Congressman Wittman Opening Remarks

Critical Minerals Policy Working Group: Roundtable 2 (PRC Import Reliance)
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Thank you for joining me today for the second session of the Select Committee's critical mineral policy working group.

During our first session, we examined the role that battery materials, rare earth elements, and permanent magnets play in the United States' national and economic security. We also began to discuss our nation's import dependence on the People's Republic of China and strategies to enhance the resilience and sustainability of the U.S. rare earth magnet and battery production industries.

Today's roundtable will explore the United States' heavy—and often PRC single-source—import reliance on critical minerals and the risks that this reliance poses to U.S. national and economic security. Whether the PRC chooses to use these vulnerabilities to inflict price manipulation, or supply shocks to undercut global competitors, or export restrictions that limit the flow of these materials abroad, its chokehold on critical minerals presents an existential threat to our defense industrial base and continued development of emerging industries in the United States.

These risks are not theoretical. Less than two weeks ago, China's State Council issued new regulations to tighten the Chinese Communist Party's chokehold over every stage of the rare earth element (REE) supply chain. This new instrument of CCP economic coercion not only institutes "total quantity control" of REE mining and processing, but it also establishes something even more concerning—a system to register and monitor domestic and foreign sales of rare earth elements. With this enhanced data and the litany of quotas, taxes, and export controls, the Chinese government will ensure domestic companies have preferential access to REEs, while foreign companies face supply constraints and higher prices. Detailed tracking will also enable the PRC's enhanced targeting of U.S. and ally chokepoints, putting U.S. national security at risk if the CCP restricts access to critical materials during periods of geopolitical tension.

This is simply one more clarion call for a decisive and strategic response from the United States. We need to take urgent action to ease the permitting burden on new domestic critical mineral miners and processors. We also have to recognize the limits of markets to overcome the PRC's monopoly on REEs and other critical minerals and the need for targeted government intervention to restore domestic and ally critical mineral resilience. We cannot wait for the CCP to again weaponize its dominance over critical minerals at a time and place of its choosing.

Today, we have three participants to help us explore these issues:

- Adam Johnson is managing partner at Metis Endeavor, he has worked with miners, processors, and OEMs to secure the U.S.'s critical mineral supply chains.
- Wade Yeoman is executive general manager of commercial at Jervois. He will tell us about how Jervois U.S. mine was shut down by predatory PRC behavior and ways to ensure that never happens again.
- Mahnaz Khan is Vice President of Policy for Critical Supply Chains at the Silverado Policy Accelerator. Her experience in and out of government and deep trade insights will offer perspectives on diversifying U.S. import reliance on the PRC.

With that, I turn over the floor to Congresswoman Castor.