ANOVION TECHNOLOGIES | epsilon advanced materials | NORTHERN GRAPHITE | NOUVEAU MONDE GRAPHITE | NOVONIX

NORTH AMERICAN GRAPHITE ALLIANCE

July 25, 2025

The Honorable Jamieson Greer
The Office of the United States Trade Representative
600 17th St. NW
Washington, DC 20006

Dear Ambassador Greer,

We are writing today to provide information that could be useful as USTR engages in trade negotiations with Morocco ahead of President Trump's August 1st deadline. To be blunt, Morocco has become an intermediary in China's quest to dump artificially cheap graphite in U.S. markets.

China dominates the global graphite supply chain and abuses its production capability by creating more supply than demand. This oversupply allows China to maliciously influence global markets by flooding them with cheap, highly subsidized graphite, driving down prices in a concerted effort to smother foreign competitors. Even when laws and frameworks are established to prevent the flow of Chinese graphite into certain markets, the Chinese seek to evade them.

As you are aware, China has established global footprints that grant it an immense launching platform for entering, influencing, and even controlling the U.S. and other trusted markets. China systemically maneuvers and manipulates projects to comply with existing laws, including laundering materials by propping up operations in non-market countries and using piecemeal reporting to achieve compliance. Graphite is one of the innumerous products for which China deploys this approach.

In recent years, Chinese investment in the country has become rampant. In August 2024, Chinese battery company BTR announced plans to build a $366 million facility in Morocco to produce graphite active anode material (AAM), a chief ingredient of lithium-ion batteries. The project is estimated to be completed in just two years and will produce 60,000 tons of AAM per year. [1] The previous March, BTR announced the construction of a $300 million facility in Morocco to build cathode materials. [2]

In addition, Shanshan Technology announced plans in April 2025 to build a natural graphite AAM facility, which is slated to begin large-scale trial production in the second half of 2025. [3] With a total investment of at least $700 million across three facilities, it is evident that China has identified Morocco as fertile ground in its mission to circumvent sourcing requirements and regulations in the U.S.

---

[1] Morocco World News. China's BTR Group Announces Lithium-ion Battery Plant in Morocco. August 2024.
[2] Reuters. China EV Battery Maker BTR To Build Cathode Plant in Morocco. March 2024.
[3] ICCSINO. Shanshan Technology to Produce Natural Graphite Anode Materials in Morocco. April 2025.

There is already a blueprint for the scenario unfolding in Morocco. In September 2024, BTR began operations at an active anode material (AAM) plant in the Central Sulawesi province of Indonesia. The $478 million plant will eventually produce up to 80,000 metric tons of AAM per year. [4] Since operations began, Indonesian exports of AAM to the U.S. now average above 1,000 tons per month – an increase from zero exports at all. At the same time, BTR's AAM exports from China have decreased greatly. [5] This is indisputable evidence that BTR has deliberately begun exporting more material from Indonesia instead of China to evade trade restrictions.

NAGA members experience firsthand the effects of China's unethical market practices, of which Indonesia and Morocco are textbook examples. China's ability to deploy transnational subsidies, transship, and manipulate the price of products induces widespread market volatility, which subsequently prevents the development of new domestic graphite projects. This is because graphite projects face significant challenges securing financing because the market volatility causes a lack of long-term offtake commitments from customers who are unsure whether the graphite will exist in sufficient supply at prices that are competitive with China. And without the ability to demonstrate future revenue, typically done via an offtake agreement, graphite companies are at a disadvantage when attempting to secure investments.

As USTR negotiates a trade agreement with Morocco, we urge you to consider that graphite produced in Morocco by entities with Chinese ties, receiving Chinese subsidies, or under the control of the Chinese government be subject to at least the same tariff rate as graphite coming from China itself. Doing so would help blunt the effect of China's subversive trade practices and allow domestic producers to better compete on a level playing field.

NAGA would like to thank you for your ongoing efforts to ensure the United States establishes fair trade frameworks with countries around the world and for fostering an important dialogue throughout the process. We applaud the work of you and your colleagues for immediate action on key issues that will drive economic prosperity for the American people. NAGA stands ready to work alongside USTR to advance the domestic graphite industry and bolster the U.S. economy through holding China accountable by countering their manipulative efforts to undermine foreign competitors.

Sincerely,

Erik Olson

North American Graphite Alliance

[4] S&P Global. China's BTR To Start Up Anode Materials Plant In Indonesia by End of 2024. February 2024.
[5] Benchmark. Chinese AAM Imports Into the US Face 160% Tariff Following Antidumping… July 2025.