

How Sojitz Became Japan's Rare Earth Power Broker

written by Jack Lifton | July 3, 2026

In the global rare earth industry, most observers focus on miners, processors, and magnet makers. But in Japan, the real strategic leverage sits one layer upstream—inside the trading houses. Among them, Sojitz Corporation (TSE: 2768) stands alone as the country's central orchestrator of rare earth sourcing, financing, and long-term industrial security.

Japan's rare earth strategy has always been shaped by its acute vulnerability. With virtually no domestic deposits and a manufacturing base that depends on high-performance magnets for autos, robotics, semiconductors, and defense systems, Japan cannot afford supply shocks. The 2010 China-Japan rare earth embargo was the turning point. It forced Tokyo to rethink resource security not as a procurement problem, but as a national strategy problem.

[Sojitz](#) became the solution.

Unlike miners or magnet manufacturers, Sojitz operates at the intersection of government policy, global resource markets, and downstream industrial demand. Its role is not simply to “buy” rare earths; it is to engineer supply chains.


New way, New value

There are 17 rare earth elements:

The 15 elements of the lanthanide series: atomic numbers 57 to 71, from lanthanum (La) to lutetium (Lu), as well as scandium (Sc, 21) and yttrium (Y, 39)

H																		He
Li	Be											B	C	N	O	F	Ne	
Na	Mg											Al	Si	P	S	Cl	Ar	
K	Ca	Sc	Ti	V	Cr	Mn	Fe	Co	Ni	Cu	Zn	Ga	Ge	As	Se	Br	Kr	
Rb	Sr	Y	Zr	Nb	Mo	Tc	Ru	Rh	Pd	Ag	Cd	In	Sn	Sb	Te	I	Xe	
Cs	Ba	Lanthanides	Hf	Ta	W	Re	Os	Ir	Pt	Au	Hg	Tl	Pb	Bi	Po	At	Rn	
Fr	Ra	Actinides	Rf	Db	Sg	Bh	Hs	Mt	Ds	Rg	Cn	Nh	Fl	Mc	Lv	Ts	Og	

Light rare earths

La Ce Pr Nd Pm Sm Eu Gd Tb Dy Ho Er Tm Yb Lu

Heavy rare earths

Note: The actinide series (atomic numbers 89 to 108) has been omitted for this table.

Sojitz does this through offtake agreements that stabilize upstream producers and guarantee Japanese supply, financing structures that de-risk new projects in Australia, Vietnam, India, and Africa, long-term partnerships with processors and magnet makers, and coordination with the Ministry of Economy, Trade and Industry, or METI, and the Japan Organization for Metals and Energy Security, or JOGMEC, to align commercial deals with national strategy.

METI is Japan's central economic-policy ministry. It oversees industrial strategy, trade policy, technology development, and national resource security. METI's mandate includes shaping Japan's long-term supply-chain resilience, supporting strategic industries such as automotive, electronics, robotics, and energy, and coordinating national responses to geopolitical supply disruptions. METI is the ministry under which Japan's rare earth strategy is formulated and executed.

JOGMEC is a government-backed agency under METI responsible for

ensuring stable supplies of oil, gas, metals, and mineral resources. It integrates the former Japan National Oil Corporation and the former Metal Mining Agency of Japan. Its activities include supporting the exploration and development of mineral and energy resources, providing financing, guarantees, and technical assistance, stockpiling strategic materials, and conducting environmental and mine-pollution control measures.

JOGMEC's mission is explicitly to secure Japan's long-term supply of critical resources, including rare earths, through overseas partnerships, investment support, and strategic coordination with industry.

This is why Sojitz Corporation (TSE: 2768) is the only Japanese trading house consistently visible in rare earth geopolitics. Others, including Mitsui & Co., Ltd. (TSE: 8031), Mitsubishi Corporation (TSE: 8058), ITOCHU Corporation (TSE: 8001), Marubeni Corporation (TSE: 8002), and Toyota Tsusho Corporation (TSE: 8015), have diversified resource portfolios, but none serves as the dedicated rare earth integrator. Sojitz is the one that treats rare earths as a strategic asset class rather than as a commodity.

Sojitz's long-standing partnership with Lynas Rare Earths Limited (ASX: LYC) is the clearest example of its strategic role. When China restricted exports in 2010, Japan needed a non-Chinese supply of NdPr and other critical oxides. Lynas had the ore and the ambition, but not the financing or guaranteed demand.

Sojitz solved both problems.

It structured the financing, secured Japanese government support, and locked in long-term supply agreements for Japanese manufacturers. The result was the world's only large-scale non-Chinese rare earth separation facility, an asset that remains

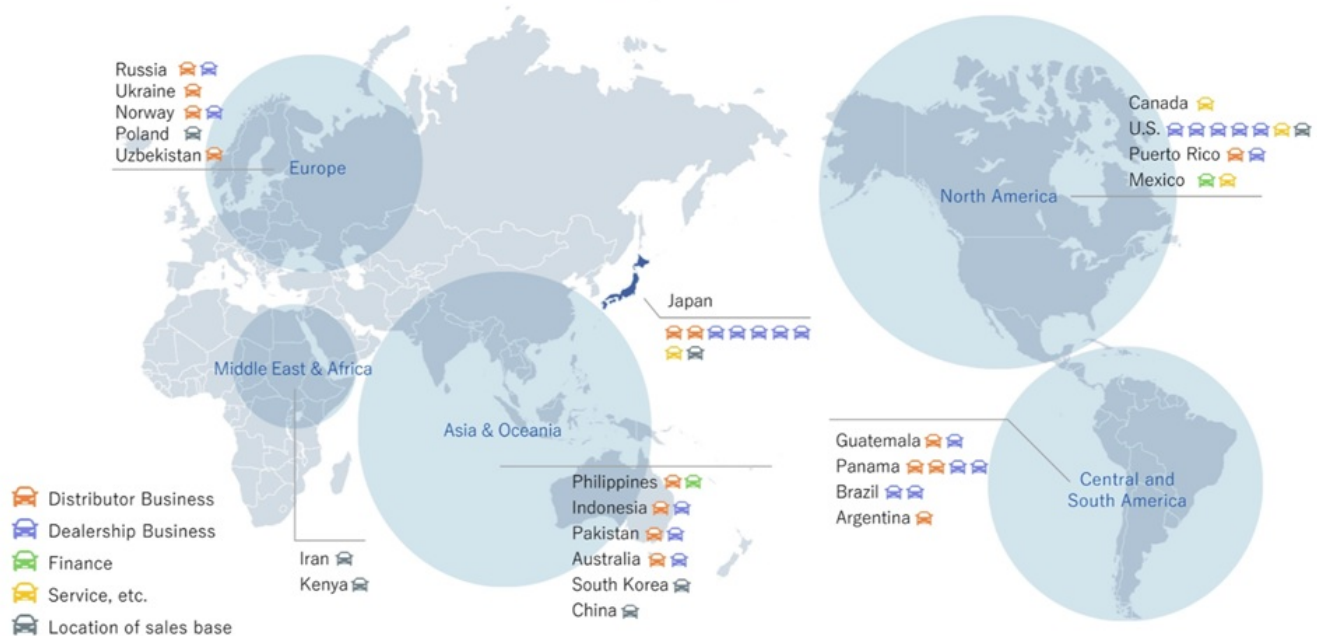
strategically indispensable today.

This is not a trading transaction. It is industrial policy executed through a commercial entity.

The global magnet industry is entering a period of fragmentation. China is tightening export controls. The United States is subsidizing domestic magnet production. Europe is scrambling to build processing capacity. South Korea is trying to climb the value chain. And Japan, still the world's most advanced magnet-manufacturing ecosystem, must secure feedstock in a world where supply is politicized.

Sojitz is the only Japanese entity with global reach across mining jurisdictions, technical understanding of rare earth processing economics, long-term credibility with both producers and end users, and institutional alignment with METI's resource-security agenda.

Japan's automotive, robotics, and electronics sectors depend on a stable supply of magnets. Stable magnet supply depends on stable rare earth supply. And stable rare earth supply depends, more than any other single factor, on Sojitz's ability to maintain diversified, politically resilient sourcing channels.



In most countries, trading houses are commercial intermediaries. In Japan, they are extensions of national strategy. Sojitz's rare earth portfolio is not large in dollar terms, but its strategic value is enormous. It is the connective tissue between upstream producers, midstream processors, downstream manufacturers, and government resource-security policy.

Japan's rare earth strategy works because Sojitz exists. And as geopolitical pressure intensifies, Sojitz's role will only grow more central. The next decade of magnet-industry geopolitics will be shaped not only by miners and processors, but by the trading house that has quietly become Japan's most important rare earth power broker.