



THE UNDER SECRETARY OF DEFENSE

3010 DEFENSE PENTAGON
WASHINGTON, DC 20301-3010

ACQUISITION,
TECHNOLOGY
AND LOGISTICS

Mr. Jeffrey Green
426 C Street, NE
Washington, DC 20002

Dear Mr. Green:

Thank you for your February 4th letter concerning the rare earth elements and their importance to U.S. industry, renewable energy, and national defense. Due to the possibility of restrictions in global supplies, this special group of elements has received a great deal of attention in recent months. I appreciate your willingness to share your ideas for reducing potential risks associated with the supply of these important materials.

My Industrial Policy office has been investigating actions involving rare earth resources for many years, particularly in the context of potential foreign acquisitions of U.S. rare earth deposits. Industrial Policy, in collaboration with other U.S. Government agencies, is currently engaged in a detailed study of the rare earth elements. The study is assessing the Department of Defense's use of these materials as well as the status and security of domestic and global supply chains. The report, to be completed by September, will address vulnerabilities in the supply chain and include recommendations to mitigate any potential risks of supply disruption.

I am aware that multiple deposits of rare earths exist outside of China, with many in North America. Information and ideas regarding the development and utilization of these resources are always welcome. The Defense National Stockpile does not currently include rare earths; however, the Department is involved in intergovernmental efforts to transform the Stockpile into a strategic materials risk management program that would better prepare our Nation for future vulnerabilities in the supply chains for these and other important materials. My staff is always willing to meet with suppliers, and we highly encourage industry input. My staff point of contact for this issue is Mr. Rick Lowden, who may be contacted at 703-601-5003 or Rick.Lowden@osd.mil.

Sincerely,

A handwritten signature in blue ink, reading "Ashton B. Carter".

Ashton B. Carter