



A New Approach to Managing Critical Mineral Supply Risks

A new government program focuses on building a domestic stockpile to address ongoing reliance on foreign mineral supplies.

Minerals like cobalt, lithium, graphite and rare earths are all in high demand. The automotive, aerospace, military and high-tech sectors all use a high volume of these raw materials in their products.

Vehicle manufacturers use lithium, cobalt and graphite in electric vehicle batteries, with rare earths supporting electric motors. Aerospace producers rely on rare earths and specialty minerals in engines, avionics and electronic systems. The military depends on cobalt and rare earths for everything from guidance systems and sensors to secure communications equipment.

Because most of these minerals can't be produced or processed at scale in the U.S., those and other domestic industries are heavily dependent on foreign sources. For example, China is the dominant processor of cobalt, graphite and rare earths like cerium, lanthanum and neodymium, which are commonly used in permanent magnets and electronic components.

Citing the [2025 USGS](#) report, the [Council on Foreign Relations](#) says China supplies more than 50% of U.S. demand for 21 nonfuel mineral commodities, or naturally-occurring materials like copper and iron. Canada also supplies 21 of these minerals, followed by Germany, Brazil, Japan, Mexico and South Africa. "Data also shows that the U.S. is 100 percent import-dependent on 12 minerals classified by the U.S. government as critical," CFR reports, "and more than 50 percent import-dependent on 28 additional minerals."

Reducing Reliance on Foreign Sources

The current presidential administration has made reducing U.S. reliance on foreign sources for critical minerals a priority and this month announced Project Vault, which is focused on building a domestic stockpile of key materials rather than expanding domestic mining or processing capacity. According to the [Export-Import Bank of the United States \(EXIM\)](#), this federally backed financing effort will create and maintain a U.S.-based stockpile of critical minerals that domestic manufacturers rely on, but are largely sourced from abroad.

The program is structured around long-term purchasing and storage of key materials, with the goal of ensuring manufacturers can access them during periods of market disruption, supply shortages or geopolitical instability. "Project Vault is designed to support domestic manufacturers from supply shocks, support U.S. production and processing of critical raw materials, and strengthen America's critical minerals sector," said EXIM Chairman John Jovanovic in the [announcement](#).

Jovanovic explains that the new reserve will help U.S. manufacturers "compete, grow, and lead globally while creating jobs domestically, strengthening our economy, and advancing the national interest."

Getting Industry & Government on the Same Page

To fund the effort, EXIM's board of directors approved a direct loan of up to \$10 billion to Project Vault. The money will provide long-term financing to a partnership between original equipment manufacturers and private sector capital providers. EXIM expects original equipment manufacturers (OEMs) like Clarios, GE Vernova, Western Digital and Boeing to be among the early participants.

The project has garnered positive feedback from numerous OEMs that rely on the minerals that would otherwise have to come from foreign sources. "As we rise to the challenge of meeting America's and the world's rapidly growing needs for key power and grid equipment, the need to grow supply chains and access to critical minerals has never been more important," said GE Vernova CEO Scott Strazik.

"We're thankful for the historic leadership around Project Vault," he added, "a timely initiative that will advance more access to affordable, reliable power and strengthen energy security for American families, communities and partners."

Brian Falik, president of Mercuria Energy Americas, is another supporter of the new initiative. "Project Vault represents a transformative approach to strategic sourcing, and Mercuria is honored to contribute to this historic effort," he said. "By aligning private capital with national security objectives, we're reinforcing the foundations of American manufacturing and ensuring long-term access to critical raw materials. This partnership is a testament to what's possible when industry and government move decisively together."