Before the
DEPARTMENT OF COMMERCE
INDUSTRY AND SECURITY BUREAU
Washington, DC 20230

In the Matter of	)	
	)	
Notice of Request for Public Comments on	)	
Section 232 National Security Investigation of	)	Docket No. 250422-0070
Imports of Processed Critical Minerals and	)	
Derivative Products	)	
	)	

COMMENTS OF THE
TELECOMMUNICATIONS INDUSTRY ASSOCIATION

I. INTRODUCTION

The Telecommunications Industry Association ("TIA") appreciates the opportunity to comment regarding the Bureau of Industry and Security ("BIS") Section 232 National Security Investigation of Imports of Processed Critical Minerals and Derivative Products. TIA represents over 400 manufacturers and suppliers of telecommunications equipment and services. TIA members design, produce, market, and manage the information and communications technology ("ICT") equipment and services that connect Americans to high-speed broadband networks. As such, they are not directly involved in the extraction of critical minerals but rather are engaged in the purchase of downstream components, which are further manufactured into finished ICT products. To this end, we recommend the following:

1. **Action should focus on mechanisms other than duties** to support U.S. national security needs. Duties on critical minerals and their derivative products will increase the cost of manufacturing in the United States. Instead, the Administration can focus on providing manufacturing incentives, promoting inbound investment, and reducing the overall tax burden for manufacturers.

2. **"Derivatives" should be carefully scoped** to exclude other products covered under Section 232 investigations. Specifically, since Semiconductors, Semiconductor Manufacturing Equipment, and "derivatives" as initially defined in Docket No. 250414-0066 are all already the subject of a 232 investigation, they should be excluded from this one.

Our further comments below will substantiate these policy recommendations and provide more in-depth information about the relevance of critical minerals to our industry.

I. DUTIES WILL HAVE A NEGATIVE IMPACT ON U.S. MANUFACTURING

TIA supports increasing U.S. manufacturing in the ICT sector, and our members have already made ambitious investments in support of this goal within the past two years.[1] However, additional tariffs threaten to undermine this goal by increasing component costs for entities seeking to manufacture products here.

Critical Minerals play an essential role in the ICT supply chain. Key critical minerals of concern for TIA members include:

- **Germanium:** This mineral is essential in the production of optical fiber, which various companies in the United States manufacture in significant quantities both for domestic use and for export. Optical fiber underlies all U.S. telecommunications networks and our lead in the global race to develop AI capabilities. Specifically, Germanium Tetrachloride (GeCl4) is a key component necessary to produce optical fiber, and it can be purchased directly from foreign sources and used by manufacturers to produce the ultra-pure core at the center of each optical fiber. Alternatively, manufacturers may purchase Germanium Dioxide (GeO2), which they further refine to create GeCl4.
- **Lithium:** Lithium is used in the manufacture of batteries used to power ICT end-user devices and infrastructure. Lithium-based batteries for use in commercial ICT devices already face significant duties pursuant to Section 301 duties announced in 2024.[2]
- **Yttrium, Antimony, Gallium, and Indium:** These minerals are used in the manufacture of semiconductors, which constitute the majority of the bill of materials for various ICT products.

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[1] See 2023 announcements by Nokia, Corning, Commscope, AdTran, Infinera, Ciena, DZS and others.

[2] Office of the U.S. Trade Representative, Press Release, U.S. Trade Representative Katherine Tai to Take Further Action on China Tariffs After Releasing Statutory Four-Year Review (May 14, 2024), https://ustr.gov/about-us/policy-offices/press-office/press-releases/2024/may/us-trade-representative-katherine-tai-take-further-action-china-tariffs-after-releasing-statutory.

Currently, these minerals are not available in sufficient quantities in the United States and must be imported from overseas to support U.S. ICT manufacturing. In many cases, the People's Republic of China is a significant source for the extraction and refining of critical minerals, particularly for rare earths. China controls 69% of global rare earth mining and, perhaps just as importantly, 90% of the refining and transformation process.[3]

This reliance on imports, including from China, is not due to a lack of effort. In many cases, companies report that there are either no U.S. sources of supply or that U.S. sources are in such small quantities that they are not a feasible option. Given the time it takes to establish extraction and refining operations, the impact that duties would have would be to: 1) increase prices, and 2) disincentivize manufacturing in the U.S. by companies that would pay lower prices on inputs if they were to manufacture elsewhere.

II. DERIVATIVES SHOULD BE CAREFULLY SCOPED

Setting aside the concerns around the cost impact of Critical Minerals tariffs, the definition of "derivative products" as used in the FRN is impossibly broad. "Goods that incorporate process critical minerals as inputs" could be anything, including but not limited to a hair dryer, a cell phone, an oven, a laser, or certain ceramics. These products share very little in common, and instituting a novel duty on this breadth of products would have significant consequences for Customs and Border Protection, consumers, and the U.S. economy as a whole.

There are also significant administrability concerns, as companies may have very little visibility into the sources of the primary materials in the supply chain. Companies may contract

[3] Jesus Diaz, *China's Rare Earth Minerals Power the Modern World. Banning Their Export Could Destroy It*, Fast Co. (Apr. 15, 2025), https://www.fastcompany.com/91316208/china-rare-earth-minerals-banning-export.

manufacturing out to an original equipment manufacturer ("OEM"), which in turn sources components from suppliers, who themselves purchase products from subcomponent suppliers. Somewhere deep within this supply chain, information regarding the underlying critical minerals being sourced may be located. In some cases, minerals and refined materials may originate from multiple geographies, complicating efforts to attribute a Country of Origin and pay tariffs accordingly.

Additionally, as BIS considers the scope of "derivative products," it should ensure that the definition does not overlap with the ongoing Section 232 investigation regarding semiconductors. Since all semiconductors contain critical minerals, BIS may end up conducting overlapping and redundant analyses. To the extent that duties are determined to a be an appropriate action, the Administration should ensure that the various 232 tariffs are not "stacked" so that a finished ICT product that relies on semiconductors and copper and critical minerals would not potentially be paying Section 232 tariffs three times.

III. THE U.S. CAN TAKE POSITIVE STEPS TO SUPPORT CRITICAL MINERALS MANUFACTURING WITHOUT DUTIES

Instead of taking punitive measures, this investigation may provide the Trump Administration with an opportunity to undertake efforts to support additional extraction and refining capacity for key minerals. Potential measures could include:

- **Facilitating domestic mining and refining projects.** The Trump Administration has already taken necessary steps in this regard through Executive Order (EO) 14285, "Unleashing America's Offshore Critical Minerals and Resources," and EO 14241, "Immediate Measures to Increase American Mineral Production."[4] The Administration

[4] Exec. Order No. 14,241, 90 Fed. Reg. 13,673 (Mar. 25, 2025), https://www.federalregister.gov/documents/2025/03/25/2025-05212/immediate-measures-to-increase-american-mineral-production.

should follow through with these initiatives and give them time to bear fruit. It should also consider additional steps to support U.S. refining capacity.

- **Deepening efforts to develop and secure long-term access to mineral resources in allied/partner countries.** Here, too, a significant amount of work has already been accomplished. The Trump Administration secured a historic agreement with Ukraine to develop and access mineral rights in that country.[5] The U.S. has also established critical minerals dialogues with various partners that have rich deposits including Australia[6], Canada[7], and Argentina[8]; a plurilateral process with Allies to develop critical minerals resources[9]; and even mini-trade agreements focused exclusively on minerals[10]. The Trump Administration should build on all this, including in trade negotiations currently being conducted by USTR.
- **Accelerating the reclamation of used industrial and consumer devices** to provide a new, significant, and reliable source of critical minerals. There is considerable potential for the U.S. to develop the capacity to better collect, process, reclaim, and recycle critical minerals from end-of-life products.[11]

Taking these proactive measures would help lower prices for U.S. manufacturers, enhance U.S. resiliency, and strengthen U.S. national security.

IV. CONCLUSION

[5] White House, Fact Sheet, President Donald J. Trump Secures Agreement to Establish United States–Ukraine Reconstruction Investment Fund (May 5, 2025), https://www.whitehouse.gov/fact-sheets/2025/05/fact-sheet-president-donald-j-trump-secures-agreement-to-establish-united-states-ukraine-reconstruction-investment-fund/.

[6] Prime Minister of Austl. & President of the U.S., Joint Statement, *Australia–United States Climate, Critical Minerals and Clean Energy Transformation Compact* (May 20, 2023), https://www.pm.gov.au/media/australia-united-states-climate-critical-minerals-and-clean-energy-transformation-compact.

[7] Natural Res. Can., News Release, *Government of Canada and the United States Co-Invest to Strengthen Critical Mineral Value Chains* (May 16, 2024), https://www.canada.ca/en/natural-resources-canada/news/2024/05/government-of-canada-and-the-united-states-co-invest-to-strengthen-critical-mineral-value-chains.html.

[8] U.S. Dep't of State, Media Note, *U.S. and Argentina Sign Memorandum of Understanding to Strengthen Cooperation on Critical Minerals* (Aug. 23, 2024), https://ar.usembassy.gov/us-and-argentina-sign-memorandum-of-understanding-to-strengthen-cooperation-on-critical-minerals/.

[9] U.S. Dep't of State, *Minerals Security Partnership*, https://www.state.gov/minerals-security-partnership (last visited May 12, 2025).

[10] Office of the U.S. Trade Representative, Press Release, *United States and Japan Sign Critical Minerals Agreement* (Mar. 28, 2023), https://ustr.gov/about-us/policy-offices/press-office/press-releases/2023/march/united-states-and-japan-sign-critical-minerals-agreement.

[11] Diego Laje, *Trash to Treasure: Critical Minerals Recycling*, AFCEA Int'l (Apr. 1, 2024), https://www.afcea.org/signal-media/technology/trash-treasure-critical-minerals-recycling.

TIA appreciates the opportunity to provide comments on this matter. As stated previously, TIA supports increasing U.S. manufacturing in our industry, and we hope that this issue is approached in a manner that promotes, rather than hinders, the industry's ability to do so. As a foundational proposition, we appreciate that the Administration is utilizing Section 232 as an established legal framework to structure an investigation that offers the opportunity for industry input. Public comments are crucial to the development of effective policy. For the same reason, we believe that releasing the findings of this report publicly is in the public interest, given the significant impact that duties on critical minerals and their derivatives will have on U.S. manufacturers and consumers generally. Industry feedback is essential to understand the full impact of potential duties on products as complex as semiconductors, and we hope that future proposals will have substantial comment periods and public hearings to ensure BIS is afforded a wide range of data and input. Please let us know if you have any questions or if there is any way that TIA can support the Administration's work on this important set of issues.

By:

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