

Yellen calls for diversified clean energy supply chains

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US Treasury Secretary Janet Yellen warned Monday that production of key clean energy inputs are currently concentrated in a few countries.

US Treasury Secretary Janet Yellen stressed Monday the need for diversified clean energy supply chains as America shifts away from

fossil fuels, warning that production should not be concentrated in a few countries.

While she did not provide names, Yellen's prepared remarks come at a time when China produces the majority of batteries for [electric vehicles](#) and the Treasury Department has noted a high level of Chinese control over critical mineral processing globally.

"Today, the production of critical clean energy inputs -- from batteries to [solar panels](#) to critical minerals -- is concentrated in a handful of countries," Yellen said at an event in Las Vegas.

She stressed the importance of building resilient and diversified critical global supply chains to mitigate disruptions and safeguard [economic security](#).

"That starts by investing here at home," Yellen said, touting what she called the benefits of President Joe Biden's landmark climate action plan.

Called the Inflation Reduction Act (IRA), the plan provides incentives for America's energy transition and marks its one-year anniversary this week.

Apart from being the country's "boldest-ever climate action," Yellen said Monday that the act revitalizes left-behind communities and boosts energy security as well.

"A clean energy transition will enable us to depend more on the wind and the sun -- and less on [fossil fuels](#) and the whims of those who control those resources," according to a text of her remarks.

This brings greater stability in [energy costs](#), she noted.

And the IRA, she adds, "is helping re-shore some of the production that is critical to our [clean energy economy](#)."

Since January 2021, companies have committed more than \$500 billion in manufacturing and clean energy investments, in part boosted by the IRA, Yellen said.

As Biden seeks re-election next year, an urgent concern is finding ways to capitalize on an economic agenda he has dubbed "Bidenomics."

The term is meant to embrace both the current strength of the US economy and a future built in part on the IRA and major investment programs in technology and infrastructure.

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