

# China Orders More Control Over Rare Earth Metals

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SHANGHAI (AP) — China's Ministry of Land and Resources has ordered a further tightening of controls on strategically vital rare earths used in advanced manufacturing, for the sake of what it says is "sustainable and healthy development."

The order seen Tuesday on the ministry's website calls for tighter controls over unauthorized exploration, mining, processing and sales of such minerals, which are used in mobile phones and other high-tech products.

It cites vice minister Wang Min as calling the materials — which are not rare but have unique qualities that make them useful for high-tech applications — the "vitamins" of modern industry.

China accounts for 97 percent of world production of rare earth metals. It has alarmed global manufacturers by reducing exports while it tries to build up its own industry, prompting pressure from Europe and the United States to treat foreign and domestic buyers equally.

Wang emphasized the need for vigilance over use of China's "21st century treasure trove of new materials."

The crackdown is focused on three regions with abundant rare earth reserves — Inner Mongolia, Shandong and Sichuan. Officials from those areas agreed to cooperate in controlling rare earths reserves, production and trading.

Generally, repeated crackdowns suggest earlier restrictions may not have been fully enforced.

The latest move followed an industry gathering in Baotou, a major center for rare earths and other raw materials such as coal.

Rare earths are a group of 17 minerals used in manufacturing flat-screen TVs, mobile phones, batteries for electric cars, wind turbines and weaponry.

China has about 30 percent of the world's rare earths. The United States, Canada and Australia also have deposits but stopped mining them in the 1990s as lower-cost Chinese ores flooded the market. Companies are restarting production in North America and elsewhere but the Chinese restrictions have pushed up global prices.

China has said it is restricting exports of rare earths to conserve scarce supplies and curb environmental damage caused by mining. But foreign governments complain

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Published on Industrial Maintenance & Plant Operation (<http://www.impomag.com>)

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similar limits were not applied to domestic manufacturers that use rare earths.

**Source URL (retrieved on 10/25/2014 - 8:41pm):**

<http://www.impomag.com/news/2011/09/china-orders-more-control-over-rare-earth-metals>