

DRAFT RECOMMENDATION LETTER (DELIBERATIVE, FINAL VERSION FORTHCOMING AND TO BE SUBMITTED TO SECRETARY OF COMMERCE HOWARD LUTNICK)

[DATE], 2026

The Honorable Howard Lutnick
Secretary of Commerce
U.S. Department of Commerce
1401 Constitution Avenue, NW
Washington, DC 20230

Dear Secretary Lutnick:

On behalf of the Environmental Technologies Trade Advisory Committee (ETTAC), we write to highlight the current and future challenges presented by the Basel Convention and the need for greater interagency coordination on Basel-related issues to strengthen the security and global competitiveness of U.S. supply chains that underpin key sectors of the American economy—including advanced manufacturing, data centers, and emerging artificial intelligence (AI) technologies.

The upcoming Basel Convention open-ended working group meeting in Geneva in June, where Parties are expected to consider additional restrictions on plastic waste trade such as those proposed by Norway, underscores the importance of U.S. engagement in ensuring that evolving international frameworks remain practical, effective, and informed by real-world considerations. In light of these considerations, ETTAC recommends that the Department of Commerce convene an interagency process to evaluate pathways to advance U.S. commercial interests under the Basel framework, consistent with an America First trade agenda.

As the U.S. seeks to maintain leadership in these sectors, access to resilient, market-based supply chains for both primary and secondary materials—especially recycled feedstocks and critical minerals—is increasingly essential. Materials that currently fall under the Basel Convention control mechanisms, including electronic scrap, plastics, and metalbearing streams, are vital industrial inputs that support domestic manufacturing, semiconductors, telecommunications infrastructure, and the energy systems powering data centers and AI.

The economic stakes are substantial. The U.S. data center industry alone contributed approximately \$727 billion annually to GDP in 2023 and supported 4.7 million jobs, reflecting its role as the backbone of the digital economy. AI driven investment is rapidly accelerating this growth, with AI related capital spending already contributing up to 1 percentage point to U.S. GDP growth in 2025, while U.S. private AI investment exceeded \$109 billion in 2024, leading the world. At the same time, the semiconductor ecosystem—foundational to AI and advanced computing—supports hundreds of thousands of direct

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jobs and over 26 million downstream U.S. jobs across more than 300 sectors of the economy.

Any U.S. engagement under the Basel Convention would operate in a manner fully consistent with existing U.S. law, including the Resource Conservation and Recovery Act (RCRA), and would not alter longstanding domestic determinations regarding when recycled or secondary materials are excluded from the definition of solid or hazardous waste.

Equally important, the recycled materials industry—which supplies critical mineral inputs into these value chains—generates approximately \$180+ billion in annual economic activity and supports more than 600,000 U.S. jobs, while providing essential inputs such as recycled aluminum, steel, copper, and battery materials. Critical minerals themselves are indispensable to these sectors, with domestic production and recycling already representing billions of dollars annually and demand projected to increase by 400–600 percent in the coming decades as AI, batteries, and advanced technologies scale.

Against this backdrop, ETTAC is concerned that U.S. nonparty status under the Basel Convention creates structural trade limitations that can constrain access to these essential inputs. With near universal participation globally, Basel governs most cross-border trade in certain recyclable materials through a prior informed consent framework. As a nonparty, the United States faces restrictions in trading with Basel Parties absent alternative arrangements, which can disrupt efficient, environmentally sound recycling supply chains and reduce market flexibility for U.S. firms.

These constraints are particularly consequential as demand for critical materials intensifies across AI, data infrastructure, and advanced manufacturing. Ensuring access to globally traded secondary materials is therefore not only an environmental priority, but a core economic and supply chain imperative that directly supports U.S. industrial competitiveness, technology leadership, and job creation. A coordinated interagency approach would strengthen domestic industrial capacity, secure access to essential materials, and position the U.S. to shape global rules in ways that advance U.S. economic leadership while maintaining high environmental standards.

We appreciate your leadership on these issues and stand ready to provide further technical expertise as the Department considers next steps.

Sincerely,

Clare Shulzki
ETTAC Chair