



Will the Forest Service Allow Wyoming to Lead the Way?

By: Laura Skaer

Wyoming was supposed to welcome in the New Year on the cusp of becoming the United States' lead provider of a suite of critical minerals known as "the seeds of technology."

But the U.S. Forest Service (USFS) made sure that isn't happening, at least for another year.

Meanwhile, the United States remains between 90 and 96 percent dependent on the People's Republic of China for rare earth minerals, the key ingredients in smartphones, flat screen TVs, clean energy technologies and military weapons and armament technologies that protect our soldiers and help keep America safe.

One would think the USFS would agree it's a good idea for America to become less reliant on China for critical and strategic minerals. Indeed, the U.S. Department of Defense and the Department of Energy have made it clear that domestic production of rare earths is vital. U.S. Director of National Intelligence James Clapper warned in 2013 that "Rare earth elements (REE) are essential to civilian and military technologies and to the 21st century global economy, including development of green technologies and advanced defense systems. China holds a commanding monopoly over world REE supplies."

But the federal agency best positioned to reduce China's commanding monopoly seems bent on prolonging it.

The USFS is in charge of determining if Rare Element Resources' proposed rare earths mine outside Sundance can proceed. One certainty is the production of these home-grown seeds of technology is delayed. The USFS previously promised Rare Element Resources it would issue what's called the Final Record of Decision (ROD) by last month, November 2015. Incredibly, the USFS still hasn't issued a Draft Environmental Impact Statement, the in-depth precursor to the ROD that the public and other agencies review. The USFS now hopes to complete the ROD next September.

This dithering, whether intentional or from bureaucratic incompetence, means China not only gets the high-paying mining jobs, it gets the high-paying manufacturing jobs too. Former Chinese leader Deng Xiaoping opined in 1992, "The Middle East has oil. China has rare earths." China, which has acquired most US-invented rare earths processing technologies, is happy to sell these minerals to American companies – as long as you do your manufacturing in China.



There are a myriad of reasons for the USFS's delay. One is that it took the agency 11 months to process the internal job posting for a dedicated manager to oversee the project permitting. Equally inexplicable is the fact the USFS has substantially walled off Rare Element Resources from the permitting details.

Historically, the Environmental Impact Statement process includes robust information sharing and Q&A between the applicant and the agency, whether it's the USFS, the Department of Interior, FERC or another. Bizarrely, the USFS decided it won't share the alternatives it's proposing for Rare Element Resources' project until the Draft EIS is released. Failure to include the proponent in the EIS process will result in further delays in a federal permitting process that is ranked among the slowest in the world. It is Rare Element Resources' project, not the USFS's, and only the company knows if the alternatives are technically and economically feasible. Yes, agencies must ensure a proponent doesn't have undue influence, but honest consultation is not collusion.

Less than a year ago Reuters reported "The Pentagon repeatedly waived laws banning Chinese-built components on U.S. weapons in order to keep the \$392 billion Lockheed Martin Corp F-35 fighter program on track." If the USFS would just do its job, the U.S. would reduce its unhealthy dependence on China for rare earths, Wyoming residents would have high paying jobs, and the Pentagon could comply with the law.

Words: 599

Laura Skaer is the Executive Director of the American Exploration & Mining Association (AEMA). AEMA is a 121-year old, 2,100 member national association representing the minerals industry with members residing in 42 U.S. states, seven Canadian provinces or territories, and 10 other countries. AEMA is the recognized national voice for exploration, the junior mining sector, and maintaining access to public lands, and represents the entire mining life cycle, from exploration to reclamation and closure.