



Argentina and the United States Just Signed a Critical Minerals Deal

Here's Why It Matters to You

What Happened

On February 4, 2026, Argentina and the United States signed a **"Framework Instrument for Strengthening Supply in Mining and Processing of Critical Minerals"** during a landmark Critical Minerals Ministerial summit in Washington, D.C. The summit was convened by U.S. Secretary of State Marco Rubio and attended by representatives from **54 countries** and the European Commission, including 43 foreign ministers. Vice President JD Vance opened the event, and Treasury Secretary Scott Bessent closed it.

Argentina's Foreign Minister Pablo Quirno signed the agreement with U.S. Deputy Secretary of State Christopher Landau. Quirno posted on X: "Today I signed, on behalf of Argentina, an Agreement on Critical Minerals with the United States: more exports, more investments and more employment for our country."

Argentina was one of **11 nations** to sign bilateral mineral agreements at the summit, alongside Ecuador, Peru, the Philippines, Morocco, Guinea, Paraguay, the Cook Islands, the UAE, and Uzbekistan. But Argentina's agreement stands out because of the country's enormous mineral wealth and its increasingly strategic position in the global race for critical resources.

What Are Critical Minerals and Why Should You Care?

Critical minerals are raw materials that modern life literally cannot function without. They include **lithium** (used in every smartphone battery, electric vehicle, and laptop), **copper** (essential for electrical wiring, power grids, and renewable energy systems), cobalt, nickel, graphite, manganese, and a group of 17 metallic elements known as **"rare earths"** (which go into everything from fighter jets and missile guidance systems to wind turbines and MRI machines).

Mineral / Process	China's Global Share
Rare earth mining	~70%
Rare earth refining	Over 90%
Sintered permanent magnets	~94%
Lithium refining capacity	~60%

Mineral / Process	China's Global Share
Battery cell manufacturing	~85%
Average refining share (19 of 20 strategic minerals)	~70%

According to the IEA's Global Critical Minerals Outlook 2025, for **19 out of 20** important strategic minerals tracked, China is the leading refiner. In practical terms, if China decided to cut off supply — as it partially did in late 2024 when it restricted exports of gallium, germanium, and antimony, and again in early 2025 with tungsten, tellurium, bismuth, indium, molybdenum, and seven heavy rare earth elements — it could cripple industries from car manufacturing to defense.

Ford temporarily paused production of the Explorer in mid-2025 due to a rare earth magnet shortage directly linked to Chinese export controls.

Trump's Critical Minerals Offensive

The Argentina deal is one piece of a much larger and aggressive strategy by the Trump administration to break China's mineral monopoly.

Initiative	Details
Project Vault (Feb 2, 2026)	First-of-its-kind strategic critical minerals reserve for civilian industry. ~\$1.67B in private capital + \$10B U.S. Export-Import Bank loan = ~\$12 billion total. Commodities traders Hartree Partners, Mercuria Energy, and Traxys North America handle purchases.
Government equity stakes	DoD struck deal with MP Materials (only U.S. rare earth mine, Mountain Pass, CA) including equity stake, price floor, and long-term purchase agreement. Commerce Dept. financing USA Rare Earth for ownership stake. EXIM Bank issued \$14.8B in Letters of Interest for critical minerals projects.
"Trump Corollary" to Monroe Doctrine	Late 2025 National Security Strategy restricts extra-hemispheric powers (China) in Latin America. New National Defense Doctrine prioritizes Western Hemisphere.
Broader bilateral deals	\$8.5B minerals agreement with Australia (Oct 2025). Pursuing deals with Japan, Malaysia, and EU. EU proposed critical minerals cooperation agreement at the same Washington summit.
Preferential zone	U.S. launched "preferential zone" for critical minerals at summit; invited all 54 countries. Establishes minimum prices to shield investments from Chinese market manipulation. Argentina "very possible" to accept (Bloomberg Línea).

What Argentina Brings to the Table

Lithium

Argentina sits within the **"Lithium Triangle"** — the region spanning parts of Argentina, Bolivia, and Chile that contains roughly **50%** of the world's identified lithium deposits. Argentina is the world's fourth-largest

lithium producer. It holds the world's third-largest lithium reserves and the second-largest lithium resources (behind Bolivia).

In 2025, Argentina's lithium production surpassed **110,000 tonnes** — the highest in the country's history. Its installed production capacity exceeds 200,000 tonnes, with seven projects currently producing, four more expected before 2030, and projected capacity of **600,000 tonnes per year** by the end of this decade. Currently, about 70% of Argentina's lithium exports go to China.

Copper

According to Benchmark Mineral Intelligence, **4 of the world's 12 largest** greenfield copper projects are located in Argentina. Major mining companies including BHP, Rio Tinto, Glencore, Lundin, McEwen, and First Quantum Minerals are involved. Copper alone accounts for **75%** of investments committed under Argentina's RIGI. Total copper investment could reach **\$30 billion**. First copper exports from new projects are expected around 2029–2030.

Other Minerals and Record Exports

Argentina also has significant potential in gold, silver, zinc, uranium, graphite, and rare earth elements. SEGEMAR has identified approximately 190,000 tonnes of "inferred" rare earth resources and another 3.3 million tonnes of "potential" resources.

Metric	Value
Lithium ranking (production)	4th globally
Lithium reserves ranking	3rd globally
2025 lithium production	110,000+ tonnes (record)
Installed lithium capacity	200,000+ tonnes
Projected capacity by 2030	600,000 tonnes/year
Lithium exports to China	~70%
Greenfield copper projects (top 12 globally)	4 of 12 in Argentina
Copper investment potential	\$30 billion
First copper exports (new projects)	~2029–2030
Mining exports 2025 (record)	\$6.037 billion (+30% YoY)
Mining share of total exports	~6.9%
Projected mining exports (7 years)	\$20+ billion
Projected mining exports (decade)	\$30+ billion
Total mining projects	310 (only 26 in production)

What the Deal Actually Contains

According to Argentina's Foreign Ministry, the Framework Instrument includes the use of public and private financing tools to support mining investment, simplification of administrative permitting processes, cooperation on geological mapping, recycling, and management of critical materials, joint actions to promote more transparent markets, measures to strengthen Argentina's positioning in global high-value supply chains, and commitments to develop secure, resilient, and competitive mineral supply.

The framework builds on two previous bilateral agreements: a Memorandum of Understanding on critical minerals cooperation signed in August 2024, and a broader Trade and Investment Framework Agreement signed in November 2025 — the only such framework from that batch to include specific critical minerals investment provisions.

The China Factor

This entire story is fundamentally about the **U.S.–China rivalry** over control of the raw materials that power the 21st-century economy. At the summit, Marco Rubio explicitly linked supply chain stability to national sovereignty and military power, telling delegates:

"Critical minerals are vital to the devices we use every day; they power our infrastructure, our industry, and our national defense. This isn't talked about enough, but it's a key part of our security."

China's investment in Argentina's mineral sector is substantial. Chinese firms have invested an estimated **\$3.4 billion** in lithium projects in the Argentine provinces of Jujuy, Salta, and Catamarca. CNOOC alone operates 13 lithium and borate mines on approximately 32,000 hectares in Salinas Grandes. About one third of Argentina's lithium export value currently goes to China.

A pivot toward the United States introduces complex trade-offs for Argentina. Closer alignment with Washington could open access to the North American electric vehicle market and U.S. government financing. But it also risks disrupting a significant existing commercial relationship with China.

Environmental and Human Rights Concerns

Water

Lithium extraction from brine requires enormous quantities of water. Each tonne of lithium requires the evaporation of approximately **2 million liters of water**. This takes place in some of the driest regions on Earth — the high Andean salt flats. In 2024, Argentina's Salar del Hombre regional court suspended the issuance of new lithium mining permits due to concerns about water sources.

Indigenous Communities

A study published in August 2025 by the International Federation for Human Rights (FIDH) documented patterns of human rights and environmental abuses across the Lithium Triangle. Despite Argentina, Bolivia, and Chile all having signed ILO Convention No. 169 on Indigenous rights, lithium projects have not properly

consulted with communities to obtain their consent.

In the Salinas Grandes and Laguna de Guayatayoc basin, approximately **33 Indigenous communities** — Atacama and Kolla peoples — have for more than 15 years raised concerns about their rights being ignored. Alicia Chalabe, a lawyer representing these communities, described "permanent pressure" from mining companies: "It is raining with lithium companies here. Communities are just the obstacles."

The Glacier Law Debate

Argentina's Congress is debating a reform of the country's **Glacier Protection Law** (Law 26.639). The current law protects glaciers and "periglacial environments" as strategic freshwater reserves and effectively restricts mining in certain high-altitude areas. The Milei government argues the law has paralyzed mining investments for 15 years, with **75%** of announced copper projects located in areas classified as periglacial. A full Senate debate is scheduled for February 10, 2026.

More than 25 environmental organizations have expressed concern that the reform would open protected areas to large-scale mining. Environmental lawyer Enrique Viale called the process "an express procedure never before seen" and warned it could increase legal uncertainty.

Country	Lithium Governance Model
Bolivia	Private companies must partner with state-owned Yacimientos de Litio Boliviano
Chile	National lithium strategy gives public agency majority control
Argentina	Provincial governments control mining oversight; structured to attract private investment with large tax breaks and limited royalties

Why This Matters to You

If you care about...	Here's how this affects you
Technology & consumer products	The minerals in this deal are literally inside every smartphone, laptop, and EV. Supply disruptions mean higher prices, product shortages, and slower tech progress.
National security	The U.S. in 2024 was entirely reliant on imports for 12 critical minerals and imported 50%+ of 29 others. China's ability to weaponize mineral exports is a genuine strategic vulnerability.
Environment & human rights	The energy transition depends on extracting vast quantities of minerals from fragile ecosystems and Indigenous territories. IEA projects lithium demand will grow fivefold by 2040.
The global economy	Argentina's mining sector contributes <1% of GDP despite record exports. It has 310 mining projects but only 26 in production. Only 11% of lithium, copper, gold, and silver projects are in advanced stages.

The Bottom Line

The Argentina–United States critical minerals deal is not just a trade agreement. It is part of a **geopolitical chess match** that affects the price of your next car, the reliability of your power grid, and the defense capabilities of Western nations. With China controlling 70–90% of the world's critical mineral processing, the United States is racing to build alternative supply chains — and Argentina, with its vast lithium reserves, enormous untapped copper potential, and a government eager for foreign investment, is positioned as a key piece of that puzzle.

But the deal also raises profound questions about who bears the costs of this transition. Water-scarce communities in the Andean highlands, Indigenous peoples who have not been consulted, and fragile glacial ecosystems all stand in the path of an accelerating mining boom. Whether Argentina can balance its economic ambitions with environmental protection and human rights will be one of the defining challenges of its mineral-rich future.

Data sourced from Reuters, Bloomberg, U.S. State Department, Argentine Foreign Ministry, International Energy Agency (IEA), La Nación, Infobae, Bloomberg Línea, CNN Brasil, CNBC, CBS News, Fox Business, Al Jazeera, MINING.COM, USTR, CSIS, FIDH, Mongabay, Business and Human Rights Resource Centre, and peer-reviewed studies published in ScienceDirect. All figures reflect verified information as of February 2026.