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Statement before the House Ways and Means Committee

"Strategic Partnerships to Secure Critical Resources and Supply Chains"

A Testimony by:

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Chairman Smith, Ranking Member Neal, and distinguished Members of the Committee, I am honored to share my views with you on this important topic. CSIS does not take policy positions, so the views represented in this testimony are my own and not those of my employer.

My name is Dr. Gracelin Baskaran. I am a mining economist and the founding director of the Critical Minerals Security Program at the Center for Strategic and International Studies (CSIS), where I lead research and policy engagement on mineral supply chains critical to U.S. national security and economic competitiveness. Over the past 13 years, I have worked on critical minerals policy in the United States and internationally.

My expertise on Africa is grounded in more than a decade of research and professional experience on the continent, including seven years living in South Africa and working across Southern and Eastern Africa. I was a Fulbright Fellow in South Africa's platinum belt, completed a PhD at the University of Cambridge focused on the country's minerals sector, and co-authored the World Bank book *Africa's Resource Future*. At CSIS, I work closely with governments, mining companies, investors, and U.S. policymakers across major mineral-producing countries, including the Democratic Republic of Congo (DRC), Zambia, South Africa, Namibia, Tanzania, and Guinea. This experience has given me a firsthand understanding of both Africa's mineral opportunity and the constraints limiting investment, processing, and value addition across the continent.

The United States does not have sufficient domestic geological resources to meet its mineral needs for sectors vital to national security, economic competitiveness, and energy resilience. International partnerships are therefore not optional; they are a fundamental component of U.S. mineral security.

My testimony makes three principal arguments. First, the United States cannot achieve mineral security alone, and many of the resources it needs are concentrated in frontier markets, particularly in Africa. Second, competing in these markets requires building the ecosystem around the mine, not simply the mine itself. A company can develop an orebody; it cannot independently build the rail, ports, power, and customs systems that make production bankable. China understood this two decades ago and financed much of that enabling infrastructure through the Belt and Road Initiative. Third, durability is the decisive variable, and this Committee controls many of the levers that determine it. Our partners are committing assets with lives measured in decades to partnerships with the United States, while American policy toward them often resets in one- to three-year increments: the African Growth and Opportunity Act (AGOA) lapsed last year, Central Asian partners remain subject to annual Jackson-Vanik waivers, many critical minerals agreements rely primarily on executive instruments, and Section 232 tariffs can penalize the very value addition we are asking partners to pursue to diversify away from China. Trade preferences, permanent normal trade relations, the statutory basis for trade agreements, and tariff treatment are all within this Committee's jurisdiction. My testimony therefore focuses on making U.S. commitments as durable as the investments we are asking our partners to make.

The U.S. Critical Minerals Supply Chain Challenge

The United States cannot achieve mineral security without frontier markets, and Africa is indispensable. The continent holds the majority of global reserves of cobalt, manganese, and platinum group metals, alongside world-class deposits of copper, lithium, graphite, nickel, and rare earths. The DRC alone supplies about 70 percent of the world's cobalt and has emerged as the world's second-largest copper producer, with some of the highest-grade copper deposits in the world (see Annex 1).[1] South Africa supplies the vanadium, platinum, palladium, rhodium, and chrome on which U.S. defense and industrial supply chains quietly depend (see Annex 2).[2] Zambia is targeting a tripling of copper output,[3] and Namibia is positioning itself as a rising force in lithium, uranium, and heavy rare earths. As demand for these minerals accelerates, the question is not whether the United States engages Africa, but whether it does so with the strategy, capital, and consistency the moment demands.[4]

Africa offers the largest opportunity, but the same challenge arises in other mineral-rich frontier markets. Central Asia is the clearest example. Kazakhstan is the world's largest uranium producer and a major source of tungsten, chromium, and other strategic metals.[5] Like Africa, Central Asia is underexplored, sits between Chinese and Russian spheres of influence, and has governments actively seeking to diversify their partners. The Trans-Caspian "Middle Corridor" through the Caucasus and Turkey offers the region an export route that bypasses both Moscow and Beijing, much as Lobito does for the Congolese copper belt.[6] The lessons of U.S. engagement in one region apply directly to the other.

The stakes of getting this wrong are already visible. China has spent two decades building a commanding position across African mineral supply chains, from equity stakes in the Congolese copper belt to processing and refining capacity that gives Beijing leverage over midstream chokepoints regardless of where ore is mined. Its recent export restrictions on germanium, gallium, graphite, and antimony demonstrated how mineral dominance translates directly into geopolitical coercion. Meanwhile, Africa's share of global mineral exploration spending has fallen from 16 percent in 2004 to just over 10 percent in 2024 - a paradox, given that Africa remains the most cost-effective exploration region in the world, delivering more mineral value per exploration dollar than Australia, Canada, or Latin America (see Annex 3).[7] The continent is simultaneously

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[1] Gracelin Baskaran, "Building Critical Minerals Cooperation Between the United States and the Democratic Republic of the Congo," *CSIS Briefs*, Center for Strategic and International Studies, March 25, 2025, https://www.csis.org/analysis/building-critical-minerals-cooperation-between-united-states-and-democratic-republic-congo.

[2] Gracelin Baskaran, "Using Minerals and Energy to Rebuild the U.S.-South Africa Relationship," *CSIS Briefs*, Center for Strategic and International Studies, March 18, 2026, https://www.csis.org/analysis/using-minerals-and-energy-rebuild-us-south-africa-relationship.

[3] Gracelin Baskaran and Florence Yu, "Recommendations for Building Zambia's Copper Industry," *Commentary*, Center for Strategic and International Studies, June 4, 2024, https://www.csis.org/analysis/recommendations-building-zambias-copper-industry.

[4] Gracelin Baskaran, "Why Is Renewing AGOA Strategic for U.S.-Africa Minerals Diplomacy?" *Critical Questions*, Center for Strategic and International Studies, September 3, 2025, https://www.csis.org/analysis/why-renewing-agoa-strategic-us-africa-minerals-diplomacy.

[5] Gracelin Baskaran and Kamal Aubakirov, "Ten Years of C5+1: U.S.–Central Asia Minerals Cooperation," *Commentary*, Center for Strategic and International Studies, November 4, 2025, https://www.csis.org/analysis/ten-years-c51-us-central-asia-minerals-cooperation.

[6] Center for Strategic and International Studies, "Can Kazakhstan Replace Russian Uranium Dependence? | Mapping Minerals Diplomacy," YouTube video, September 25, 2025, https://www.youtube.com/watch?v=_XkHiXMoWJA.

[7] Gracelin Baskaran, "Underexplored and Undervalued: Addressing Africa's Mineral Exploration Gap," *Commentary*, Center for Strategic and International Studies, May 9, 2025, https://www.csis.org/analysis/underexplored-and-undervalued-addressing-africas-mineral-exploration-gap.

underexplored and undervalued. That gap represents both a strategic vulnerability and one of the great opportunities in the global race for mineral security.

Encouragingly, the architecture of a more serious U.S. approach has begun to take shape. In 2025, the State Department appointed a Senior Advisor as the lead for critical minerals in the Bureau of African Affairs, a role that was subsequently elevated to the Deputy Assistant Secretary level to ensure that critical supply chain priorities are integrated into broader regional policy. The Lobito Corridor, connecting the copper belts of the Democratic Republic of the Congo and Zambia to Atlantic markets through the Port of Lobito in Angola, has become the flagship of U.S. minerals-driven infrastructure diplomacy, backed by significant U.S. development and export financing.

The December 2025 U.S.-DRC Strategic Partnership Agreement represents another important step forward. It establishes a framework to expand U.S. investment in the DRC's mining sector, including through a Strategic Asset Reserve under which U.S. companies receive a right of first offer on designated mineral projects.[8] The agreement is already moving from diplomacy toward deal execution. In February 2026, Glencore signed a non-binding memorandum of understanding to sell a 40 percent stake in its two flagship Congolese copper-cobalt mines, Mutanda and Kamoto Copper Company, to the Orion Critical Mineral Consortium, a vehicle led by Orion Resource Partners and backed by the U.S. International Development Finance Corporation (DFC) and Abu Dhabi's ADQ.[9] Under the proposed terms, Mutanda and Kamoto would continue to be managed as part of the Glencore Group, while Orion would hold the right to appoint non-executive directors and to direct the sale of its share of production to nominated buyers in accordance with the Strategic Partnership Agreement. Separately, the State Department's Bureau of African Affairs recently launched the U.S.-Africa Strategic Investment Program, with an estimated $500 million in total program funding to use foreign assistance funds to accelerate private-sector-led investment across two priority areas: critical minerals investment and commercial diplomacy.

Together, these initiatives reflect an important shift in U.S. engagement. Successful minerals diplomacy will not be built by asking African and Central Asian partners to choose sides. It will be built by offering a more compelling commercial proposition: investment, infrastructure, financing, market access, and meaningful opportunities for partner countries to capture greater value from their own resources.

Yet these gains are nascent, and the obstacles are structural. American and Western companies still face higher costs of capital, longer permitting horizons, and thinner risk tolerance than their Chinese state-backed competitors. Port, rail, power, and water infrastructure deficits raise the cost of every project in these regions, and blended finance from development finance institutions, multilateral banks, and private capital has yet to reach the scale required. Policy inconsistency in Washington, from funding pauses to a long stretch of uncertainty on the future of the African Growth and Opportunity Act, has undermined the credibility that commercial diplomacy requires.

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[8] U.S. Department of State, "Strategic Partnership Agreement Between the Government of the United States of America and the Government of the Democratic Republic of the Congo," signed December 4, 2025, https://www.state.gov/strategic-partnership-agreement-between-the-government-of-the-united-states-of-america-and-the-government-of-the-democratic-republic-of-the-congo.

[9] "Proposed acquisition by US-backed Orion Critical Mineral Consortium of a strategic stake in Glencore's DRC assets," press release, February 3, 2026, https://www.glencore.com/media-and-insights/news/proposed-acquisition-by-us-backed-orion-critical-mineral-consortium-of-a-strategic-stake-in-glencores-drc-assets

And in Central Asia, the United States is asking American companies to commit capital to thirty-year mining projects while the trade relationship itself is still renewed one year at a time under a Cold War statute that Congress has never repealed.

The window for action is real but narrowing. Mines take a decade or more to develop; the decisions made in the next few years will determine supply chains for a generation.

Policy Recommendations

1. **Congress should pursue a long-term AGOA beyond a two-year extension.** I commend Chairman Smith for authoring the AGOA Extension Act, and the Senate for passing it 90 to 6. It's time to think longer-term to ensure there are no further disruptions. AGOA lapsed once already last year, at the very moment the United States was negotiating a landmark strategic minerals partnership with the DRC. If it lapses again because broader legislative negotiations delay action, our partners will draw the obvious conclusion about American reliability.

   Continuing to build good economic diplomacy with AGOA beneficiary countries is crucial. Thirty-two African countries are currently eligible for AGOA, and many are among the world's most important holders of critical mineral resources. These include the DRC, Madagascar, Malawi, Mauritania, Mozambique, Namibia, South Africa, Tanzania, and Zambia.[10] Four of the world's top fifteen destinations for rare earth exploration in 2024 were AGOA beneficiaries.

   I want to be precise about why AGOA matters to critical minerals, because it is not the tariff rate on ore. Most minerals already enter the United States duty-free or with very low tariffs. AGOA's value is that it makes the rest of the trade relationship work. The Lobito Corridor cannot be financed on copper alone; it needs Angolan agriculture, Zambian manufactures, and cargo moving in both directions, and AGOA gives many of those exports preferential access to the U.S. market. It is one of the clearest signals of sustained U.S. economic commitment that African governments can point to when they choose an American partner over a Chinese one.

   An extension to 2028 addresses the immediate problem but not the underlying one. A mine or a rail line financed today will not generate revenue until the 2030s, and investors will not build around a program that resets every two or three years. Congress should use the next two years to write a ten-year reauthorization. USTR has already solicited public comment on modernizing the program. This Committee should lead that effort and complete it well before the 2028 deadline.

2. **Give critical minerals agreements a statutory footing.** In the past year the Administration has signed more than twenty frameworks, memorandums of understanding,

[10] Gracelin Baskaran, "Why Is Renewing AGOA Strategic for U.S.-Africa Minerals Diplomacy?" *Critical Questions*, Center for Strategic and International Studies, September 3, 2025, https://www.csis.org/analysis/why-renewing-agoa-strategic-us-africa-minerals-diplomacy.

and strategic agreements on critical minerals, including with the DRC, Guinea, Morocco, and Uzbekistan. That pace is welcome. But many depend substantially on executive-branch authorities and continued executive commitment. Many were negotiated without a defined role for Congress and can be reversed or modified by a future administration. A government that has entered a strategic minerals partnership with the United States is entitled to ask what happens to that partnership after the next election.

This Committee has seen the problem before. When the United States concluded its critical minerals agreement with Japan in 2023 as an executive agreement, members on both sides of this dais objected that Congress had been left out of a decision that carried real trade and tax consequences.[11] The answer is not to stop signing agreements but to give them a foundation that outlasts the officials who sign them – especially given that developing a mining asset can take decades and require billions of dollars. Congress should define in statute what a critical minerals agreement must contain, including provisions on investment protection, traceability, and local value addition; establish a formal consultation role for this Committee before such agreements are concluded; and reserve the most valuable benefits, such as preferential tariff treatment and tax credit eligibility, for agreements that meet that standard. Done this way, the framework becomes an asset rather than a constraint: it gives the executive branch a template partners can trust, gives Congress the oversight it is owed, and gives investors the durability that turns a signed agreement into billions of dollars of committed capital.

3. **Ensure U.S. tariff policy rewards, rather than penalizes, mineral value addition in partner countries.** The United States is rightly encouraging African mineral-producing countries to move beyond the export of raw ore and develop processing, refining, and manufacturing capacity at home. U.S. trade policy should reinforce that objective. In some mineral supply chains, however, raw mineral inputs can enter the United States duty-free while higher-value processed or intermediate products face additional tariffs. This creates a perverse incentive for African countries to continue exporting unprocessed minerals rather than undertaking the very value addition the United States is encouraging. Supporting commercially viable processing in partner countries can also reduce dependence on Chinese midstream capacity.

   Copper illustrates the problem. Refined copper cathode from the DRC or Zambia carries only a 1 percent MFN duty and may enter duty-free when it qualifies for AGOA treatment, while cathode, anodes, and concentrates remain exempt from the copper Section 232 tariff.[12] But when a Zambian or Congolese producer takes the next step and converts copper into rod, wire, tube, sheet, or other covered semi-finished products, those products face a

[11] Ways and Means Committee Ranking Member Richard E. Neal and Senate Finance Committee Chairman Ron Wyden, "Neal, Wyden Statement on Biden Administration's Go-It-Alone Trade Action," press release, March 28, 2023, https://democrats-waysandmeans.house.gov/media-center/press-releases/neal-wyden-statement-biden-administration-go-it-alone-trade-action.
[12] USITC Harmonized Tariff Schedule, HTS 7403.11.00

50 percent Section 232 tariff. Since April 6, 2026, that tariff has been assessed on the full customs value of the imported product, rather than only its copper content.[13][14]

The result is tariff escalation in exactly the wrong direction. U.S. policy imposes little or no tariff on qualifying African refined copper, but an additional 50 percent tariff when that copper is transformed into many higher-value products. And that escalation could move further upstream. The Administration is considering whether to impose a universal tariff on refined copper of 15 percent beginning in 2027 and 30 percent beginning in 2028, which could affect the very refined copper exports that U.S. investments in the Lobito Corridor are intended to help bring to American markets. The current copper Section 232 regime does not provide preferential treatment for a Zambian or Congolese producer simply because that country is a U.S. strategic minerals partner.

Congress should establish preferential tariff treatment for qualifying critical minerals, refined metals, and intermediate products from countries with which the United States has a critical minerals agreement, strategic partnership agreement, or other qualifying trade arrangement. This could be achieved through statutory exemptions, tariff-rate quotas, or other mechanisms that preserve appropriate safeguards while rewarding trusted supply-chain partnerships. We cannot ask African partners to move up the value chain and then penalize them at the U.S. border when they do. Trade policy should reinforce U.S. minerals diplomacy by creating a clear commercial advantage for countries that build secure, transparent, and mutually beneficial supply chains with the United States.

4. **Consider repealing Jackson-Vanik for U.S. strategic partners in Central Asia.** Congress should consider removing the remaining Jackson-Vanik restrictions on Kazakhstan, Uzbekistan, Tajikistan, Turkmenistan, and other qualifying partners in the region and extend permanent normal trade relations where appropriate. Jackson-Vanik was enacted in 1974 to pressure the Soviet Union over restrictions on emigration. More than three decades after the Soviet Union's collapse, its continued application to countries that the United States is actively courting as strategic and commercial partners is increasingly difficult to justify.

   This matters directly for critical minerals. Kazakhstan holds significant resources of uranium, copper, rare earth elements, and other strategic minerals, while Uzbekistan is seeking substantially deeper U.S. investment in mining and processing. The United States is simultaneously asking these countries to diversify commercial relationships away from Russia and China, invest with American companies, and participate in more resilient supply chains. Maintaining a Cold War-era trade restriction sends the opposite signal. Congress should consider enacting bipartisan legislation already before it to graduate qualifying Central Asian partners from Jackson-Vanik and provide the permanent, predictable trade relationship required for long-term investment. Critical mineral projects

[13] Proclamation 10962, "Adjusting Imports of Copper Into the United States," 90 Fed. Reg. 37727 (August 5, 2025), https://www.federalregister.gov/documents/2025/08/05/2025-14893/adjusting-imports-of-copper-into-the-united-states.
[14] Proclamation 11021, "Strengthening Actions Taken to Adjust Imports of Aluminum, Steel, and Copper Into the United States," (April 9, 2026), https://www.federalregister.gov/d/2026-06960.

require capital commitments measured in decades; our trade policy should provide comparable durability.

5. **Support the continuity of EXIM**. Though outside this Committee's jurisdiction, EXIM's charter expires at the end of this year, and I would urge every member to support a long-term reauthorization. EXIM is the only U.S. government financing agency that carries a statutory mandate to expand its activity in sub-Saharan Africa. Congress wrote that mandate into the Bank's charter, backed it with a standing Sub-Saharan Africa Advisory Committee, and has reaffirmed it in every reauthorization since. In frontier mineral markets, that mandate matters. A lapse in its charter, as happened for five months in 2015, would stall exactly the projects this Committee's trade policy is trying to enable.

Conclusion

The United States has begun to build the partnerships and financing architecture necessary to compete for the mineral supply chains of the future. The challenge now is durability. Our partners are making investment decisions measured in decades, and U.S. trade policy must operate on the same horizon. AGOA, permanent normal trade relations, predictable tariff treatment, durable critical minerals agreements, and competitive financing can turn diplomatic partnerships into commercially viable supply chains. The United States has the opportunity to offer mineral-producing countries a partnership built not simply on access to resources, but on investment, value addition, and shared economic growth.

Thank you for the opportunity to testify today. I look forward to your questions.

Annex 1: DRC's Position in Global Copper and Cobalt

Figure 1: Ore Grades of the World's 20 Largest Copper Mines

Project	Grade (%)	Country
Kamoa-Kakula	2.520	DRC
Tenke Fungurume (TFM)	2.250	DRC
KGHM Polska Miedź	1.841	Poland
Resolution *(currently not operational)*	1.520	United States
Collahuasi	0.790	Chile
Grasberg	0.774	Indonesia
Andina Division	0.738	Chile
Polar Division	0.730	Russia
El Teniente	0.729	Chile
Olympic Dam	0.724	Australia
Oyu Tolgoi	0.712	Mongolia
Escondida	0.519	Chile
El Pachón	0.500	Argentina
Los Pelambres	0.480	Chile
Quebrada Blanca	0.380	Chile
Cerro Verde	0.337	Peru
Qulong	0.299	China
Toquepala	0.268	Peru
Buenavista	0.224	Mexico
Morenci	0.218	United States

Note: Cell color indicates copper ore grade: green = 2 percent or greater; yellow = between 1 and 2 percent; and orange = less than 1 percent. and AL = allies.

Source: "S&P Capital IQ Pro," S&P Global.

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Figure 2: The World's Five Largest Operating Cobalt Mines

Project	Country	Cobalt (tons)
Tenke Fungurume	DRC	3,340,120
Kisanfu	DRC	1,905,200
Mutanda	DRC	1,900,000
Kamoto	DRC	1,880,000
Sorowako	Indonesia	815,756

Source: "S&P Capital IQ Pro," S&P Global.

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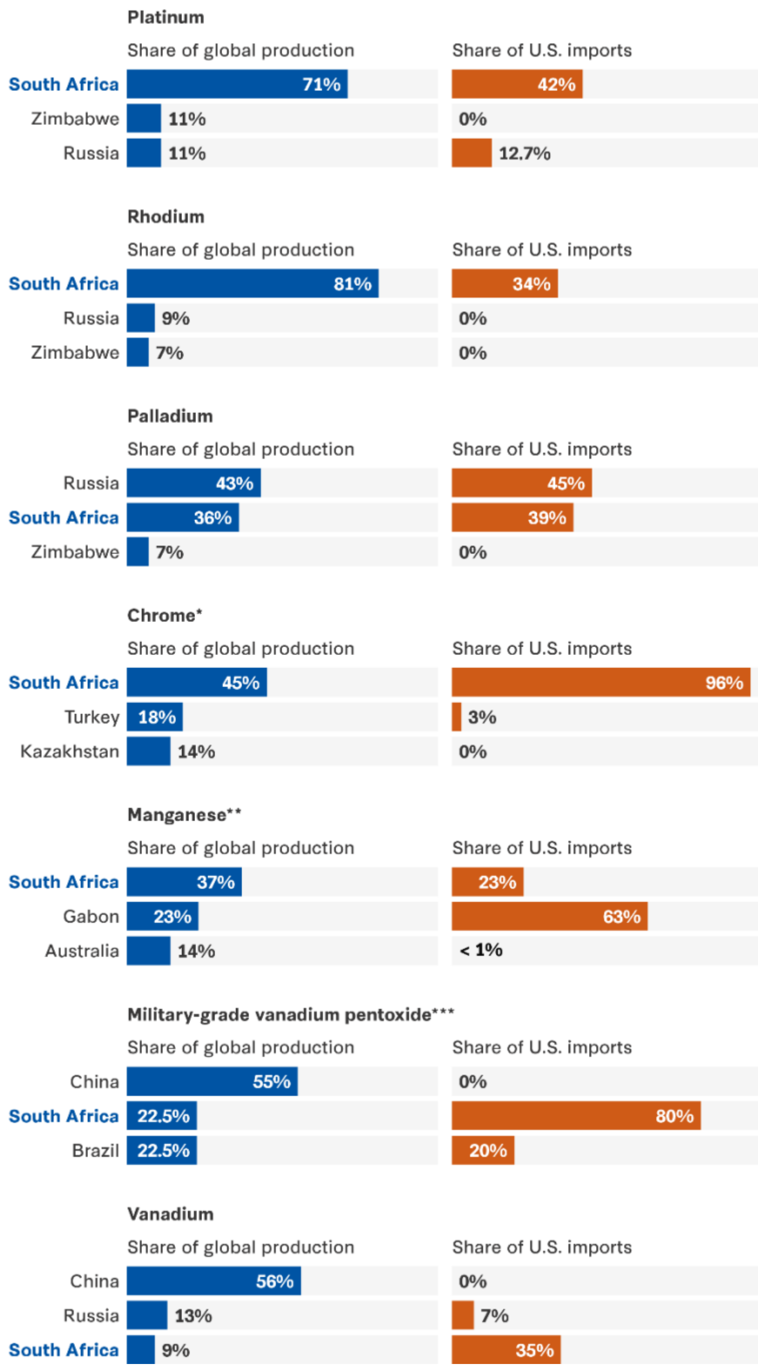
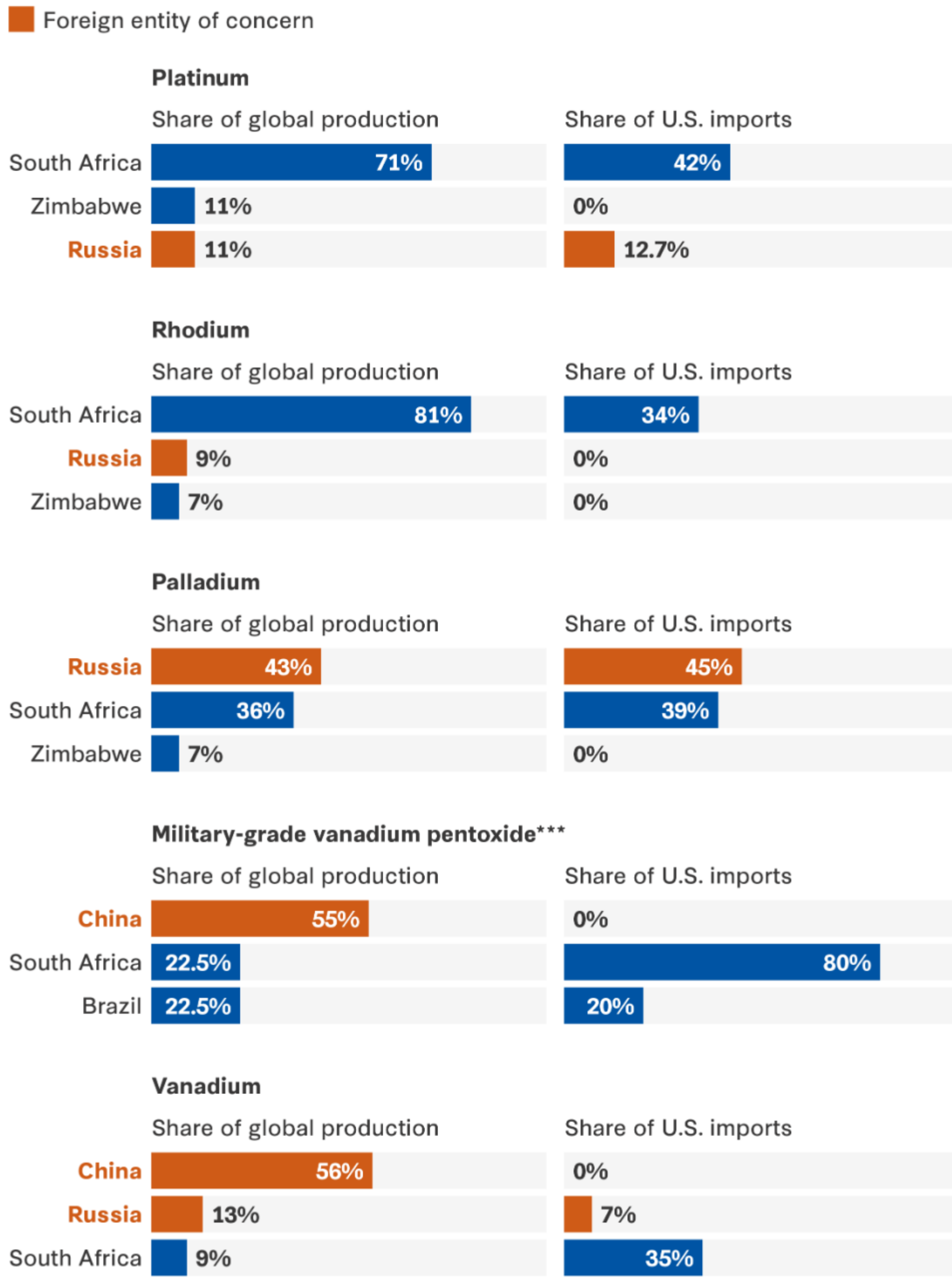
Annex 2: U.S. Reliance on South Africa

Figure 3: Global Production and U.S. Import Dependence for Key South African Minerals



Source: CSIS

Figure 4: South Africa's Replacements Are Often Foreign Entities of Concern



Source: CSIS

Annex 3: Africa's Mineral Exploration Trends

Figure 5: Africa's Mineral Exploration over the Last 20 Years

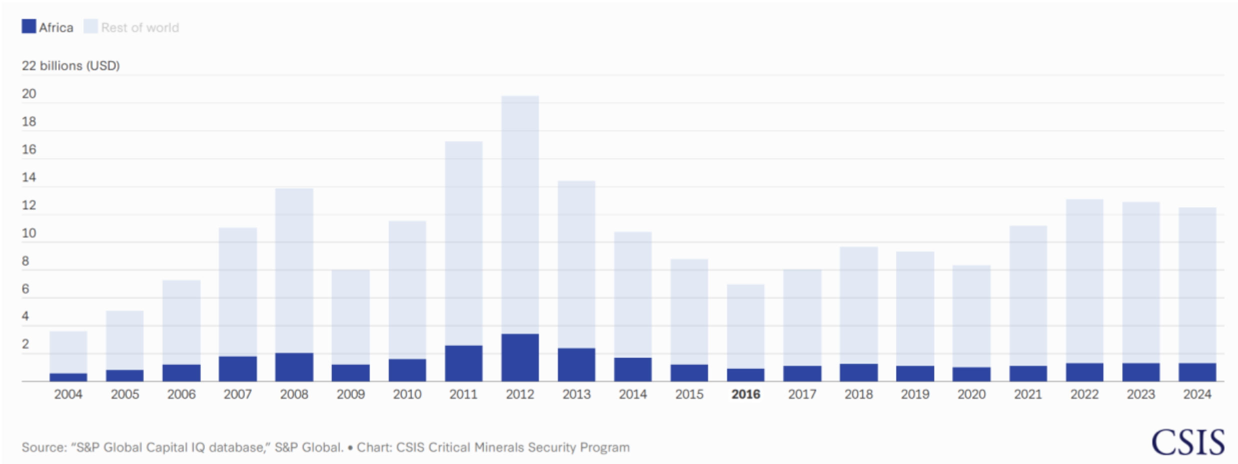


Figure 6: Africa's Share of Exploration Has Fallen in the Last Two Decades