LOTSIXTEEN

Committee: House Foreign Affairs Committee
Event: Ending Supply Chain Dependency: Aligning Tools, Capital, and Partnerships
Date: July 15, 2026

Executive Summary:

On Wednesday, July 15, the House Foreign Affairs Committee held a hearing examining the importance of strengthening and diversifying critical supply chains to benefit the U.S. economy and national security. There was bipartisan agreement that reducing U.S. dependence on foreign adversaries was crucial and that agencies like the U.S. Development Finance Corporation (DFC), the U.S. Trade and Development Agency (USTDA), and the Millennium Challenge Corporation (MCC) were helpful tools in achieving this goal. However, members diverged on levels of corruption within those agencies and the proper balance of policy, investment, and foreign assistance necessary to end supply chain dependence.

Member Toplines[1]:

Chairman Brian Mast (R-FL-21): Mast praised the DFC, USTDA, and MCC for their work securing supply chains. He emphasized the importance of American dominance in the artificial intelligence and critical minerals sectors, especially against foreign adversaries like China. Mast voiced strong support for initiatives bolstering U.S. supply chain independence.

Ranking Member Gregory Meeks (D-NY-05): Meeks raised concerns over the Trump administration's decimation of foreign assistance, claiming it damages U.S. competitiveness in critical minerals and the country's ability to diversify supply chains in the long-term. He emphasized the national security interests in mineral processing, specifically with China's export controls on critical minerals. Meeks stated that the DFC must prioritize strengthening domestic mineral processing and refining capabilities.

Witness Toplines:

Ben Black, CEO, DFC: Black called the DFC a critical tool for reducing domestic supply chain dependence through investments in technology, critical minerals, and energy in vulnerable supply chains worldwide. He emphasized that DFC priorities include growing America's network model in the Western Hemisphere, prioritizing large, capital-intensive industrial projects, and mobilizing private capital to de-risk investments and expand American influence.

Thomas Hardy, Deputy Director/Chief Operating Officer, USTDA: Hardy stated USTDA helps secure critical supply chains by funding project preparation, accelerating infrastructure and financing, and promoting international partnerships with the U.S. He stated USTDA priorities

[1] The opening remarks of Ranking Member Meeks were unavailable at the time of this memo's distribution.

include critical minerals, and they are committed to expanding access to rare earth elements while reducing China's dominance. Hardy further highlighted liquefied natural gas (LNG) supply chains as a priority of the agency.

Dan Petrie, Acting Chief of Staff, MCC: Petrie emphasized the success of the MCC in advancing U.S. economic and national security through funding infrastructure that expands opportunities and strengthens supply chains. He stated that MCC serves to make the U.S. a clear alternative to China's Belt and Road Initiative. Petrie highlighted that $1.3 billion of the MCC portfolio contributes to U.S. critical minerals development and supply chains, primarily through investments in infrastructure.

Major Takeaways:

Critical Minerals

- Mast asked about changes made at DFC to align with the agency's foreign investments.
  - Black replied that DFC is making fewer but larger deals, with an emphasis on large industrial projects. He emphasized that DFC is focused on America's access to minerals that need to be processed and on expanding LNG exports internationally. Black specifically highlighted the success of the Sarah Verde investment in Brazil, citing that 100 percent of the rare earths mined have been brought to America for processing.
- Rep. **Joe Wilson** (R-SC-02) asked about current MCC initiatives.
  - Petrie emphasized the corporation's focus on critical minerals. He highlighted key initiatives such as clarity in legal frameworks, streamlined permitting and licensing, and access to quality data and proper infrastructure.
- Rep. **Jared Moskowitz** (D-FL-23) criticized the federal government's job at educating the American public on the importance of critical minerals and the national security risks posed by China's dominance in mineral processing.
- Rep. **Greg Stanton** (D-AZ-04) advocated for more support for semiconductor supply chains.
- Rep. **Warren Davidson** (R-OH-08) asked about Project VAULT and how USTDA and DFC work together when derisking the supply chain.
  - Hard replied that the USTDA primarily looks at how projects can get financed and then works with DFC to fit their priorities. Black and Hardy both emphasized that Western Hemisphere development is their priority.
- Reps. **Gabe Amo** (D-RI-01) and **Jim Bard** (R-IN-04) expressed support for the production of cobalt and other rare earths, though they remain concerned that processing is being primarily controlled by China.
- Rep. **Ronny Jackson** (R-TX-13) asked about significant barriers that prevent African critical mineral producers from expanding their processing and refining capabilities. He also enquired about how USTDA is solving these problems and promoting investments from US companies.
  - Rep. **Jonathan Jackson** (D-IL-01) also expressed a desire to increase investments and cooperation with African countries.

    - Hardy responded that the USTDA is currently testing African critical minerals to ensure proper processing can be created and invested in by American companies.
- Rep. **Ryan Zinke** (R-MT-01) inquired about the vision for a future Critical Minerals Exchange.
    - Black emphasized the value in making the U.S. dollar dominant in critical mineral markets. Hardy expressed support for more critical minerals to enter the global market.

Ethics

- Ranking Member Meeks and Reps. Amo, **William Keating** (D-MA-09), **Johnny Olszewski** (D-MD-02), and **Sydney Kamlager-Dove** (D-CA-37) shared concerns over possible conflicts of interest between President **Donald Trump** and DFC's recent investments. Recent Kazakhstan investments were a focus of this concern.
    - Black responded that all deals and projects go through a rigorous ethics review.
- Rep. **Chris Smith** (R-NJ-04) expressed worry regarding minerals, namely cobalt, being mined and processed in countries with forced labor.
    - Hardy stated that labor standards are a priority and that USTDA is focused on ensuring countries like China comply with them.