# India in Mineral Security Partnership

## Why in news?

India joined the elite critical minerals club, Mineral Security Partnership to secure critical mineral supply chains.

## What is Minerals Security Partnership (MSP)?

- Minerals Security Partnership (MSP) is a US-led alliance of 14 developed countries launched in June 2022.
- The elite critical minerals club is also known as the 'Critical Minerals Alliance'.
- It was set up to ensure that critical minerals are produced, processed and recycled in a way that it secures critical mineral supply chains.
- It also aims to weaken China's grip on supplies of critical minerals worldwide.
- **Members -** The US, Australia, Canada, Finland, France, Germany, Japan, the Republic of Korea, Sweden, UK, the European Commission, Italy and India.
- India is the only developing country to become a part of the MSP.

## India's status of critical minerals?

- India is endowed with and produces over 85 minerals.
- Some of the required critical mineral assets are not yet ready to be mined.
- India is dependent on China and other countries to meet its requirement of critical minerals including Rare Earth Elements (REE)
- Currently, Khanij Bidesh India Ltd. (KABIL), is taking charge of ensuring mineral security through facilitating supply chains, mine asset acquisitions, and G2G collaborations.
- Click here to know about Status of Critical Minerals in India

## What does MSP mean to India?

- India is the first major developing country to join the group, giving it a greater ***international balance***.
- **Knowledge sharing -** MSP membership will help India engage with countries using advanced exploration and extraction technologies and learning from their experience.

*Only about 10-20% of India's critical minerals has been explored.*

- It will encourage India to make better use of its great geological potential.
- **Strengthening India -** MSP and the critical mineral list could ensure India in ensuring ***self-reliance*** and addressing ***vulnerability*** in the supply chain of minerals.

- Getting into alliances like MSP, along with policy initiatives like critical minerals list is so crucial for India's ***energy security***.
- Help in India's ambitious shift towards ***e-vehicles*** and its associated ***battery*** requirements.
- India's late attempts to enter the ***lithium value chain*** as India found large reserves of Lithium.

- **China's dominance -** China produces 60% of the world's rare earth elements.
- It has also become a dominant player in refining and processing critical minerals that it does not produce.
- It should enhance efforts for supply chain security, at the time of China's dominance over mining, processing, and refining of many key critical minerals.

## What should India do further?

- **Critical Mineral List -** Individual countries identified critical minerals according to their national priorities and future requirements.
- India came up with such a list of 30 critical minerals that it considers essential for its economic development and national security.
- The list is based on the 'Report of the Committee on Identification of Critical Minerals' constituted by the Ministry of Mines.
- **Specialised agency -** The committee also called for a need for establishing a National Institute or Centre of Excellence on critical minerals.
- **Partnerships -** India needs to go beyond MSP and build critical mineral partnerships with key countries such as Japan, the US and Australia.
- India already entered into a partnership with Australia, jointly investing in 5 critical minerals exploration projects in Australia.

*Australia produces almost half of the world's lithium, is the second-largest producer of cobalt and the fourth-largest producer of rare earths elements.*

- **Utilise geological potential -** India needs to double down on prospecting and exploration efforts to find critical minerals in India.
- **Private players -** India should encourage private sector participation in exploration of minerals.

## Quick Facts

**Critical minerals -** A critical mineral is a metallic or non-metallic element that is essential for the functioning of our modern technologies, economies or national security and there is a risk that its supply chains could be disrupted.

**Rare earth minerals –** Rare earth minerals comprises 17 elements which are classified as light RE elements (LREE) and heavy RE elements (HREE).

## Critical Mineral List (30)

### References


1. The Print - How MSP can help India harness critical minerals potential
2. IE - India joins US-led critical mineral club
3. Business Standard - Minerals Security Partnership: why is it important?


