The United States Institute of Peace (USIP), an American federal institution tasked with promoting conflict resolution and prevention worldwide, published a <u>study</u> conducted by a group of experts with knowledge of Africa mining policies to explore the role that United States could play in Africa to diversify their critical mineral supply chains and contribute at the same time to drive economic development and strengthen peace and security on the African continent.

The USIP study notes that for many critical minerals that are essential for the energy transition, the United States are heavily dependent on imports. This is the case for instance of cobalt, graphite, and manganese, where United States are near 100 percent reliant on foreign markets, mainly China. Critical minerals are also essential to powering all manner of consumer electronics, medical supplies, and high-performance metals and engines, including those used for defense and military applications. As economies worldwide increasingly electrify and modernize, demand for such minerals is very likely to grow in the next years. To avoid being shorthanded and vulnerable to export controls and potential market manipulation by geopolitical competitors, it is then imperative for the United States to diversify its suppliers of such minerals.

In this regard, the report notes, Africa can play an important role in strengthening US critical minerals supply chain security. Already the US depend on many critical minerals that are sourced from African countries. But with the future growth in the demand of such minerals, the report warns that the mining sector in Africa could face predatory behaviors by the various actors interested to the African resources. Indeed, the global rush for critical minerals risks to compromise the African development and security, if investments in this sector will only look at pure extractive activities without adding value to minerals within the continent. If this scenario will materialize, it will result in an increase of corruption and human rights abuses, including child labor exploitation, as already happened in the past. The report recommends the US should avoid this approach. Therefore, instead than focusing on the mere extraction of minerals for their export out of the continent in their raw form, the US should point at building partnership with local stakeholders, assisting them in building technical capacity in the mining sector and in developing their processing potential. This could be done for instance by helping to establish technical assistance and training centers and regional processing centers.

The main recommendation is that instead than looking at Africa as a source of minerals essential for its economic development, the US should engage African States and private sector in mutually beneficial partnerships that go beyond the mere extraction and export of minerals.

These partnerships could help transforming African economies and bring peace, prosperity, and stability to African citizens. Accordingly, a mix of 13 policy recommendations are formulated to achieve these objectives. Among them, there is the proposal to prioritize the adoption of the Memorandum of Understanding (MOU) with the Democratic Republic of the Congo (DRC), and Zambia for the development of a battery supply chain. The Lobito Corridor expansion to establish a Zambia-Angola rail line, and the graphite project in Mozambique are also mentioned in the report as strategic projects.

Also interesting is the proposal to mobilize the private sector to strengthen African infrastructure by better utilizing the <u>Partnership for Global Infrastructure and Investment</u>, the <u>US International Development Finance Corporation</u>

(DFC), the Export-Import Bank, and the US Trade and Development Agency to boost countries' abilities to attract private infrastructure investment. In fact, the report recognizes that budget constraints and other factors limit the United States' ability to improve African infrastructure, but it also notes that instead of mobilizing public resources, private capitals in the USA could be used to achieve this objective.

Another interesting proposal is to leverage commercial diplomacy for building critical minerals partnerships in Africa. The US should increase the presence of diplomatic and commercial officers in key mining locations. For example, the consulate in the city of Lubumbashi in the DRC should be reopened and the US Commercial Service, more generally, should be endowed with better resources in order to efficiently perform its tasks.