critical minerals projects may be eligible for better financing terms than EXIM's traditional financing and exceptions from some EXIM policies.



Export-Import Bank of the United States

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DFC provides insurance, debt and equity financing for development projects in eligible countries, regardless of U.S. content. The criteria for financing is that it is in a low, lower middle, or upper middle-income country and has a high-development impact. DFC is currently looking to expand its critical mineral portfolio.



Debt
Financing



Equity
Investments



Feasibility
Studies



Investment
Funds



Political Risk
Insurance



Technical
Assistance



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U.S. Development Finance Corporation

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U.S. TRADE AND DEVELOPMENT AGENCY

Project Preparation

- Feasibility Studies
- Technical Assistance
- Pilot Projects
- Engineering & Designs

Partnership Building

- Reverse Trade Missions
- Workshops & Training
- Conferences

Priority Sectors



Energy



Information and
Communication
Technology



Transportation



Agriculture



Healthcare



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U.S. Development Finance Corporation

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Nickel and Cobalt Processing Facility Zambales, Philippines



- USTDA is supporting the development of an environmentally sustainable **nickel processing facility** in the Philippines that will develop materials critical to the clean energy transition.
- The feasibility study will evaluate the technical and economic viability of the project and define the technical specifications for the facility in alignment with high environmental, social, and governance standards.



"The MSP will help **catalyze investment from governments and the private sector for strategic opportunities** —across the full value chain —that adhere to the highest environmental, social, and governance (**ESG**) standards."

June 2022 MSP Press Release

Minerals Security Partnership

- Partners include Australia, Canada, Finland, France, Germany, Italy, Japan, the Republic of Korea, Norway, Sweden, the United Kingdom, the United States, and the European Union.
- State Department-led.
- Seeks to bolster critical minerals supply chains.
- [Minerals Security Partnership Ministerial Meeting](#) – In September 2022, the United States convened MSP partners and key minerals-rich countries to discuss **priorities, challenges, and opportunities in responsible mining, processing, and recycling of critical minerals**.
- [MSP Principles for Responsible Critical Minerals Supply Chains](#) - In February 2023, MSP partners announce support for **principles for a shared commitment to high ESG standards**.
- The MSP will support socially responsible projects that meet recognized international ESG standards.



Minerals Security Partnership

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Thank You

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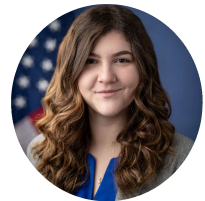
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