CMR Podcast – Xi Comes to Washington with America's Critical Minerals Supply on the Line

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President Xi Jinping's September 24 visit to Washington is rapidly becoming a critical test of America's access to Chinese rare earths, processing technology and other strategically important materials. In the latest Critical Minerals Report Podcast hosted by Tracy Hughes, Executive Director of the Critical Minerals Institute (CMI), CMI Co-Chairs Jack Lifton and Melissa "Mel" Sanderson examined what Xi's meeting with President Donald Trump could mean for the global critical minerals supply chain.

The discussion followed reports that some Chinese rare earth suppliers have stopped shipping to American customers even after receiving valid export licences. There is no evidence that Beijing ordered those refusals. The decisions nevertheless demonstrate that regulatory approval does not guarantee delivery when suppliers fear political repercussions or sudden changes in Chinese policy.

Hughes asked Lifton whether the suppliers' behaviour could provide an early indication of what China intends to do after the current export control suspensions expire. Lifton said producers may be acting independently to avoid having approved shipments trapped at Chinese ports or exposed to a policy reversal.

"This is absolutely unofficial," Lifton said. "It's just based on what I see in the world of trade."

Sanderson offered a second interpretation. With few alternative sources available to Western manufacturers, slowing the movement of Chinese material before the September meeting could strengthen Beijing's negotiating position.

"By squeezing those pipelines ahead of that negotiation, it could be seen as an attempt to exert additional pressure on the White House," she said.

The distinction is important because the evidence does not indicate a new blanket embargo. Some licences continue to be approved and some material continues to move. However, the White House said after the presidents' May meeting that China would address American concerns involving shortages of yttrium, scandium, neodymium and indium, along with restrictions on rare earth production and processing technologies. Continued uncertainty shows the distance between a diplomatic commitment and dependable commercial supply.

Hughes then turned the conversation to the two deadlines following Xi's visit. China's suspension of its broader October 2025 export control measures is scheduled to expire on November 10. Those measures cover additional rare earth materials, production equipment, processing technology, certain overseas rare earth transactions, superhard materials and specified battery and artificial graphite products.

A second suspension expires on November 27. It concerns measures applying specifically to the United States, including controls involving gallium, germanium, antimony, superhard dual use materials and additional scrutiny of graphite exports. China's prohibition on supplying dual use items to American military users or for military purposes was not suspended and remains in force.

For Lifton, the potential loss of Chinese processing expertise presents an even greater danger than the loss of raw materials. “Much worse than us not getting the raw materials is us not getting the processing technology,” he said.

A mineral deposit can be identified and financed more quickly than a separation process can be perfected, a metallurgical plant commissioned or a magnetic material qualified by an industrial customer. If China adopts a harder position in November, the greatest American vulnerability may be the absence of the equipment, technical knowledge and operating experience required to convert minerals into commercially useful products.

Lifton described the underlying contest as one between an American system that reacts to market developments and a Chinese system that plans industrial outcomes over decades. “We react to situations,” he said. “The Chinese government is proactive. They plan for the very long term.”

Sanderson agreed that China’s long term planning provides it with a structural advantage, but she argued that the United States should not attempt simply to reproduce the Chinese model. Western countries must instead use their strengths in innovation, finance, advanced manufacturing and international partnerships to develop different ways of building competitive supply chains.

“We’re not going to beat China by doing what China is doing,” she said. “We’re going to beat China by finding different ways to do these things.”

Washington has begun committing substantial capital to that effort. On August 24, the Department of War announced a US$750 million investment supporting an offtake agreement for mixed rare earth carbonate from Serra Verde’s Pela Ema operation in Brazil. The investment forms part of a US$1.55 billion structure that also includes a US$300 million Defense Logistics Agency purchase commitment and a US$500 million commitment from a bank.

The Department of Energy has announced US$500 million for seven projects involving critical mineral processing, battery manufacturing and recycling. In Central Africa, the U.S. International Development Finance Corporation has said the proposed rehabilitation of the Dilolo–Sakania railway in the Democratic Republic of Congo may seek up to US$1 billion in financing following a complete review.

Lifton cautioned that financial announcements should not be mistaken for operating capacity. Every project must still be constructed, commissioned and brought into reliable production. Washington must also prepare for several possible outcomes from the September meeting rather than assuming that China will extend the current reprieves.

“I wonder if we’ve got Plan A done yet,” Lifton said.

Hughes also asked Sanderson about what she calls “resource survivability,” a way of examining whether mineral resources will remain accessible as political, environmental and security conditions change. Sanderson argued that Central Africa could become increasingly important over the next 25 to 50 years as the global distribution of economic and political power changes.

The Democratic Republic of Congo illustrates both the opportunity and the difficulty. Washington is supporting transport infrastructure and seeking greater access to Congolese copper, cobalt and other critical minerals, while Chinese companies retain extensive positions and China continues to deepen its mining relationship with the country. A railway may improve access to international markets, but it does not determine who purchases the material, where it is processed or how much economic value remains in Congo.

Security conditions in eastern Congo create an additional complication. The mineral-rich Kivu provinces have been affected by the M23 rebellion supported by Rwanda, while the peace agreement brokered by the United States between Congo and Rwanda connects regional cooperation with the derisking of mineral supply chains. Political stability and local legitimacy are therefore inseparable from the economics of mineral development.

The discussion also examined Russia's continuing influence over American nuclear fuel supply. The principal exposure is not Russian yellowcake but uranium enrichment. Russian origin services represented 26% of the enrichment services purchased by American civilian reactor operators in 2025, demonstrating again that possession of a raw material does not guarantee control over the industrial processes required to use it.

The Energy Department announced US$2.7 billion to expand domestic uranium enrichment in January. Building that capacity will take time, leaving Washington to manage its immediate dependence while attempting to construct a more secure domestic fuel supply.

The podcast concluded with Canada and the deteriorating political relationship between two countries whose energy, automotive and mineral industries are deeply integrated. Sanderson argued that Washington is weakening its most natural critical minerals partnership at the same time it is searching the world for secure supplies.

"It's our closest, most secure supply chain for critical minerals," she said.

The current American measures imposing 50% tariffs on targeted Canadian products exempt energy, potash and critical minerals. Those exemptions do not eliminate the uncertainty created by a broader trade dispute or by the executive order directing

American federal agencies to refer to Lake Ontario as "Lake America."

For Lifton and Sanderson, the September 24 meeting is about more than whether China continues shipping critical minerals to the United States. It will help determine whether Washington receives additional time to rebuild the processing, refining and manufacturing capabilities that China already controls.

The November reprieves may be extended, modified or allowed to expire. In every scenario, the United States must convert capital, resources and alliances into functioning industrial capacity. The measure of success will not be how much money Washington announces, but whether qualified materials reach American manufacturers reliably and at an acceptable cost.

"I think the problem is not in our stars," Lifton concluded. "It's in our Washington."

To watch or listen to the complete Critical Minerals Report Podcast featuring Tracy Hughes, Jack Lifton and Melissa Sanderson, click here.