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China has cut export quotas for the first half of 2011 by 35% according to a report on the Wall Street Journal.

"We are very concerned about China's export restraints on rare-earth materials," a spokeswoman from the U.S. Trade Representative's office said Tuesday. "We have raised our concerns with China and we are continuing to work closely on the issue."

Quotas for the first half of next year will total 14,508 metric tons, down about 35% from a year earlier, China's Commerce Ministry said Tuesday. According to rare earth expert, Dudley Kingsnorth, who will be presenting at TREM11 in March, China will have produced around 120,000 tons of rare earths in 2010. He estimates that worldwide demand will increase from 124,000 tons in 2008 to 170-190,000 tons in 2014.

Earlier this year, the Chinese Ministry of Commerce stated that quotas would remain largely unchanged in 2011.

Shipments of rare-earth metals will be capped at 10,762 tons for 22 approved Chinese companies and at 3,746 tons for 10 approved foreign companies and joint ventures with foreign partners, according to the ministry's website. That represents 34% and 37% declines, respectively.