



January 22, 2025

President Donald J. Trump
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear President Trump,

The Battery Materials & Technology Coalition (BMTC) congratulates you on your inauguration as the 47th President of the United States. We look forward to working with your administration on our nation's energy security priorities, and we applaud your transition team's efforts to position the administration for immediate action on key issues important to driving energy dominance for the American people. We were excited to see the Executive Orders (EOs) you signed on Day 1 and look forward to working with you and your impressive team moving forward.

BMTC is a coalition of companies across the United States and Canada that mine, extract, process, manufacture, and recycle critical materials, as well as develop cathode, anode, cell, pack, and battery technologies. BMTC's members are proud to produce the critical materials that are vital to America's national security and economic interests, including those needed for grid energy storage systems (ESS), military equipment, industrial applications, transportation, telecommunications, and a variety of energy applications.

Our industry, however, is currently dominated and continuously threatened by China's market control and geopolitical influence.¹ Fueled by state-sponsored industrial policies including extensive subsidies, excessively low-cost power and labor for Chinese projects, and the vast expansion of its production capacity across the globe through the Belt-and-Road initiative, China has flooded global markets with artificially cheap critical materials and technologies smothering foreign competition. China's market domination enables sway over global material markets and pricing, making it harder for the U.S. to build projects and technologies.

We are encouraged by your desire to counter China's unfair market and trade practices as well as to onshore American manufacturing, which will create high paying jobs and supercharge the economy. Your nominations for key positions throughout the federal government including the Departments of Energy, Interior, Defense, State, and Environmental Protection Agency indicate that your administration is positioned to uphold this imperative. Given the clear economic and national security interests at stake, we ask that your incoming administration commit to unleashing the full capacity of domestic critical material industries and vital technologies that enable the energy, defense, and industrial sectors.

¹ [Horizon Advisory | Actionable Geopolitical Insight | The China Hazard](#)

Below we detail our coalition's near-term policy priorities, all of which aim to bolster domestic supply chains for critical materials. We look forward to working with your incoming administration and Congress to realize these priorities and achieve our shared goal of strengthening America's economy.

National Energy Council

BMTC applauds the formation of the National Energy Council and looks forward to working with incoming nominees Governor Doug Burgum and Chris Wright on this initiative. We ask that critical minerals production and processing be a key priority of the Council, which can and should play the key role in coordinating effective policy across the government. BMTC is supportive of your Day 1 EO on Unleashing American Energy, particularly the provision on Restoring America's Mineral Dominance, as well as your other Day 1 actions that support critical minerals development. We ask for a continued focus on this sector.

Government Funding

BMTC members have received government funding designed to build critical mineral and battery manufacturing plants in the United States. This Bipartisan Infrastructure Law (BIL) funding is helping create capabilities and jobs that would not exist otherwise and reducing dependence on China. Specifically, Department of Energy's (DOE's) \$6 billion Battery Materials Processing, Manufacturing, and Recycling Program, of which \$4.8 billion has been awarded to 39 projects in 20 states, will support nearly 20,000 direct and indirect American jobs. In addition, these projects have a multiplier effect supporting downstream businesses, such as the defense industrial base. To promote business certainty for these largely-privately financed projects, it is paramount that the final steps in funding awards be completed. Redirecting the funding would have negative consequences on national competitiveness in key sectors related to engineering and constructing chemical processing, manufacturing, and critical mineral recycling facilities. While we understand the temporary pause on the disbursement of funds from BIL and the Inflation Reduction Act (IRA) in your EO on Unleashing American Energy, we ask that funding for batteries and critical minerals continue, which will not only provide these domestic players business certainty, but will help them to effectively compete on a global scale against China's dominance in this important sector that bolsters many aspects of the American economy.

Tax Policy

BMTC members are strongly supportive of the Advanced Manufacturing Production Tax Credit (45X). This production credit for applicable critical minerals and electrode active materials, as well as the credits for battery cells and modules, provide significant support to U.S. companies competing on a global stage. This benefit has already been baked into project plans and financing deals made by BMTC members and those across the industry. Eliminating this credit would be extremely detrimental to the success of these domestic industries. To make this credit even more effective, BMTC suggests a strong Foreign Entity of Concern (FEOC) provision be applied to the credit to prevent these adversarial entities, as well as entities that source content from FEOCs, from benefiting from the credit. This will also reduce the overall budgetary impact of the credit. BMTC looks forward to working with Congress and your administration to implement these provisions to make the administrability of the credit as seamless as possible.

In addition, the Clean Vehicle Tax Credit (30D) is currently the only incentive for auto original equipment manufacturers (OEMs) to source from domestic and allied sources, rather than from cheaper and imported Chinese content. If appropriately implemented as Congress intended, this credit is a supply chain incentive for the critical material and battery sectors. The credit's content requirements for U.S.-

produced and processed critical minerals will help ensure energy and critical mineral dominance can be delivered in the years ahead. Removing this credit without considering other policies that direct OEMs to prioritize a domestic supply chain will only benefit China. BMTC has argued over the past several years to create stronger FEOC provisions to completely block Chinese and Russian entities from accessing the credit intended for the U.S. taxpayer, while incentivizing domestic critical material and energy technology production.

Trade & Import Restrictions

To further counter China and protect domestic industry growth, BMTC urges your administration to apply strong tariffs against Chinese products entering the United States. We applaud your Day 1 EO on establishing an America First Trade Policy, and we are particularly supportive of your stance on tariffs of Chinese goods coming into the U.S., whether that be through Section 301 tariffs, or through other mechanisms such as Section 232 or 201 tariffs. In addition, China regularly launders their materials, components, and technologies into the U.S. through other countries to avoid tariff classification. We look forward to working with your administration to counter unfair trade practices across the globe as we look to effectively impose tariffs on Chinese and other adversary's goods.

BMTC recognizes that strong domestic critical materials and technology supply chains require key partnerships with our closest allies. As a coalition comprised of U.S. and Canadian companies, we urge your incoming administration to consider the benefits of coordination with Canada on critical mineral, material, as well as other extractive and energy-intensive industries. Canada is home to some of the world's most significant critical mineral deposits, and our nations' energy industries have grown in coordination with one another for decades. Protecting this relationship, and free trade across the U.S.-Canadian border, helps the U.S. efficiently scale domestic manufacturing. We also applaud you on your previous diplomacy with countries such as Australia, Japan, South Korea, and the European Union, and are supportive of the continuation of vigilant trade practices that benefit domestic industry in concert with key allies.

In addition, BMTC is advocating for more resources to be allocated to the Department of Homeland Security (DHS) and Customs and Border Protection (CBP) to properly screen imports at our borders. Unfortunately, forced and child labor is prevalent in many critical material imports (e.g., nickel from Indonesia or cobalt from the Democratic Republic of Congo). Not only are key offices understaffed and under-resourced to adequately enforce existing guardrails imposed through policies such as the Trade Law of 1930 and the Uyghur Forced Labor Prevention Act (UFLPA), but these policies do not go far enough in accounting for the number of critical material and energy goods produced with forced and child labor. We encourage your administration, in coordination with Congress, to prioritize the extension of restrictions to imported critical energy materials produced with child and forced labor to account for all critical material supply chains, which in large part are controlled by China and their labor practices.

Thank you in advance for considering these proposals. BMTC appreciates the opportunity to express our views and offer potential solutions to enhance U.S. energy dominance and national security. We look forward to working with your administration and offer our support in any way we can to bolster these critical domestic industries.

Sincerely,

Ben Steinberg
Spokesperson, The Battery Materials and Technology Coalition (BMTC)