

117TH CONGRESS  
2D SESSION

# S. 3962

To establish a comprehensive United States strategy to address the national security threat posed by the People’s Republic of China’s control of nearly  $\frac{2}{3}$  of the global supply of critical minerals, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

MARCH 30, 2022

Mr. LANKFORD (for himself, Mr. KING, Mr. CORNYN, and Mr. WARNER) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

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## A BILL

To establish a comprehensive United States strategy to address the national security threat posed by the People’s Republic of China’s control of nearly  $\frac{2}{3}$  of the global supply of critical minerals, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Quad Critical Minerals  
5 Partnership Act”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

1           (1) The People’s Republic of China is the global  
2 leader in mining, refining, and component manufac-  
3 turing of critical minerals, producing approximately  
4 85 percent of the world’s supply between 2011 and  
5 2017.

6           (2) In 2019, the United States imported an es-  
7 timated 80 percent of its critical minerals from the  
8 People’s Republic of China.

9           (3) On March 26, 2014, the World Trade Orga-  
10 nization ruled that the People’s Republic of China’s  
11 export restraints on critical minerals violated its ob-  
12 ligations under its protocol of accession to the World  
13 Trade Organization, thereby harming United States  
14 manufacturers and workers.

15           (4) The Chinese Communist Party has threat-  
16 ened to leverage the People’s Republic of China’s  
17 dominant position in the critical minerals market to  
18 “strike back” at the United States.

19           (5) The Quadrilateral Security Dialogue is a  
20 strategic security dialogue comprised of the United  
21 States, Australia, Japan, and India that facilitates  
22 multilateral cooperation in areas of shared interest  
23 to advance a free and open Indo-Pacific region.

24           (6) The Quadrilateral Security Dialogue is an  
25 effective partnership for reliable multilateral financ-

1 ing, development, and distribution of goods for glob-  
2 al consumption, as evidenced by the Quad Vaccine  
3 Partnership announced on March 12, 2021.

4 **SEC. 3. SENSE OF CONGRESS.**

5 It is the sense of Congress that—

6 (1) the People’s Republic of China’s dominant  
7 share of the global critical minerals market is a  
8 threat to the economic stability, well-being, and com-  
9 petitiveness of key industries in the United States;

10 (2) the United States should reduce reliance on  
11 the People’s Republic of China for critical minerals  
12 through—

13 (A) strategic investments in development  
14 projects, production technologies, and refining  
15 facilities in the United States; or

16 (B) in partnership with strategic allies of  
17 the United States that are reliable trading part-  
18 ners, including members of the Quadrilateral  
19 Security Dialogue;

20 (3) the United States International Develop-  
21 ment Finance Corporation should collaborate with  
22 its counterpart entities in Japan, Australia, and  
23 India to finance a more reliable and secure supply  
24 chain of critical minerals; and

1           (4) the United States Trade Representative  
2           should initiate multilateral talks among the coun-  
3           tries of the Quadrilateral Security Dialogue to pro-  
4           mote shared investment and development of critical  
5           minerals.

6 **SEC. 4. STATEMENT OF POLICY.**

7           It is the policy of the United States—

8           (1) to pursue a more reliable and secure supply  
9           chain of critical minerals;

10          (2) to reduce reliance on the People’s Republic  
11          of China for critical minerals; and

12          (3) to partner, consult, and coordinate with the  
13          governments of the countries in the Quadrilateral  
14          Security Dialogue in a concerted effort to make sig-  
15          nificant strategic investments in development  
16          projects, production technologies, and refining facili-  
17          ties for critical minerals.

18 **SEC. 5. COMPREHENSIVE STRATEGY.**

19          (a) IN GENERAL.—The President shall establish a  
20          comprehensive strategy to address the national security  
21          threat posed by the People’s Republic of China’s control  
22          of nearly  $\frac{2}{3}$  of the global supply of critical minerals by  
23          developing a more reliable and secure supply chain of crit-  
24          ical minerals.

1 (b) ELEMENTS.—The strategy required by subsection  
2 (a) shall include efforts to develop a more reliable and se-  
3 cure supply chain of critical minerals, including the fol-  
4 lowing:

5 (1) Plans to partner, consult, and coordinate  
6 with the governments of the other countries in the  
7 Quadrilateral Security Dialogue in a concerted effort  
8 to make significant strategic investments in develop-  
9 ment projects, production technologies, and refining  
10 facilities.

11 (2) A strategy to leverage the partnership of  
12 the United States International Development Fi-  
13 nance Corporation and its counterpart entities in  
14 those countries.

15 (3) A strategy to decrease trade barriers for the  
16 development, production, refinement, and shipment  
17 of critical minerals among those countries.

18 (c) REPORT REQUIRED.—

19 (1) IN GENERAL.—Not later than 180 days  
20 after the date of the enactment of this Act, the  
21 President shall submit to the appropriate congres-  
22 sional committees a report on the strategy required  
23 by subsection (a).

24 (2) ELEMENTS.—The report required in para-  
25 graph (1) shall include—

1           (A) a description of the extent of the en-  
2           agement of the United States International  
3           Development Finance Corporation with the gov-  
4           ernments of the other countries of the Quad-  
5           rilateral Security Dialogue to promote shared  
6           investment and development of critical min-  
7           erals; and

8           (B) a description of the work of the United  
9           States Trade Representative to engage with the  
10          government of those countries to decrease trade  
11          barriers for the development, production, refine-  
12          ment, and transportation of critical minerals.

13          (d) APPROPRIATE CONGRESSIONAL COMMITTEES  
14          DEFINED.—In this section, the term “appropriate con-  
15          gressional committees” means—

16               (1) the Committee on Finance, the Committee  
17               on Foreign Relations, and the Committee on Energy  
18               and Natural Resources of the Senate; and

19               (2) the Committee on Ways and Means, the  
20               Committee on Foreign Affairs, and the Committee  
21               on Energy and Commerce of the House of Rep-  
22               resentatives.

1 **SEC. 6. PRIORITIZATION OF SUPPORT BY UNITED STATES**  
2 **INTERNATIONAL DEVELOPMENT FINANCE**  
3 **CORPORATION.**

4 The United States International Development Fi-  
5 nance Corporation shall prioritize providing support under  
6 title II of the Better Utilization of Investments Leading  
7 to Development Act of 2018 (22 U.S.C. 9621 et seq.) for  
8 development projects, production technologies, and refin-  
9 ing facilities for critical minerals that the Corporation de-  
10 termines will—

11 (1) contribute to the development of a more re-  
12 liable and secure supply chain of critical minerals;

13 (2) reduce reliance on the People’s Republic of  
14 China for critical minerals; and

15 (3) facilitate cooperation with the governments  
16 of the other countries in the Quadrilateral Security  
17 Dialogue in a concerted effort to make significant  
18 strategic investments in development projects, pro-  
19 duction technologies, and refining facilities for crit-  
20 ical minerals.

21 **SEC. 7. INITIATION OF MULTILATERAL DISCUSSIONS BY**  
22 **UNITED STATES TRADE REPRESENTATIVE.**

23 The United States Trade Representative shall initiate  
24 multilateral discussions with the governments of the other  
25 countries in the Quadrilateral Security Dialogue for the  
26 purpose of—

1           (1) developing a more reliable and secure sup-  
2           ply chain of critical minerals;

3           (2) reducing reliance on the People’s Republic  
4           of China for critical minerals; and

5           (3) facilitating cooperation with those govern-  
6           ments in a concerted effort to make significant stra-  
7           tegic investments in development projects, produc-  
8           tion technologies, and refining facilities for critical  
9           minerals.

10 **SEC. 8. DEFINITION OF CRITICAL MINERAL.**

11           In this Act, the term “critical mineral” has the mean-  
12           ing given that term in section 7002(a) of the Energy Act  
13           of 2020 (division Z of Public Law 116–260; 30 U.S.C.  
14           1606(a)).

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