

CHINA ENDS QUOTAS ON RARE-EARTH EXPORTS

China's Ministry of Commerce has cancelled export quotas on rare earths to comply with a ruling from the World Trade Organization. WTO ruled in March 2014 that Chinese restrictions on exports of rare earths breached the country's obligations under international trade rules. China had argued that it was limiting exports to lessen the environmental damage caused by rare-earth mining. But WTO judged that the country was instead aiming to boost the growth of its high-tech companies that depend on rare earths. After losing its appeal, China agreed last August to respect the decision, and it scrapped the quotas at the end of December. China is the world's largest producer of rare earths, materials that are used in a wide range of products including high-performance batteries, magnets, and lasers. In recent years, Chinese restrictions have prompted suppliers to develop new ways to source rare earths. For instance, Lynas in 2012 started operating a refinery in Kuantan, Malaysia, that processes Australian ore.—JFT