National Critical Mineral Stockpile (NCMS)

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Why in news?

India is gearing up to launch the National Critical Mineral Stockpile (NCMS) to ensuring the availability of rare earth elements in the country.

> *Rare earth elements (a group of 17 minerals), including the 15 lanthanides, plus scandium and yttrium, vital for electric vehicles, wind turbines and electronics due to their unique magnetic and electrical properties.*

- **NCMS –** It is a ***strategic reserve*** of critical minerals essential for a country's economic development and national security.
- **Aim –** To reduce dependence on imports and strengthen India's mineral security by securing rare earth supplies.
- **Under the –** National Critical Minerals Mission (NCMM).
- **Purpose –** To counter supply chain vulnerabilities and reduce dependence on imports, which is particularly crucial for India's clean energy transition and high-tech sectors.
- **Need for NCMS –** China's decision to impose curbs on exports of rare earth magnets, limit the export of processing technologies, lead to disrupting global supply chains.
- **Funding –** The government has allocated Rs. 500 crore to safeguard against supply shocks and ensure mineral availability, under the NCMM.
- **Initial focus –** It will focus on establishing a buffer against supply disruptions by maintaining a 2-month reserve on rare earth elements
- The government is designing NCMS with private sector participation to ensure adequate reserves.
- **Expansion –** The program is expected to expand its scope to include other critical minerals over time.

- **India’s initiatives –** India has already approved a Rs. 7,300 crore ***incentive schemes*** to promote domestic rare earth magnet production, targeting 6,000 tonnes over 5 years.
- **India’s hurdles –** India still faces technological hurdles in extracting and processing rare earths from domestic reserves. Most supplies continue to be imported.

*India holds an estimated **7.23 million tonnes of rare earth oxide** within 13.15 million tonnes of monazite deposits found across Andhra Pradesh, Odisha, Tamil Nadu, Kerala, and other states.*

Reference

Business Standard | India's National Critical Mineral Stockpile