



KAMARAJ IAS ACADEMY
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Trump Launches Project Vault to Build \$12 Billion US Strategic Critical Minerals Reserve

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US President Donald Trump announced a new initiative called “Project Vault.”

It aims to create the first-ever strategic stockpile of critical minerals important for industry and technology.

What Is “Project Vault”

Project Vault is a plan to build a Strategic Critical Minerals Reserve in the United States.

This reserve will store essential minerals used in modern manufacturing.

It is designed to help protect US industries from supply disruptions.

Why These Minerals Matter

Critical minerals are needed to make many advanced products including:

Electric vehicles and batteries

Smartphones and computers

Aircraft components and defence systems

Renewable energy technology

Kamaraj IAS Academy

Plot A P.127, AF block, 6 th street, 11th Main Rd, Shanthi Colony, Anna Nagar, Chennai, Tamil Nadu 600040

Phone: 044 4353 9988 / 98403 94477 / Whatsapp : 09710729833

Why the US Is Doing This

The US sources many of these minerals from China, which dominates global production and processing.

Project Vault is meant to reduce dependence on China and make supply chains more secure.

It will help protect American manufacturers during shortages or price swings.

Funding and Structure

The initiative will be supported with about \$12 billion in funding.

\$10 billion from a loan by the US Export-Import (EXIM) Bank.

About \$1.7 billion from private companies.

It involves public-private partnerships with industry players.

How It Will Work

Minerals like gallium, cobalt, rare earths, lithium, etc. will be procured and stored.

This supply can be used during market disruptions or emergencies.

The stockpile is similar in concept to the Strategic Petroleum Reserve, but for minerals instead of oil.

Expected Benefits

Stronger supply chain security for key industries.

Less risk of shortages affecting manufacturing.

Reduced dependence on foreign sources, especially China.

Why It Matters

Project Vault is seen as a major step in securing future supplies of minerals that are critical for economic and strategic industries.