

India's Mineral Diplomacy Strategy

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Context:

As India aims to expand its **manufacturing and technological capabilities**, **critical minerals** are set to play a vital role in achieving this ambition.

Background:

India remains a major **importer of critical minerals**, heavily dependent on other countries, primarily **China**, for its mineral security. This dependency has raised **strategic concerns** for the nation.

Key Takeaways:

To address India's **mineral security challenges**, New Delhi has embarked on a strategy of **mineral diplomacy**. This approach is built on **two key pillars**:

1. **Developing international engagement with mineral-producing countries**
 2. **Establishing strategic partnerships with intergovernmental organizations**
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1. Building Bilateral Ties with Resource-Rich Nations

India has prioritized forging ties with **resource-rich countries** to secure a reliable supply of critical minerals:

- **Australia:** In March 2022, KABIL (Khanij Bidesh India Ltd.) signed a **Memorandum of Understanding (MoU)** with Australia for a **Critical Mineral Investment Partnership**, identifying **two lithium and three cobalt projects**.
- **Latin America's Lithium Triangle** (Argentina, Chile, and Bolivia):
 - India has shown significant interest in the region.
 - A **\$24 million lithium exploration pact** was signed with a **state-owned enterprise in Argentina** for access to **five lithium brine blocks**.
 - KABIL is also working to secure mineral supplies by acquiring **assets in Bolivia and Chile**.
- **Central Asia:** India and Kazakhstan established a joint venture, **IREUK Titanium Limited**,

to **produce titanium slag** in India, reflecting India's growing focus on this resource-rich region.

2. Strengthening Multilateral and Minilateral Partnerships

The second pillar of India's mineral diplomacy involves **strengthening partnerships** through **multilateral and minilateral frameworks** focused on **mineral security**. These include:

- Quad
- Indo-Pacific Economic Framework for Prosperity (IPEF)
- Mineral Security Partnership (MSP)
- G-7

These partnerships aim to foster **cooperation in supply chain development** and reduce vulnerabilities in critical mineral sourcing.

The Missing Pieces:

Despite significant progress, **India's mineral diplomacy** still faces **three critical challenges**:

1. Lack of Private Sector Participation:

- India's **private sector** has remained largely absent from the critical mineral supply chain.
- The primary reasons include:
 - The absence of a **clear supply chain strategy**
 - Lack of a defined **roadmap** for private sector involvement.

2. Weak Diplomatic Capacity:

- India must strengthen its **diplomatic engagement** in mineral diplomacy.
- Recommendations:
 - Establish a **dedicated Mineral Diplomacy Division** within the **Ministry of External Affairs**, similar to the **New and Emerging Strategic Technologies (NEST)** division.
 - Appoint **mineral diplomacy specialists** in selected **key diplomatic missions** to proactively identify opportunities and address challenges.

3. Insufficient Sustainable Partnerships:

- India needs to build **strategic, trusted, and sustainable alliances** with key bilateral and multilateral partners.
- Partnerships with nations such as the **EU, South Korea, and Quad members** are particularly critical due to their:
 - **Technological expertise**
 - **Diplomatic reach**
 - **Domestic capabilities**

Conclusion:

India's mineral diplomacy is a **strategic necessity** to secure its position as a **global manufacturing and technological leader**. By addressing **private sector participation**, enhancing **diplomatic capacity**, and forging **sustainable partnerships**, India can significantly strengthen its **mineral security** while reducing its dependence on external players like **China**.



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