

Biden Administration and International Partners Expand MSP Finance Network to Combat China's Critical Mineral Dominance

written by Russell Fryer | September 24, 2024

In a strategic move to reduce reliance on China for critical minerals, the **Minerals Security Partnership (MSP)** [unveiled](#) the expansion of its Finance Network during the United Nations General Assembly on September 23, 2024. Initially launched in 2022, the MSP aims to strengthen the global supply chains of critical minerals vital for clean energy and national security. Senior Biden administration officials and global stakeholders emphasized the urgency of this initiative, noting that diversification of mineral sources is essential to the energy transition.

“The energy transition is at risk,” warned **Jose Fernandez**, Undersecretary of State. “We need more production capacity for critical minerals that need to come online – many of these supply chains for critical minerals are concentrated in one or two countries and also lack resilience.”

The **MSP Finance Network** brings together development finance institutions (DFIs), export credit agencies (ECAs), and private sector participants from 14 countries and the European Union, covering over half of the global GDP. Its mission is to mobilize capital for critical mineral projects that focus on extraction, processing, and recycling, adhering to the highest environmental, social, and governance (ESG) standards.

Key Milestones and Projects

1. Australian Strategic Materials (ASX: ASM):

- The **Dubbo Project**, led by Australian Strategic Materials, is a multi-mineral resource project in New South Wales that will provide essential rare earth elements (REEs) along with zirconium, niobium, and hafnium. These materials are critical for the production of clean energy technologies such as electric vehicles and wind turbines.
- The U.S. Export-Import Bank (EXIM) issued a non-binding Letter of Interest in March 2024 to provide up to \$600 million in debt financing for the project. The funds will support the development of a vertically integrated supply chain from mining to processing.
- For more details on Australian Strategic Materials, visit [ASM's website](#).

2. Electra Battery Materials (NASDAQ: ELBM | TSXV: ELBM):

- Electra is advancing North America's first cobalt sulfate refinery in Ontario, designed to supply battery-grade cobalt to the electric vehicle market. The refinery is set to produce 6,500 tonnes of cobalt per year, a significant step towards regionalizing supply chains for EV batteries.
- In August 2024, Electra [received](#) \$20 million in funding from the U.S. Department of Defense under the Defense Production Act, along with a \$3.6 million award from Natural Resources Canada for battery materials recycling.
- Visit [Electra Battery Materials](#) for more information.

3. Lifezone Metals Ltd. (NYSE: LZM):

- The **Kabanga Nickel Project** in Tanzania is one of the most significant nickel-cobalt mining operations underway. The U.S. International Development Finance Corporation (DFC) is conducting due diligence on providing political risk insurance and financial support for the project, which aims to secure a stable supply of these critical minerals.
- Nickel and cobalt from Kabanga are essential for high-performance batteries used in electric vehicles, making this project key to reducing reliance on China for battery materials.
- Learn more about Lifezone Metals and the Kabanga project at [Lifezone Metals](#).

Expanding Financial Support for Clean Energy

The **MSP Finance Network** represents a significant commitment to mobilize private capital and encourage responsible mining practices in the critical minerals sector. Global companies such as **Rio Tinto (NYSE: RIO)** and **General Motors (NYSE: GM)** are involved in the partnership, signaling strong private sector support.

The network's expansion will also encourage more robust collaboration between DFIs and ECAs, ensuring a sustainable and diversified supply chain that adheres to high ESG standards. By leveraging public and private capital, the MSP Finance Network aims to drive new mineral production, reduce market risks, and help build resilient global supply chains.

For more updates on this initiative and how it is reshaping the

critical minerals landscape, follow [Investor.News](#).