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Frozen Battlegrounds

The Strategic Cost of Transatlantic Competition Over Greenland's Critical Raw Materials

Julie Jeuken

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Introduction

A surge in demand, combined with China's dominance along supply chains, has prompted actors to pursue ambitious Critical Raw Material (CRM) initiatives worldwide. One of the areas receiving considerable attention for its vast, unexploited CRM reserves is Greenland. The semi-autonomous territory of Denmark is home to a small, largely indigenous population. Greenland not only disproportionately bears the brunt of climate change but is now also paradoxically seen by many governments as the key to their climate ambitions.¹ Greenland's 2025 Mineral Resources Strategy acknowledges the increase in outside interest and potential for domestic CRM mining. The strategy conveys an openness to international cooperation, especially with the European Union (EU) and the United States (US).²

Both the US and the EU have deepened ties with Greenland over the past years. What has distinguished the two, at least in the public domain, is a differing 'style'. US President Donald Trump's expansionist remarks concerning Greenland are still fresh in the minds of many. Especially those of late 2024, where he stated that obtaining Greenland was an absolute must for US national security, later refusing to rule out military options.³ As Greenland reaffirmed to the outside world that it was not for sale, various EU representatives rushed to visit Nuuk to pledge their support and emphasize its agency and autonomy.⁴ Greenland, and by extension its CRM, have undeniably become a point of contention in transatlantic relations.

This snapshot investigates the effectiveness of the EU and US engagements in Greenland's CRM sector by comparing their respective approaches. Despite the diametrically opposed political and public framing of the EU and US engagements, the analysis demonstrates that the two actors have similar goals in their bilateral relations with Greenland, notably to build alternative, sustainable, and responsible CRM supply chains. They are both engaging with actors in Greenland to find ways of operationalising these goals. Most importantly, though, neither is currently meeting Greenland's expectations or needs. So far, both the US and the EU have been struggling to move from political promises to concrete investments.⁵ This is worsened by the fact that neither the EU nor the US has a significant corporate presence within Greenland's mining sector.

¹ Ditte Brasso Sørensen, 'The Green Transition: Are Greenland's Critical Raw Material deposits the key to the EU's net-zero future?', *Tænketanken Europa*, 9 January 2025, <https://thinkeuropa.dk/brief/2025-01-the-green-transition-are-greenlands-critical-raw-material-deposits-the-key-to-the-eus>.

² Government of Greenland, *GREENLAND MINERAL RESOURCES STRATEGY 2025-2029 - A Sustainable Mineral Resources Sector* (2025), https://naalakkersuisut.gl/-/media/nyheder/2025/01/3101_ny_raastofstrategi/eng_greenland-mineral-resources-strategy-2025-2029.pdf.

³ David Brennan, 'Trump Says US Will "go as Far as We Have to" to Get Control of Greenland - ABC News', *Abcnews*, n.d., accessed 16 July 2025, <https://abcnews.go.com/International/trump-us-control-greenland/story?id=120208823>.

⁴ Emma De Ruiter, 'Macron Reaffirms Support for Greenland during Visit Ahead of G7 Summit', *Euro News*, 16 June 2025, <https://www.euronews.com/my-europe/2025/06/16/macron-reaffirms-support-for-greenland-during-visit-ahead-of-g7-summit>; NOS Nieuws, *Met solidariteitsbezoek aan Groenland geeft Macron signaal af aan Trump*, 15 June 2025, <https://nos.nl/artikel/2571308>.

⁵ Elías Thorsson, 'Greenland Warns It May Turn to China If US and EU Shun Mining Investments', *ArcticToday*, 27 May 2025, <https://www.arctictoday.com/greenland-warns-it-may-turn-to-china-if-us-and-eu-shun-mining-investments/>.

The lack of transatlantic cooperative engagement thus carries a strategic cost, delaying concrete action on both the EU and US sides and failing to operationalise projects. Meanwhile, the United Kingdom (UK) and Canada are already active in Greenland's mining sector and are able to move with relative ease and speed in this field. Since 2021, there have been calls for more international cooperation within Greenland's mining sector.⁶ This snapshot argues that, to achieve their goals, the EU and the US should cooperate both bilaterally and multilaterally with countries with active mining companies in Greenland, all of which are likeminded partners. This could ensure the development of a sustainable CRM sector in Greenland and attract more investments, which are goals shared by Greenland, the EU, the US, and the other partners too.

⁶ Dwayne Ryan Menezes, 'The Case for a Five Eyes Critical Minerals Alliance Focusing on Greenland', in *Polar Cousins - Comparing Antarctic and Arctic Geostrategic Futures* (2022), https://library.oapen.org/bitstream/handle/20.500.12657/60278/1/9781773853895_OA.pdf#page=122.

2. Greenland's Critical Raw Material Sector

2.1 Greenland's critical raw material potential

What drives interest in Greenland from the EU, the US, and others? Though its geostrategic location within the Arctic region as well as historical and military ties to both Denmark and the US play an important role, CRM are increasingly redefining Greenland's strategic significance. With the Arctic warming up four times as much as elsewhere in the world, these raw materials will become more easily accessible in the future.⁷

Geological surveys conducted by the US as well as Denmark and Greenland confirm both a high variety and abundance of CRM.⁸ In total, 25 of the 34 raw materials the EU deems critical and 43 out of the 50 raw materials⁹ the US considers critical can be found within Greenland's borders.¹⁰ These materials have both a high supply risk and economic importance to the EU and the US. As seen in Figure 1, all CRM deposits are located along the outer ridges of the island, as four-fifths is covered in a permanent ice cap that averages 1.5 km in thickness.¹¹ The southern province of Gadar especially stands out for its substantial CRM - mining potential, containing high quantities of Lithium, Fluorite, Tantalum, Niobium, Hafnium, and other CRM.¹²

Greenland holds the eighth largest reserves of rare earth elements (REE) in the world, which could supply a quarter of future global demand.¹³ REEs are crucial to a variety of sectors, ranging from defence to renewable energy. Currently, almost the entire supply chain is dominated by China, which has not shied away from utilising these raw materials as an instrument to exert pressure on others. In 2025, the Chinese government restricted the export of seven REEs as well as REE-based permanent magnets in response to Donald Trump's tariffs on Chinese goods.¹⁴ These restrictions have hit hard across various American and European industries. For instance, multiple automotive production lines and supplier plants throughout Europe have been forced to temporarily shut down.¹⁵

⁷ Paul Voosen, *The Arctic Is Warming Four Times Faster than the Rest of the World*, n.d., accessed 27 August 2025, <https://www.science.org/content/article/arctic-warming-four-times-faster-rest-world>.

⁸ Menezes, 'The Case for a Five Eyes Critical Minerals Alliance Focusing on Greenland'.

⁹ According to the United States Geological Survey List of Critical Minerals

¹⁰ Gabija Leclerc, *Greenland: Caught in the Arctic Geopolitical Contest* (2025), [https://www.europarl.europa.eu/RegData/etudes/BRIE/2025/769527/EPRS_BRI\(2025\)769527_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2025/769527/EPRS_BRI(2025)769527_EN.pdf).

¹¹ Sørensen, 'The Green Transition'; Ole Rasmussen, 'Greenland | History, Population, Map, Flag, & Weather | Britannica', Britannica, 14 July 2025, <https://www.britannica.com/place/Greenland>.

¹² 'Key Details of Greenland's Rich but Largely Untapped Mineral Resources', *Commodities*, *Reuters*, 13 January 2025, <https://www.reuters.com/markets/commodities/greenlands-rich-largely-untapped-mineral-resources-2025-01-13/>.

¹³ Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs (European Commission) et al., *Study on the Critical Raw Materials for the EU 2023: Final Report* (Publications Office of the European Union, 2023), <https://data.europa.eu/doi/10.2873/725585>.

¹⁴ Gracelin Baskaran and Meredith Schwartz, *The Consequences of China's New Rare Earths Export Restrictions*, 14 April 2025, <https://www.csis.org/analysis/consequences-chinas-new-rare-earths-export-restrictions>.

¹⁵ Sam Meredith, 'Auto Industry Sounds the Alarm as China's Rare Earth Curbs Start to Bite', *Autos*, *CNBC*, 5 June 2025, <https://www.cnbc.com/2025/06/05/auto-groups-sound-the-alarm-as-chinas-rare-earth-curbs-start-to-bite.html>.



Figure 1: CRM deposits in Greenland. Data from the Greenland Mineral Resources Portal and Mapbox

Though outside actors have in the past been captivated by Greenland's mineral wealth, interest has soared over the past couple of years.¹⁶ As of August 2025, there are 108 active mineral licenses in Greenland. The companies owning these licenses come from a few countries, primarily the UK, Canada, and Australia.¹⁷ As visualized in Figure 2, most companies are still in the exploration phase – a reminder that full-scale CRM operations in Greenland will not happen in the near future, as it can take up to two decades for a mine to become fully operational. There are but a handful of notable exceptions, one of which is a Graphite mine being developed by GreenRoc. Designated as a 'Strategic Project' by the EU under the Critical Raw Materials Act in June 2025, this UK-listed company is developing a Graphite mine in the Southern province of Greenland and aims to start production late 2028 to early 2029.¹⁸

¹⁶ Murray, Inside the Race for Greenland's Mineral Wealth.

¹⁷ 'Greenland - Repository', accessed 18 August 2025, <https://portal.govmin.gl/dashboard>; Menezes, 'The Case for a Five Eyes Critical Minerals Alliance Focusing on Greenland'.

¹⁸ Julia Payne, 'EU Picks 13 New Critical Material Projects, Including in Greenland | Reuters', *Reuters*, 15 May 2025, <https://www.reuters.com/sustainability/climate-energy/eu-picks-13-new-critical-material-projects-including-greenland-2025-06-04/>.

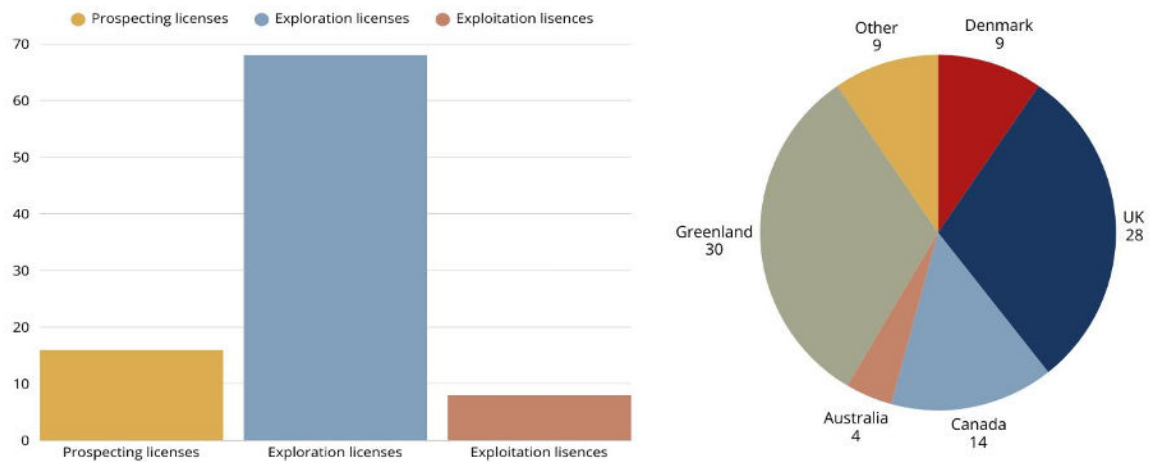


Figure 2: Active mining-related licenses in Greenland and license ownership as of August 2025. Data from Online Applications Portal - Mineral Licence and Safety Authority Greenland

Note: license ownership has been allocated based on the country where the company is headquartered¹⁹

2.2 Greenland's critical raw material ambitions

To capitalise on its potential in the CRM sector, the Greenlandic Government developed its Mineral Resource Strategy for the period 2025 - 2029. This strategy is centred on creating a sustainable mineral resource sector on three lines: socially, economically, and environmentally.²⁰ As seen in Figure 3, the strategy has four focus areas, and contrary to prior mineral resource strategies it includes close to 50 concrete initiatives that lay out what development will look like for each area.

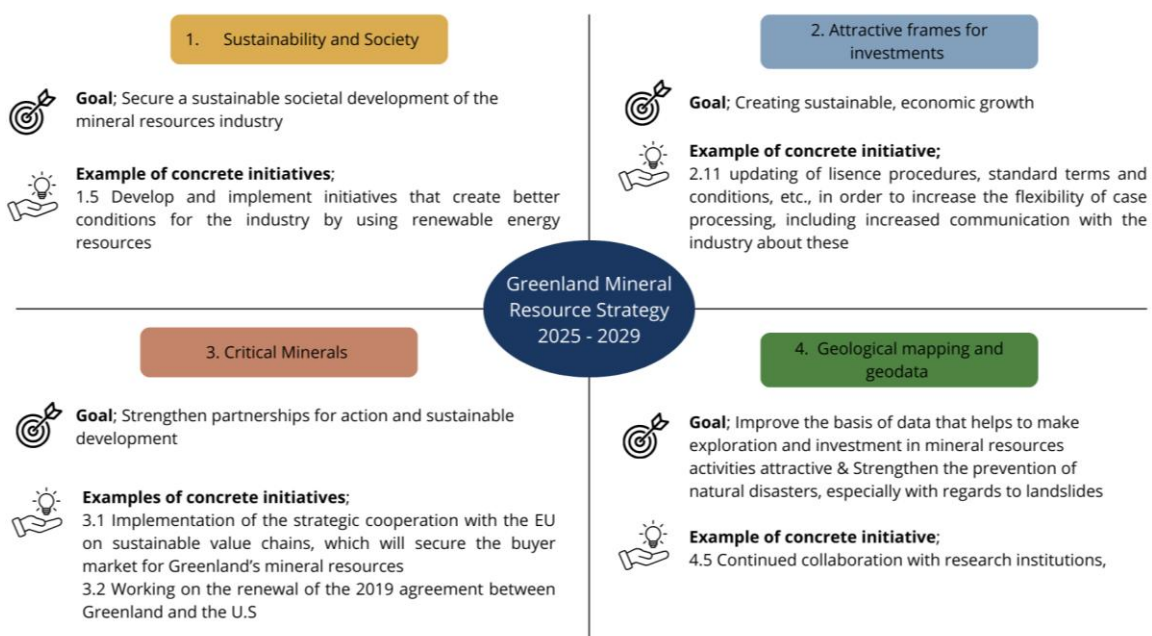


Figure 3: Overview of Greenland's Mineral Resource Strategy 2025-2029. Data from Source: Greenland's Mineral Resource Strategy 2025-2029

¹⁹ A handful of companies that have its headquarters in Greenland also have strong ties to British, Canadian, and Australian counterparts. For example, through joint ventures or partial ownership.

²⁰ Government of Greenland, *GREENLAND MINERAL RESOURCES STRATEGY 2025-2029 - A Sustainable Mineral Resources Sector*.

The core message throughout the strategy is clear and rooted in the concept of benefit-sharing. Any development or profit made from the mineral sector must benefit the Greenlandic people. This was also emphasised by Greenland's Minister for Business, Mineral Resources, Justice and Gender Equality. According to her, "new projects will contribute to Greenland Government's goal of a self-sustaining economy through job creation, local business opportunities and other direct benefits for communities".²¹

Future CRM mining factors into a larger independence movement taking place in Greenland, which finds its legal basis in the 2009 Act on Greenland Self-Government.²² An important aspect of this movement is reducing the economic dependence on the annual Danish block grant. In 2023, Greenland received 4.1 billion DKK as a part of this grant, which comprised roughly half of the governmental budget for that year.²³ Potential CRM operations, and the revenue this might create, are seen as a way to gain greater economic independence. However, they will never replace the block grant, as its conditions include a raw material revenue 'clause'. If the revenues from mining operations exceed 75 million DKK a year, the annual Danish contribution to the block-grant will be cut by 50% of the revenues made above this threshold.²⁴ Therefore, while CRM mining operations can be seen as a tool to become more financially independent they can also inadvertently create pressure on the Greenlandic government to manage this transition effectively.²⁵ Elections held in March 2025 furthermore reiterated the ongoing independence movement. All campaigning parties advocated for independence from Denmark, with diverging opinions only really occurring on the pace of this transition – as fast as possible, or more moderately and in cooperation with Denmark. Symbolically, Greenland's newly elected prime minister previously filled the position of Minister of Industry Minerals.²⁶

2.3 Operational, regulatory, and societal reality checks

Although Greenland's CRM potential and ambitions are high, its mining sector has remained underdeveloped.²⁷ In fact, the mining scene is currently defined by just two mines, one for gold and one for anorthosite. This is primarily due to operational, regulatory, and societal constraints, briefly explained below.

²¹ Cecilia Jamasmie, 'Greenland Grants 30-Year Permit to EU-Backed Molybdenum Mine', *MINING.COM*, 19 June 2025, <https://www.mining.com/greenland-grants-30-year-permit-to-eu-backed-molybdenum-mine/>.

²² Under the Act, Greenland's jurisdiction areas are divided between the Government of Greenland and Denmark. Areas such as defence, foreign affairs, and currency are under the control of Denmark, while the Government of Greenland controls, amongst others, education, health and mining.

²³ Torfi Johannesson, 'Resilient Progress: Greenland's Shift from Block Grant Reliance to Economic Strength', *Nordic Insights*, 25 February 2025, <https://www.nordicinsights.dk/2025/02/25/resilient-progress-greenlands-shift-from-block-grant-reliance-to-economic-strength/>.

²⁴ Leclerc, *Greenland: Caught in the Arctic Geopolitical Contest*.

²⁵ Sørensen, 'The Green Transition'.

²⁶ Le Monde et al., *Greenland Elections: Center-Right Opposition Wins with 29.9% of Votes*, 12 March 2025, https://www.lemonde.fr/en/international/article/2025/03/12/polls-close-in-greenland-s-capital-for-parliamentary-election-as-trump-seeks-control_6739058_4.html.

²⁷ Flemming G. Christiansen, 'Greenland Mineral Exploration History', *Mineral Economics*, ahead of print, 11 October 2022, <https://doi.org/10.1007/s13563-022-00350-2>; 'EU Courts Greenland for Critical Raw Materials amid Arctic Geopolitical Shifts', Benchmark Source, 29 August 2024, <https://source.benchmarkminerals.com/article/eu-courts-greenland-for-critical-raw-materials-amid-arctic-geopolitical-shifts>; Sørensen, 'The Green Transition'; Radomir Pachytel, 'Critical Minerals in Greenland and Their Geological Potential to Supply European Union Markets', *Przegląd Geologiczny* 73, no. 3 (2025): 305–14, <https://doi.org/10.7306/2025.30>.

Operationally, Greenland's remote location and difficult climate create various hurdles, which in turn impact the cost and feasibility for CRM mining. Reserves are often located deep within remote fjords, in areas that lack infrastructure.²⁸ For new CRM mining projects to become more feasible, physical, digital, and energy infrastructure would need to be developed.²⁹ In addition, Greenland only has a few months of an 'ice-free' window when mining activity can take place. Outside of this window, icebreakers are needed to travel to mining sites, which can also freeze. This would require building adequate storage facilities for the raw materials on location, as they could not be transported.³⁰ Lastly, with a population just shy of 57,000 people, Greenland also faces a shortage of workforce capacity if CRM operations take off. These operational constraints have previously led analysts and investors alike to the assessment that mining will realistically only be feasible in select instances. Namely, in areas with less infrastructure requirements, or areas containing exceptionally large high-grade CRM deposits.³¹

Regulatory and societal constraints are equally important to consider as they shape both the legal and social license to operate. As of now, governmental systems that facilitate exploration and mining operations either need to be updated, become more transparent, have long waiting times, or have not even been set in place yet. For example, the FDI screening protocol assessing Environment, Social, and Governance (ESG) compliance within mining operations is set to be developed in late 2025 or early 2026.³² Greenland's colonial past, amongst which is characterized by resource exploitation, also adds an important dimension to future CRM cooperation for all outside parties.³³ Though the majority of the public supports mining operations in Greenland, the disruptive potential of resource extraction still worries many.³⁴ In 2021, public opposition against Uranium mining due to health and environmental impacts led to the election of the Inuit Ataqatigitt party³⁵, who centred their campaign in opposition to Uranium mining. After they won elections, the new government banned Uranium mining - even as a byproduct - which led to the shutdown of a major REE project and a pending lawsuit against the Greenlandic and Danish governments.³⁶

²⁸ Sørensen, 'The Green Transition'; Benchmark Source, 'EU Courts Greenland for Critical Raw Materials amid Arctic Geopolitical Shifts'.

²⁹ Sørensen, 'The Green Transition'; Pachtyel, 'Critical Minerals in Greenland and Their Geological Potential to Supply European Union Markets'.

³⁰ Pachtyel, 'Critical Minerals in Greenland and Their Geological Potential to Supply European Union Markets'.

³¹ Christiansen, 'Greenland Mineral Exploration History'.

³² Sørensen, 'The Green Transition'.

³³ Christiansen, 'Greenland Mineral Exploration History'; Pachtyel, 'Critical Minerals in Greenland and Their Geological Potential to Supply European Union Markets'.

³⁴ Contact Information Contact: Shirley Cardenas Organization: Media Relations and McGill University Office Phone:398-6751 Mobile Phone:594-6877, 'Greenland's Indigenous Population Favours Extracting and Exporting Sand from Melting Ice Sheet', Newsroom, accessed 18 July 2025, <https://www.mcgill.ca/newsroom/channels/news/greenlands-indigenous-population-favours-extracting-and-exporting-sand-melting-ice-sheet-340773>; Patrick Greenfield and Phoebe Weston, 'Fearing Toxic Waste, Greenland Ended Uranium Mining. Now, They Could Be Forced to Restart - or Pay \$11bn', Environment, *The Guardian*, 5 March 2025, <https://www.theguardian.com/environment/2025/mar/05/greenland-mining-energy-transition-minerals-environmental-laws-uranium-rare-earth-toxic-waste-investor-state-dispute-settlement-isds-aoe>.

³⁵ Who stayed in power until elections held in March 2025

³⁶ Reuters, 'Key Details of Greenland's Rich but Largely Untapped Mineral Resources'.

In short, Greenland's mining sector will develop incrementally and could support some of the EU's and US' mineral needs, as long as the operational, regulatory and societal constraints are adequately addressed and concrete investments ensue. This is in line with the Greenlandic government's vision to host 5 to 10 active mines at all times.³⁷ Greenland's mineral strategy will also alleviate some of the constraints in the future. For example, there are concrete initiatives committed to communicating the benefits of the mining industry to citizens, and licensing procedures are also going to be addressed to allow increased flexibility in permitting and exploration.³⁸ The EU and the US engagement with Greenland should account for these complex dimensions if they want to achieve prosperous and mutually beneficial agreements.

³⁷ Sam Meredith, *Mineral-Rich Greenland Says It Doesn't Want to Become a Great Mining Nation. Here's Why*, Sustainable Future, 20 June 2025, <https://www.cnbc.com/2025/06/20/mineral-rich-greenland-doesnt-want-to-become-a-great-mining-nation.html>.

³⁸ Government of Greenland, *GREENLAND MINERAL RESOURCES STRATEGY 2025-2029 - A Sustainable Mineral Resources Sector*.

3. The EU and the US in Greenland: Two different approaches with the same goals

Having set the scene regarding Greenland's potential for developing its CRM sector, this section proceeds by looking into the ways in which the EU and the US approached their CRM engagements with Greenland. An overview of the two timelines of cooperation can be found in Figure 4.

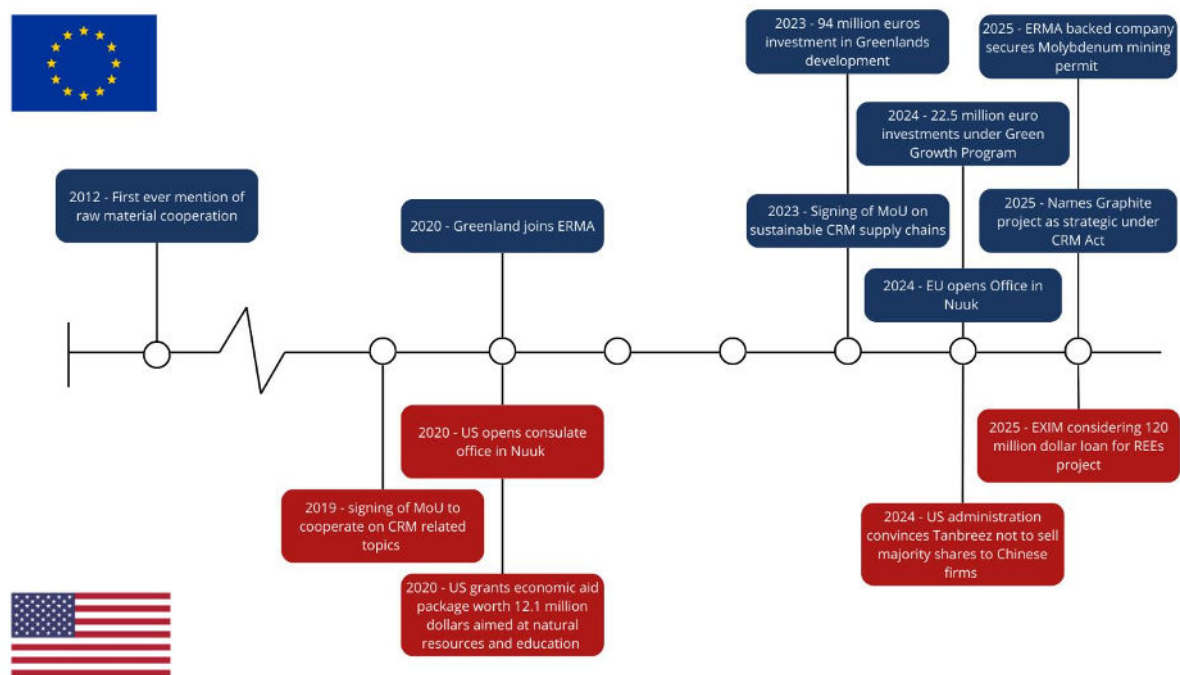


Figure 4: Comparative timeline of EU and US engagements with Greenland regarding CRM. Data from sources referenced within this section

Note that this visual is not comprehensive

3.1 EU engagement with Greenland

The EU aims to reduce its import dependency and diversify and de-risk CRM supply chains.³⁹ This can be achieved through strategic partnerships with resource-rich third countries like Greenland. Though the first mention of critical mineral cooperation dates back to 2012, the cornerstone of EU-Greenland CRM relations is defined by the 2023 Memorandum of Understanding (MoU) on sustainable raw materials value chains.⁴⁰ The two parties pledged to create a roadmap within six months and cooperate on the basis of five pillars:

³⁹ 'Critical Raw Materials Act - European Commission', accessed 18 July 2025, https://single-market-economy.ec.europa.eu/sectors/raw-materials/areas-specific-interest/critical-raw-materials/critical-raw-materials-act_en.

⁴⁰ Eur. Comm. - Eur. Comm., 'European Commission Signs Today Agreement of Cooperation with Greenland on Raw Materials'; EU and Government of Greenland, A Memorandum of Understanding between the European Union and the Government of Greenland on a Strategic Partnership on Sustainable Raw Materials Value Chains.

1. Economic and industrial integration of value chains for CRM and other raw materials
2. Cooperation to leverage high international ESG standards
3. Deployment of infrastructure for raw materials projects development
4. Strengthen capacities and skills development along raw material value chains
5. Cooperation on research and innovation for prospecting, exploration, extraction, processing, and refining of raw materials and supporting areas

Though the roadmap has not yet been agreed upon and the deadline has long passed, engagement has since accelerated – including the opening of an EU office in Nuuk, cooperation agreements that include EU investments from various funds, and a 22.5 million investment in a green growth plan dedicated to renewable energy and sustainable CRM value chains.⁴¹ Due to Greenland's ties to Denmark and status as an Overseas Country and Territory (OCT), cooperation between the EU and Greenland can happen in a structured, predefined manner. Like other OCTs, Greenland has signed a multiannual indicative programme for the 2021 - 2027 period which set out objectives, engagements, and priority areas for EU cooperation.⁴² Though the OCT status does not offer distinct advantages for CRM investments, it does provide other financial benefits.⁴³ In total, Greenland will receive roughly half of the OCT budget for the 2021-2027 period, which equates to 250 million euros.⁴⁴

What puts the EU at a distinct disadvantage in engaging with Greenland is its institutional rigidity. Greenland has previously expressed frustration over the EU's slower pace in transitioning from dialogue to concrete action.⁴⁵ While the political will largely exists, the EU is bound to and constrained by procedures. Furthermore, Greenland's need for large-scale investments in its CRM sector is in contrast to the EU's normal modus operandi in bilateral engagements, which includes removing investment and trade roadblocks for the private sector rather than direct investments.⁴⁶

Financial options for European CRM projects in Greenland that remain are the European Investment Bank (EIB) and the European Raw Materials Alliance (ERMA). The second option has already proven to be fruitful for financing mining projects in Greenland, despite not involving a CRM. In June 2025, Greenland Resources, a company supported by ERMA, successfully secured a permit for developing a Molybdenum mine.⁴⁷ This mine alone could produce as much as 25% of the EU's annual demand as soon as operations take off. Overall, the EU has positioned itself as a collaborative and agreeable partner for Greenland, and momentum for CRM cooperation has seemingly been in its favour. During a diplomatic visit to Brussels in May 2025, Greenland's foreign minister reaffirmed the country's commitment to deepen bilateral ties with the EU.⁴⁸

⁴¹ Benchmark Source, 'EU Courts Greenland for Critical Raw Materials amid Arctic Geopolitical Shifts'; Pachytel, 'Critical Minerals in Greenland and Their Geological Potential to Supply European Union Markets'.

⁴² EU Commission, 'Greenland - European Commission International Partnerships', accessed 27 August 2025, https://international-partnerships.ec.europa.eu/countries/greenland_en.

⁴³ Sørensen, 'The Green Transition'.

⁴⁴ Sørensen, 'The Green Transition'.

⁴⁵ Thorsson, 'Greenland Warns It May Turn to China If US and EU Shun Mining Investments'.

⁴⁶ Sørensen, 'The Green Transition'.

⁴⁷ Jamasmie, 'Greenland Grants 30-Year Permit to EU-Backed Molybdenum Mine'.

⁴⁸ Seb Starcevic, 'Greenland Dangles Rare Earths Partnership with EU as Trump Looms', POLITICO, 15 May 2025, <https://www.politico.eu/article/greenland-dangles-rare-earths-partnership-eu-motzfeldt-trump/>.

3.2 US engagement with Greenland

The US CRM goals are also to reduce dependency on third countries, in combination with various incentive-based policies for domestic development, like the 2022 Inflation Reduction Act.⁴⁹ Like in the case of the EU, the US CRM import dependency can be reduced through strategic partnerships with countries like Greenland. US and Greenland's cooperation can be dated back to a 2019 MoU. The MoU is two pages long, consists of 10 actionable points, and "recognizes a shared interest in furthering cooperation between Greenland and the US to benefit mutual economic and resource security".⁵⁰ Other goals include exchanging information and expertise, even including a paragraph dedicated to promoting "sound mineral sector development through a range of collaborative activities".⁵¹ This has been consistently taking place since the MoU. Greenland has, both publicly and within the 2025-2029 Mineral Resource Strategy, expressed their interest in renewing the 2019 MoU. However, renewal efforts under the Biden administration failed, and bilateral relations with the current US administration have been strained.⁵²

For the US, the Arctic region as a whole also holds significant strategic importance. A lot of US engagement with Greenland, including within the field of CRM, is also dedicated to pushing back at Chinese interests trying to establish a foothold on the island. In late 2024, the Biden administration and US officials successfully lobbied Australian mining company Tanbreez to sell a majority stake of its REE project in Greenland to US Critical Minerals Corp instead of Chinese stakeholders, even though the latter offered more money.⁵³

In contrast to the EU, the US has more extensive state-backed financial tools at its disposal and has in the past found innovative ways to fund Greenland through other avenues like defence funds. The US Export and Import Bank (EXIM) can also play a crucial role in Greenlandic CRM investments, recently offering a 120-million-dollar loan to a company developing a REE mine.⁵⁴ Still, the US also seems reluctant to make large-scale commitments and financial investments in Greenland's CRM sector. Similarly to the EU, current constraints, the longevity of the commitment that would have to be made, and the financial uncertainties that come with it have so far successfully discouraged the US.

Overall, the US is more flexible financially, and CRM cooperation with Greenland has been taking place for a longer time than with the EU, even though recent engagements with Greenland have been slightly strained. The EU has significantly accelerated cooperation since 2023, and the relationship seems to be developing in a smoother, more cooperative way.

⁴⁹ Richard Longstaff et al., 'Restoring American Mineral Dominance with a US Critical Minerals Action Plan', *Deloitte Insights*, n.d., accessed 18 August 2025, <https://www.deloitte.com/us/en/insights/industry/government-public-sector-services/critical-minerals-strategy.html>; John Zadeh, 'Strengthening US Domestic Critical Minerals Capacity: Strategic Investments and Challenges', Uncategorized, *Discovery Alert*, 14 August 2025, <https://discoveryalert.com.au/news/us-critical-minerals-capacity-2025-strategy/>.

⁵⁰ US and Government of Greenland, *Memorandum of Understanding between Greenland's Ministry of Mineral Resources and Labour and the U.S Department of State Concerning Cooperation on Mineral Resource Sector Development and Governance* (2019).

⁵¹ US and Government of Greenland, *Memorandum of Understanding between Greenland's Ministry of Mineral Resources and Labour and the U.S Department of State Concerning Cooperation on Mineral Resource Sector Development and Governance*.

⁵² Leslie Hook and Richard Milne, 'Greenland Says It Will Turn to China If US and EU Shun Its Mining Sector', *Greenland, Financial Times*, 27 May 2025, <https://www.ft.com/content/3628fc11-8cb7-4e05-965c-4a820c396444>.

⁵³ Reuters, 'Biden Officials Make Last-Ditch Push for Greenland Mining Investment', *MINING.COM*, n.d., accessed 18 July 2025, <https://www.mining.com/web/biden-officials-make-last-ditch-push-for-greenland-mining-investment/>.

⁵⁴ Jackson Chen, 'Critical Metals in Line for \$120M US Loan to Fund Greenland Rare Earth Project', *MINING.COM*, 16 June 2025, <https://www.mining.com/critical-metals-in-line-for-120m-us-loan-to-fund-greenland-rare-earth-project/>.

4. Conclusion: Paving the way for transatlantic collaboration in the engagement with Greenland

The US and EU approaches in engaging with Greenland are not in direct conflict and even share similarities. Both actors want to reduce their dependency on third countries, especially China, by working with like-minded partners. Both also prioritise “sound” or ESG practices but have also not been able to meet Greenland’s expectations when it comes to genuine commitments and financial investment within the field of CRM. EU-US cooperation in their engagements with Greenland is possible and should be encouraged. Certainly, the dynamic between mining companies and international actors should be carefully managed in this context, as upstream CRM operations are handled by companies and not directly by the EU and the US themselves.

Both the EU and the US have made agreements with such companies that are active in Greenland, but transatlantic cooperation is still limited. For instance, US Critical Metals Corp signed a 10-year offtake agreement with the US-funded, Canadian processing plant Uncore Rare Metals. Following this agreement, 10% of the REEs mined at the Tanbreez project in Greenland will now be processed in Canada instead of elsewhere.⁵⁵ The EU selected the project by UK company Greenroc in Greenland as a strategic project under its Critical Raw Materials Act.⁵⁶ While the EU and the US are busy competing with each other and engaging individually with Greenland and other third actors, they risk being left behind by more proactive actors.

Infrastructure can be a starting point for transatlantic cooperation, as it is one of the current operational constraints present in Greenland. The EU and the US could cooperate with Greenland to build and facilitate renewable energy friendly infrastructure that could facilitate future CRM operations. In fact, a blueprint for this type of cooperation between the EU and the US already exists in the Lobito Corridor project. Though climatic conditions could not be more different, the project in Central Africa also aims to address infrastructure needs, utilise renewable energy, adhere to ESG standards, and counter Chinese interest in the region. A cooperative framework along these lines could drive down the cost of operations and is in line with Greenland's ambitions to use renewable energy within its mineral sector.

As mentioned prior, most of the companies interested in or present in Greenland are not from the EU and the US but rather from the UK, Canada, and Australia.⁵⁷ The EU and US should work together and/or with these like-minded countries to facilitate mutually beneficial CRM agreements for themselves and, most importantly, for Greenland. EU and US-based companies can complement the skills of the existing ones in Greenland, and help fill the operational, regulatory and social gaps

⁵⁵ Zadeh, ‘Strengthening US Domestic Critical Minerals Capacity’.

⁵⁶ Payne, ‘EU Picks 13 New Critical Material Projects, Including in Greenland | Reuters’.

⁵⁷ Menezes, ‘The Case for a Five Eyes Critical Minerals Alliance Focusing on Greenland’.

required by the Greenlandic communities to facilitate the responsible sourcing of CRM and create benefit-sharing agreements. Existing forums such as ERMA and the Mineral Security Partnership could help facilitate a structure for this process, as various companies active in Greenland are already part of these forums.

Although this seems promising in theory, there are more competitive elements that would need to be addressed for cooperation to be successful. The most pressing issue is who then gets access to which CRM, in what amounts, and when. Greenland has expressed not wanting too many active mines at once, and not every deposit is as valuable or easy to develop as the other. Moreover, neither the EU nor the US currently have notable CRM processing capabilities as of 2025, hence, an all-encompassing perspective is essential to de-risk these supply chains rather than export the raw materials to China for processing, thus continuing the dependency cycle. Lastly, transatlantic relations have also seen tumultuous times, especially after the re-institution of Donald Trump as President in 2025. Since, the EU and the US have narrowly avoided a trade war and have frequently disagreed on a variety of issues, such as the war in Ukraine. As mentioned previously, Greenland has also become an issue of contention. In the latest twist, a report published by Danish broadcaster DR in August 2025 alleged that US citizens in Greenland were conducting influence campaigns to sway public opinion in favour of the US, leading to outrage from Denmark.⁵⁸ The feasibility of bilateral or multilateral cooperation with Greenland thus hinges on a delicate balance of willingness, trust, and recognition of mutual benefits.

Regardless of the shape the framework takes, a cooperative engagement between the EU and the US could increase the confidence of companies active or interested in investing in Greenland. The US and EU are certainly not the only actors interested in Greenland's mineral wealth. If neither steps up to help fulfil Greenland's CRM ambitions, the Greenlandic government has expressed that it will look elsewhere to find its much-needed investments, even going as far as to mention China as a possibility.⁵⁹ In light of these statements, the urgency for cooperative action is clear.

⁵⁸ Paul Kirby, *Greenland: US Tells Denmark to 'calm down' over Alleged Influence Operation*, 28 August 2025, <https://www.bbc.com/news/articles/c0j9l08902eo>.

⁵⁹ Thorsson, 'Greenland Warns It May Turn to China If US and EU Shun Mining Investments'.