



DEPARTMENT OF COMMERCE

Billing Code 3510-33-P

Bureau of Industry and Security

[Docket No. 170802716-7716-01]

National Defense Stockpile Market Impact Committee Request for Public Comments on the Potential Market Impact of the Proposed Fiscal Year 2019 Annual Materials Plan

AGENCY: Bureau of Industry and Security, Commerce.

ACTION: Notice of inquiry; request for comments.

SUMMARY: The purpose of this notice is to advise the public that the National Defense Stockpile Market Impact Committee, co-chaired by the Departments of Commerce and State, is seeking public comments on the potential market impact of the proposed Fiscal Year 2019 National Defense Stockpile Annual Materials Plan. The role of the Market Impact Committee is to advise the National Defense Stockpile Manager on the projected domestic and foreign economic effects of all acquisitions, conversions, and disposals involving the stockpile and related material research and development projects. Public comments are an important element of the Committee's market impact review process.

DATES: To be considered, written comments must be received by [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Address all comments concerning this notice to Eric Longnecker, U.S.

Department of Commerce, Bureau of Industry and Security, Office of Strategic Industries and Economic Security, 1401 Constitution Avenue NW, Room 3876, Washington, DC 20230, fax: (202) 482-5650 (Attn: Eric Longnecker), e-mail: MIC@bis.doc.gov; and Landon Derentz, Energy Policy Advisor, U.S. Department of State, Bureau of Energy Resources, 2201 C Street NW, Washington, DC 20520, fax: (202) 647-4037 (Attn: Landon Derentz), e-mail: DerentzL@state.gov.

FOR FURTHER INFORMATION CONTACT: Parya Fenton, Office of Strategic Industries and Economic Security, Bureau of Industry and Security, U.S. Department of Commerce, telephone: (202) 482-8228, fax: (202) 482-5650 (Attn: Parya Fenton), e-mail: MIC@bis.doc.gov.

SUPPLEMENTARY INFORMATION:

Background

Under the authority of the Strategic and Critical Materials Stock Piling Revision Act of 1979, as amended (the Stock Piling Act) (50 U.S.C. 98 et seq.), the Department of Defense's Defense Logistics Agency (DLA), as National Defense Stockpile Manager, maintains a stockpile of strategic and critical materials to supply the military, industrial, and essential civilian needs of the United States for national defense. Section 9(b)(2)(G)(ii) of the Stock Piling Act (50 U.S.C. 98(h)(b)(2)(G)(ii)) authorizes the National Defense Stockpile Manager to fund material research and development projects to develop new materials for the stockpile.

Section 3314 of the Fiscal Year (FY) 1993 National Defense Authorization Act (NDAA) (50 U.S.C. 98h-1) formally established a Market Impact Committee (the Committee) to "advise the National Defense Stockpile Manager on the projected domestic and foreign economic effects

of all acquisitions and disposals of materials from the stockpile....” The Committee must also balance market impact concerns with the statutory requirement to protect the U.S. Government against avoidable loss.

The Committee is comprised of representatives from the Departments of Commerce, State, Agriculture, Defense, Energy, Interior, the Treasury, and Homeland Security, and is co-chaired by the Departments of Commerce and State. The FY 1993 NDAA directs the Committee to consult with industry representatives that produce, process, or consume the materials stored in or of interest to the National Defense Stockpile Manager.

As the National Defense Stockpile Manager, the DLA must produce an Annual Materials Plan proposing the maximum quantity of each listed material that may be acquired, disposed of, upgraded, converted, recovered, or sold by the DLA in a particular fiscal year. In Attachment 1, the DLA lists the quantities and type of activity (potential acquisition, potential disposal, potential upgrade, potential conversion, potential recovery, or potential sale) associated with each material in its proposed FY 2019 Annual Materials Plan (“AMP”). The quantities listed in Attachment 1 are not acquisition, disposal, upgrade, conversion, recovery, or sales target quantities, but rather a statement of the proposed maximum quantity of each listed material that may be acquired, disposed of, upgraded, converted, recovered, or sold in a particular fiscal year by the DLA, as noted. The quantity of each material that will actually be acquired or offered for sale will depend on the market for the material at the time of the acquisition or offering, as well as on the quantity of each material approved for acquisition, disposal, conversion, recovery, or upgrade by Congress.

The Committee is seeking public comments on the potential market impact associated with the proposed FY 2019 AMP as enumerated in Attachment 1. Public comments are an important

element of the Committee's market impact review process.

Submission of Comments

The Committee requests that interested parties provide written comments, supporting data and documentation, and any other relevant information on the potential market impact of the quantities associated with the proposed FY 2019 AMP. All comments must be submitted to the addresses indicated in this notice. All comments submitted through e-mail must include the phrase "Market Impact Committee Notice of Inquiry" in the subject line.

The Committee encourages interested persons who wish to comment to do so at the earliest possible time. The period for submission of comments will close on [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]. The Committee will consider all comments received before the close of the comment period. Comments received after the end of the comment period will be considered, if possible, but their consideration cannot be assured.

All comments submitted in response to this notice will be made a matter of public record and will be available for public inspection and copying. Anyone submitting business confidential information should clearly identify the business confidential portion of the submission and also provide a non-confidential submission that can be placed in the public record. The Committee will seek to protect such information to the extent permitted by law.

The Office of Administration, Bureau of Industry and Security, U.S. Department of Commerce, displays public comments on the BIS Freedom of Information Act (FOIA) Web site at <http://www.bis.doc.gov/foia>. This office does not maintain a separate public inspection facility. If you have technical difficulties accessing this Web site, please call BIS's Office of Administration at (202) 482-1900 for assistance.

Dated: August 25, 2017.

Richard Ashooh,
Assistant Secretary for Export Administration.

Attachment 1

PROPOSED FISCAL YEAR 2019 ANNUAL MATERIALS PLAN

Potential Disposals

Material	Unit	Quantity	Footnote
Beryllium Metal	ST	6	
Chromium, Ferro	ST	23,500	
Chromium, Metal	ST	200	
Germanium Scrap	kg	5,000	
Manganese, Ferro	ST	50,000	
Manganese, Metallurgical Grade	SDT	322,025	1/
Nickel Based Alloys	Lbs	150,000	
Platinum	Tr Oz	8,380	
PGM – Iridium	Tr Oz	489	
Tantalum Carbide Powder	Lb Ta	3,777	
Tantalum Scrap	Lbs	190	
Titanium Based Alloys	Lbs	75,000	
Tungsten Metal Powder	LB W	275,738	1/
Tungsten Ores and Concentrates	LB W	3,000,000	
Zinc	ST	7,993	

Potential Acquisitions

Material	Unit	Quantity
Antimony	MT	1,100
Boron Carbide	MT	1,000
High Modulus High Strength Carbon Fibers	MT	72

Carbon Fibers	m ²	5,000	
CZT (Cadmium Zinc Tellurium substrates)	cm ²	32,000	
Dysprosium	MT	0.5	
Electrolytic Manganese Metal	MT	3,000	
Europium	MT	35	
Ferro-niobium	MT	209	
Lithium Ion Precursors	kg	19,000	
Rare Earths Elements	MT	416	3/
Rare Earth Magnet Feedstock	MT	100	3/
Rayon	MT	600	
Silicon Carbide Fibers	Lbs	875	
TATB (Triamino-Trinitrobenzene)	LB	48,000	
Tantalum	Lb Ta	33,990	
Tin	MT	40	
Tungsten Rhenium Metal	kg	5,000	
Yttrium Oxide	MT	10	

Potential Conversions (Upgrade, rotation, reprocessing, etc.)

Beryllium Metal	ST	5	
CZT (Cadmium Zinc Tellurium substrates)	cm ²	32,000	
High Modulus High Strength Carbon Fibers	MT	72	
Dysprosium	MT	0.5	
Europium	MT	35	
Germanium Scrap	kg	5,000	

Iridium Catalyst	Lbs	50	
Rare Earths Elements	MT	416	3/
Silicon Carbide Fibers	Lbs	875	
Tin	MT	804	

Potential Recovery from Government sources

Bearing Steel	MT	50	
E-Waste	MT	50	2/
Gadolinium Oxide	MT	4	
Germanium (Scrap)	kg	5,000	
Iridium Catalyst (Scrap)	Lbs	50	
Lithium Ion Precursors	MT	25	
Magnesium Metal	MT	10	
Nickel Based Alloys	Lbs	150,000	
Rare Earth Elements – Magnets	MT	100	
Rhenium Metal	kg	500	
Permanent Magnet Alloys	kg	500	
Tantalum	MT	10	
Titanium Based Alloys (Scrap)	Lbs	75,000	
Yttrium Aluminum Garnet Rods (Scrap)	kg	250	
Zirconia Oxide	MT	4	

Footnote Key:

1/Actual quantity will be limited to remaining inventory.

2/Strategic and Critical Materials collected from E-Waste.

3/Excludes acquisition of yttrium, dysprosium and europium as these rare earths were requested under separate legislation.

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