

U.S. Designates Copper as Critical Mineral: Chile Takes Center Stage in Global Supply Chain

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The U.S. has declared copper as critical, placing Chile at the center of the supply chain with increased demand and stringent traceability requirements, but not offering an environmental blank check.



Original article: [EE.UU. declara mineral crítico al cobre: Chile queda al centro del tablero global](#)

U.S. Designates Copper as Critical Mineral: Chile Takes Center Stage in Global Supply Chain

The United States has officially classified **copper as a critical mineral** on its 2025 essential minerals list for economic and defense security. This designation positions **Chile**, a world leader in copper production,

at the heart of the global supply chain, increasing demand while intensifying pressures for responsible sourcing and new negotiations across the value chain.

According to a [notice](#) from the **Department of the Interior/USGS**, **critical minerals** are crucial for **national security, economic stability, and the resilience of supply chains**. This list guides strategies to ensure a stable supply and **is updated periodically**. Starting in 2025, **copper** joins a prioritized group of 60 minerals.

For the Chilean economy, this shift **could** result in increased **long-term purchasing agreements, nearshoring** aspects of the supply chain, **green financing**, and a boost in **value-added technologies**; it will also **mean** stricter requirements for **traceability, environmental and social compliance (ESG)**, and tighter timelines for **permitting**.

Market Price and Fundamentals: Copper at \$4.86/lb (November 6)

As of **November 6**, copper is priced at **\$4.86 per pound**. Recently, the metal peaked at **\$5.02/lb** on the London Metal Exchange—a historic milestone—driven by expectations of a **U.S.-China trade agreement**, a **weakened dollar**, and a **tight supply** due to disruptions in major mines (Grasberg, **Collahuasi**, operations of **Anglo American** and **Glencore**), along with **LME inventories** around 135,000 tons and Chinese smelters that again **did not set TC/RC** for Q4, indicating a shortage of concentrates, as reported by the Chilean Copper Commission in its [report for the week of October 27-30, 2025](#).

The structural balance is also tightening: projections from the **ICSG** indicate a **deficit** of about **150,000 tons** for the coming year, consistent with the demand pressures from **electric vehicles, data centers, and power grids**.

The **2025 USGS Critical Minerals List** includes copper: Chile gains strategic weight while facing **strict demands** for responsible sourcing, water, and community engagement.

Why the U.S. Rates Copper as Critical

Copper is **pure infrastructure**: electrical grids, transmission, transport electrification, storage, and advanced manufacturing. For Washington, reducing **import dependency** and securing **strategic supplies** is as critical as industrial policy. By declaring copper as critical, the U.S. activates policy levers to **ensure supply, diversify suppliers, and mitigate bottlenecks**.

Implications for Chile (Opportunities and Pressures)

- **Demand and long-term contracts:** U.S. buyers **may** prioritize suppliers with **regulatory stability** and a **low footprint**.
- **Traceability and ESG:** the designation “critical” **raises the bar** on **responsible sourcing, water** use, **community relationships**, and **carbon footprint**.

- **Value addition and linkages:** opportunity for **cathodes with a lower footprint, semi-finished products**, and **technological services** tied to mining.
- **Regional/global competition:** increased U.S. focus **could** intensify competition with other producers, influence **price premiums**, and accelerate **standards**.
- **Permitting and social licenses:** will require **faster and better-dialogued projects** with communities and territories.

Risks and Management Strategies

- **Price volatility:** rising copper prices **could** heighten sensitivity to shocks.
- **Regulatory “Greenflation”:** new demands **may** increase costs if not planned properly.
- **Logistical bottlenecks:** ports, energy, and water must **anticipate** volume increases and **standards**.

What’s Next

The 2025 list is **dynamically reviewed** periodically. For Chile, it opens a **diplomatic and technical window** to **elevate standards**, not merely to expedite extraction: synchronizing efforts between **Codelco, Enami, Cochilco, communities, and academia**; strengthening origin and footprint certifications; and conditioning any investments to climate, water, and **binding participation** standards (including consultation with indigenous peoples). In summary, when the **U.S. designates copper as critical**, Chile shifts from being a relevant supplier to a **pivotal player under increased scrutiny**: opportunities will arise **only if** socio-environmental justice is upheld; otherwise, **reputational costs will rise**.

Check the 2025 Critical Minerals List published in the Federal Register of the U.S.

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Fuente: [El Ciudadano](#)