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Washington ramps up African mining investment to cut reliance on China

U.S. Africa critical minerals strategy seeks to build supply chains beyond Beijing's control

by **Thembelani Moyo**

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Prince-Alex Iwu, senior counsel at international law firm Diaz Reus. Iwu says Washington now treats access to critical minerals as a national security issue, placing African producers at the centre of a global supply chain contest.

- The United States is turning to Africa to reduce its reliance on China for critical minerals used in defence, energy and technology.
- Washington is backing new rail, port and processing projects, including the Lobito Corridor, to build alternative supply chains.
- African producers could gain jobs and local value, but face risks of debt, environmental harm and repeat extractive models.

THE UNITED States is ramping up investment in African mining after concluding that its dependence on China for critical minerals has become a national security risk.

The shift has placed U.S. Africa critical minerals strategy at the centre of Washington's foreign and industrial policy. What was once an industrial concern is now treated like oil in the 1970s. Control of supply is power. Loss of access is vulnerability.

"The United States is increasing its focus on African mining because it has identified critical mineral supply chains as a national security vulnerability," Prince-Alex Iwu, senior counsel at international law firm Diaz Reus, told ZiMining.

For decades, China built dominance not in mines, but in what comes after them. It controls the refining and processing stages that turn raw ore into usable material.

China holds about 85% of global rare earth processing capacity and dominates battery-grade refining for cobalt, lithium and graphite. That grip gives Beijing leverage even when minerals are mined elsewhere.

The scale of that power became visible after China imposed export restrictions on gallium, germanium, antimony and rare earths following U.S. curbs on semiconductor technology.

Those moves sent a clear signal that supply chains could be switched off.

"Recent Chinese export curbs have vividly illustrated how dependence on a single dominant supplier can be leveraged geopolitically," the Miami-based trade lawyer said.

Critical minerals underpin modern industry. They feed electric vehicles, renewable energy storage, advanced semiconductors and defence systems. Without them, factories cease and technologies fail.
The U.S. is fully import-reliant for many of these materials and that threatens production, raises costs and weakens technological and military capacity.

Washington's response now runs through a collection of government agencies and partnerships.

The U.S. International Development Finance Corporation (DFC), the government's development bank, has signed major infrastructure commitments in Africa's transport corridors that will benefit mining exports. This includes its $553 million financing agreement to upgrade Angola's Benguela rail line, known as the Lobito Atlantic Railway.

Once complete, it will expand capacity and cut mineral transport costs to ports tenfold, improving logistics for copper and cobalt exports.

The Export-Import Bank of the United States (EXIM) ties its financing to long-term contracts that secure supply chains for American buyers, ensuring that critical minerals financed abroad benefit U.S. manufacturing and defence needs.

Alongside these institutions, the Minerals Security Partnership (MSP), a coalition of countries aimed at diversifying supply chains, promotes high environmental, social and governance standards with African partners and encourages transparent mining accords.

The aim is to build alternative processing capacity, upgrade transport links and secure materials outside Chinese control.

“The U.S. is attempting to break the single-point-of-failure model in global mineral supply chains,” Iwu said.

Projects stretch from graphite in Mozambique to rare earth processing in Angola. The Lobito Corridor is being rebuilt to link the Democratic Republic of Congo, Zambia and Angola, easing exports of copper, cobalt and other minerals.

The strategy is not only about extraction, but it also targets refining plants, energy systems and logistics; it seeks to move African producers up the value chain.

U.S. backed projects emphasise transparency, environmental standards and local participation. They are framed as partnerships rather than loans tied to opaque terms.

For African producers, the shift carries promise.

Greater local processing could keep more value onshore. It could create skilled jobs and support industrial growth beyond raw exports.

“African nations stand to gain significantly through increased local value addition via midstream processing,” the mining and trade specialist said.

Infrastructure matters too.

Corridors like Lobito can reshape regional trade, cut transport costs and reduce dependence on single export routes. They can bind landlocked states into wider markets.

The change is political as well as economic.

Africa now sits inside a strategic contest between major powers. Minerals are no longer just exports but instruments of statecraft.

However, the risks loom large.

African governments must guard against unsustainable debt, environmental harm and elite capture. They must avoid repeating extractive models that deliver revenue without development.

“They must also guard against repeating extractive models that deliver revenue without development.”

China will not disappear.

Its scale and technical depth in processing remain unmatched. Eroding that position will require years of policy commitment, private capital and African leverage.

“It will, at a minimum, likely be a multi-decade process rather than a rapid shift,” he added.

What has changed is leverage.

For the first time in years, African states face competing courtship for their minerals. They can negotiate terms. They can demand processing, skills and infrastructure.

Whether that leverage becomes industry, jobs and influence depends less on Washington or Beijing than on decisions taken in African capitals.