

Joint Statement on unsustainable Treatment Charges and Refining Charges (TC/RC)

In recent years, the global copper concentrate market has been significantly impacted by the rapid expansion of smelting capacity, influenced by policies and practices that may not reflect fair market dynamics. This has led to a pronounced concentration of smelting operations in certain regions within the copper supply chain and to a tightening of supply and a substantial decline in treatment charges and refining charges (TC/RC) of copper concentrate, where copper cathode production costs cannot be covered. In the current copper concentrate market, there are cases where TC/RC are being negotiated in negative territory in spot transactions. This indicates a situation where the smelter is paying costs to the mining side to provide their smelting services.

We are deeply concerned that this deterioration in TC/RC is prompting a reassessment of copper smelting operations worldwide, with several companies already indicating intentions to scale down or withdraw from copper concentrate smelting.

In light of the current situation, we express our deep concern about the market environment that prevents copper smelting operations, which bear the responsibility of ensuring a stable supply of copper essential to the industry, from sustainably developing alongside mining operations in resource-producing countries. Therefore, we hope that TC/RC will return to a sustainable price level for copper concentrate trading. The current unsustainable trading practices in copper concentrate have heightened dependence on specific country(ies), a situation that is undesirable for both resource-producing and smelting countries. To address practices and policies that may undermine fair and sustainable market functioning in the copper sector, we will continue to engage with relevant countries and stakeholders to establish a resilient and sustainable copper industry supply chain that enables the copper concentrate industry to develop in tandem with mining industry.

2025/10/15

Ministry of Economy, Trade and Industry of Japan
Ministry of Industry and Tourism of the Kingdom of Spain
Ministry of Trade, Industry and Resources of the Republic of Korea