

Manchin calls for 'North American minerals alliance'

By Jael Holzman

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Senate Energy and Natural Resources Chair Joe Manchin called for the U.S. to help form a new international alliance focused on fuel supplies, mining and climate action.

Manchin (D-W.Va.) and other senators on the ENR Committee heard from current and former Canadian government officials at a hearing yesterday about how the U.S. could team up with its neighbor to the north to take on China's and Russia's dominance in world resource markets.

At the hearing's outset, Manchin said he called the Canadians to Washington to hear ideas for an "integrated network for raw materials to move across our borders for processing and manufacturing." He added he would like to see a "North American minerals alliance."

Manchin's worry, which is echoed by many, is that the war in Ukraine has left the U.S. vulnerable to price shocks when nations with a heavy concentration of mineral supplies drive geopolitical uncertainties ([Greenwire](#), Nov. 17, 2021). Previously, he has listed this potential risk as a reason he is opposed to the U.S. rapidly expanding the use of electric vehicles ([E&E Daily](#), April 8).

"We all agree that Putin has used Russian oil and gas resources as a weapon on the Ukrainian people and on Europe, and other energy-rich autocracies are taking note. We'd be fools to think that [Chinese President] Xi Jinping won't consider using a similar playbook, leveraging China's control over global critical minerals supply chains," Manchin said.

But the war has also set "the stage for a new alliance around energy, minerals and climate," Manchin said. "Building this alliance should start here in North America."

Manchin's call for more U.S. cooperation with allies is the latest attempt to nudge President Joe Biden into actions that could bolster the mining industry.

Days before the hearing he and a former chair of the committee, Sen. Lisa Murkowski (R-Alaska), sent letters to multiple Biden Cabinet officials requesting a "whole-of-government approach" to the mining sector and asserting the government had fallen behind congressionally mandated deadlines to implement critical minerals policies ([E&E Daily](#), May 16).

Building on Trump

The idea of a U.S.-Canada alliance on mining is not new. In 2020, the U.S. and Canada signed a minerals sharing [action plan](#) to "promote joint initiatives, including research and development cooperation, supply chain modeling and increased supply for industry." This deal has continued under Biden.

But two years later, although Canada is the second-largest U.S. importer of minerals other than fossil fuels, the U.S. remains heavily reliant on metals mined, processed or refined in China. The nation's reliance on foreign mineral imports poses what security hawks see as a risk to national defense and economic stability ([E&E News PM](#), Feb. 1).

During the second half of the hearing, the idea of a regional energy partnership was also raised by Murkowski, who said a "North American energy alliance" was, to her, "just common sense."

"I don't think there has ever been a more important and more timely hearing about what we can be doing right now from an energy security perspective than [discussing] this cooperation and a true North American energy alliance."

Manchin even suggested widening the effort. “We can basically do an awful lot, and make North America not only energy independent, but we can help our allies around the world, [the Group of Seven], all of them,” he said. “We can bring all of our friendly countries in, that’s what we’re trying to do.”

Canadian advice

The hearing featured former and current government officials in the Canadian federal government and select provinces. All of them called for a stronger U.S. relationship on energy and minerals that would help stimulate economic growth in both countries.

Nathalie Camden, associate deputy minister of mines at the Ministry of Energy and Natural Resources in Quebec, told lawmakers the instability in Ukraine “shows energy and resource vulnerabilities of many allied countries on battery mineral and energy issues.” She said the message for the U.S. is the same: It must “diversify its sources.”

“Together we can create jobs on both sides of the border,” Camden said.

Canada’s minister of natural resources, Jonathan Wilkinson, criticized those who argue for stalling climate policies due to energy market instability as a result of the war in Ukraine. Wilkinson’s appearance came days after a meeting with Energy Secretary Jennifer Granholm that included discussion of the 2020 minerals action plan.

Wilkinson also explained the geopolitical strife could give an opening to a closer relationship between Canada and the U.S., aimed at achieving energy security and climate progress at the same time.

“There are some in both of our countries who suggest that given the current urgency of the energy security issue, we must set aside concerns and action relating to climate change. This position is neither thoughtful nor tenable,” Wilkinson said.

“Let us commit our countries to the further development of a North American energy powerhouse, one that will facilitate energy security while helping to advance our shared journey down a path to net zero,” he continued.

The hearing also featured testimony from Jason Kenney, the premier of Alberta, an oil-rich Canadian province that would have provided the U.S. more fossil fuel had the Biden administration not canceled construction of the Keystone XL pipeline.

His appearance gave an opening for Republicans on the committee to criticize the Biden administration for canceling KXL. Manchin has also opposed the president on Keystone.

Kenney called on the U.S. government to “join Canada in demanding” Michigan Gov. Gretchen Whitmer (D-Mich.) stop opposing an expansion of the Enbridge Line 5 pipeline, part of a U.S.-Canada pipeline system that crosses under part of the Great Lakes.

Whitmer’s “plan” to stop the pipeline “would only worsen the energy and cost of living crisis at the worst possible time,” Kenney said.

Kenney’s testimony came a day before results of a vote were [expected](#) to be released on whether to oust him as party leader.