Supply Chain Challenges – Critical Minerals, Metals and Materials: Transportation and Logistics Sector

What’s happening

• Expected demand exceeds supply for critical elements of important supply chains – particularly for batteries and semiconductors
• Geopolitical competition shifting government policy in major markets and altering market dynamics (both incentives and trade limits)
• ESG issues make new production more difficult while focus expands on existing supply chains

Why

• Rapid shift to EVs, batteries and semiconductors
• Geopolitical competition for strategic industries and related supply chains – China dominates supply, “Global West” wants to reduce risk
• ESG concerns increasingly focus on sustainability and labor practices in supply chains

Why it matters

• Securing supply of key materials is critical for production and economic success
• Accessing government incentives critical to company competitiveness
• ESG shifting from voluntary to compulsory adds risk in regulatory compliance and from activists

How we can help

• We understand the legislative and regulatory regime in each applicable jurisdiction and provide assistance with permits
• We monitor legislative initiatives and advise on access to state financing support and new regulatory requirements
• We assist in drafting and negotiating contractual arrangements (including off-take/sourcing/supplier agreements, directed supply concepts and other commercial arrangements)
• We perform supply chain due diligence and risk assessments

What we do

Regulatory Compliance
• Regulatory compliance in the transportation and logistics supply chain sector, including advising clients on tax credits, manufacturing plant site considerations, and trade compliance issues

Commercial Contracting
• Commercial contracting associated with raw material sourcing, manufacturing and M&A transactions

Supply Chain Risk Assessment
• Supply chain risk assessments associated with sourcing of critical materials and rare earth minerals, including supplier due diligence, forced labor risk considerations, multi-tier sourcing evaluations and related matters

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