



# JARA NEWS

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## To increase cooperation with partner rebuilt parts manufacturers

products to companies other than participating JARA members. Thus, we need to present a good reason for why JARA should be the medium through which buy such parts." (*Daily Automotive News, April 19 issue*)

## JARA denoting September as "Rebuilt Parts Month"

As a measure to increase sales of rebuilt parts, Japan Automotive Recyclers Alliance Corporation (JARA) has decided to brand September 2018 as "Rebuilt Parts Month." Last year, JARA set its goal of a 10% increase in the combined purchase of rebuilt and new parts compared to the previous year. Thus, the Rebuilt Parts Month has been named as one of JARA's efforts to meet this goal.

JARA President Soshō Kitajima said, "We want to comprehensively enhance sales promotion activities, while also making sure to be understanding of the needs of each partner manufacturer of such parts." At present, although the overall demand for rebuilt parts is high, the level of sales remains "uneven among our member companies," as acknowledged by Kitajima. In order to address this issue, in 2018, Kitajima began overseeing sales activities of the company. Shortly afterward, he branded specified the Rebuilt Parts Month and began initiating periodical sales campaigns, and organizing seminars and workshops with members.

JARA is currently making operational plans, developing ideas such as poster creation, while making sure to accept ideas from members. JARA is to have a planning meeting in mid-June of this year. The company received one opinion, which said, "Rebuilt parts manufacturers sell their

## METI hosts strategy meeting for new automobile era

On April 18, the Ministry of Economy, Trade and Industry (METI) held its "Strategy Meeting for a New Automobile Era" in its office. Minister Hiroshige Seko said, "To face this revolution, we shouldn't just focus on defense. Instead, we must view this new era as an opportunity to go on the offensive. Then, we produce a reform. We will move to seek the measures to achieve this goal by joining the public and private sectors."

In addition to forecasts on battery technology, the topics to be discussed include: the recycling and reuse of batteries, the measures to address issues related to the pricing and cruising range of electric vehicles (EVs) and battery-charging facilities, the effects of EVs on parts and material industries, and the efficient development of EVs through model base development (MBD). Topics about car sharing and trade policies will also be discussed.

An interim report on the directions of

## Toyota Tsusho to collaborate with Australian energy firm

Toyota Tsusho Corporation announced on April 19 that the company, together with EnergyAustralia, an electricity and gas provider in Australia, recently initiated a study on energy-saving services in Japan and Australia. By introducing advanced every-saving products and technologies that are currently being respectively implemented in the two countries, the two companies aim to alternatively develop their services in the other country. For Toyota Tsusho, this move will be an opportunity to sell its products in Australia, and EnergyAustralia will also be able to introduce its every-saving technologies to Japan.

In Australia, as a climate change countermeasure, there is growing interest in corporate and home-use energy-saving technologies. As such, interest in Japanese technologies continues to increase.

The two companies are planning to jointly conduct market research on each technology in the other country and then commercialize it. (*Daily Automotive News, April 20 issue*)

electrified vehicle technologies is expected to be compiled up until summer of this year. Seko suggested that he send the new strategy abroad, as "it is important to show the world that Japan will ambitiously fight."

In 2010, METI has announced its "Next Generation Automobile Strategy," which contained the goals related to the diffusion of eco-cars, and, in 2014, its "Automotive Industry Strategy," which discussed the future directions of human resources, trade policies, and the revitalization of the domestic auto market. (*Daily Automotive News, April 19 issue*)





ASEAN is an impregnable fortress for Japanese automakers, pictured in Indonesia

## Japan's strategy to encompass the Asian market to counter China

China will introduce its new energy vehicle (NEV) regulations in 2019. They are based on the zero emissions vehicle (ZEV) regulations in the United States, which are applied on a sales volume basis: however, China's NEV regulations are applied based on the production volume of the vehicles. Automakers will be required to maintain NEV credits equal to a set percentage of non-NEV production volume. The credits will be traded between automakers.

Sellers of the credits are automakers that produce many electric vehicles (EVs). Most existing automakers are in the position of

buyers of the credits. In the United States, Tesla Motors earns billions of dollars from credit sales every year. The specialist EV manufacturer mostly sells its credits to Japanese existing automakers, such as Toyota Motor Corp. and Honda Motor Co.

Traded credits are one of the "virtual currencies" and do not require the government expenditures, so they are easily traded. However, the cost will finally be passed on to consumers. If carbon dioxide regulations using the credit trading system are disorderly introduced in a disorderly manner in Association of Southeast Asian Nations (ASEAN) countries and India, automakers will bear a heavy burden.

As another concern, the Chinese government and automakers are likely to drive the export of EVs and electric motorcycles. Overproduced inferior EVs and

electric motorcycles might enter the Chinese domestic market at the beginning: however, they might be lost in a way as the existing automakers deal with the regulations. At that time, the Chinese government is highly likely to provide subsidies for the export of EVs and electric motorcycles. In ASEAN countries, in particular, where there is an impregnable fortress of Japanese automakers, how will the market be affected with by deeply discounted Chinese EVs and electric motorcycles? In the ASEAN market, where many are seduced by the susceptible to Chinese power under the slogan of "One Belt, One Road," the Japanese automakers might be easily swayed by Chinese products.

Since 2017 year, the British and French governments have announced bans on sales of vehicles with internal combustion engines in the future, while German automakers, such as Volkswagen, unveiled their strategies focusing on electrified vehicles. However, the International Energy Agency (IEA) foresees that, even in 2040, roughly 70 percent of total vehicles sold in the world will be powered by engines. EVs are not likely to replace engine-powered vehicles quickly.

The Japanese Ministry of Economy, Trade and Industry (METI) is planning to send its message on the strategy of EV diffusion to Asia and other countries, along with the countermeasures for batteries, connected car technology, and car sharing. (*Daily Automotive News, April 19 issue*)



MLIT approves interim report regarding OBD-based vehicle inspection and will conduct verification until autumn 2018

## Transport ministry approves interim report on OBD inspection

The Ministry of Land, Infrastructure, Transport and Tourism (MLIT) held a meeting concerning "Talks about Vehicle Inspection Methods using Onboard Diagnostics (OBD)" and prepared an interim report on April 24, 2018. The inspection

is slated for commencement in 2024, covering new vehicles (cars, buses and trucks) manufactured in 2021 and later. Scan tools will be employed to read the specific diagnostic trouble code (DTC) for the vehicle, while the pending option for acceptance and rejection using warning lamps, which was discussed in the previous meeting, was put off in this meeting.

According to the interim report, the OBD-based inspection will be applied to driving-assist systems, autonomous driving, and exhaust-emission-related equipment. The autonomous-assist system includes equipment for a lane changing system and automatic parking. However, impact mitigation braking systems (automatic braking) for passenger cars are not covered in the new inspection, because there are no safety standards for such systems.

The MLIT is to set up specialist working groups for specific DTCs, for discussions about DTC data standards and information control, as well as about specifications and certification systems for scan tools used by designated car maintenance plants. The ministry will also start verification tests of procedures for automakers and importers

who choose specific DTCs and submit them to the MLIT. The tests will also cover the DTC entering methods onto designated scan tools, and DTC reading methods at the vehicle maintenance plants.

The MLIT is planning to conduct verification tests until autumn and compile the final report, which includes a set of amendments of related regulations and notices, in October 2018.

### CO2 Reduction Effect (based on JARA System)

The use of Reuse Parts saved  
**2,508 tons of CO2 emissions**  
in March 2018

The reference figure represents the difference of carbon dioxide (CO2) emissions at the vehicle repair using genuine (new) parts and recycled parts.\*

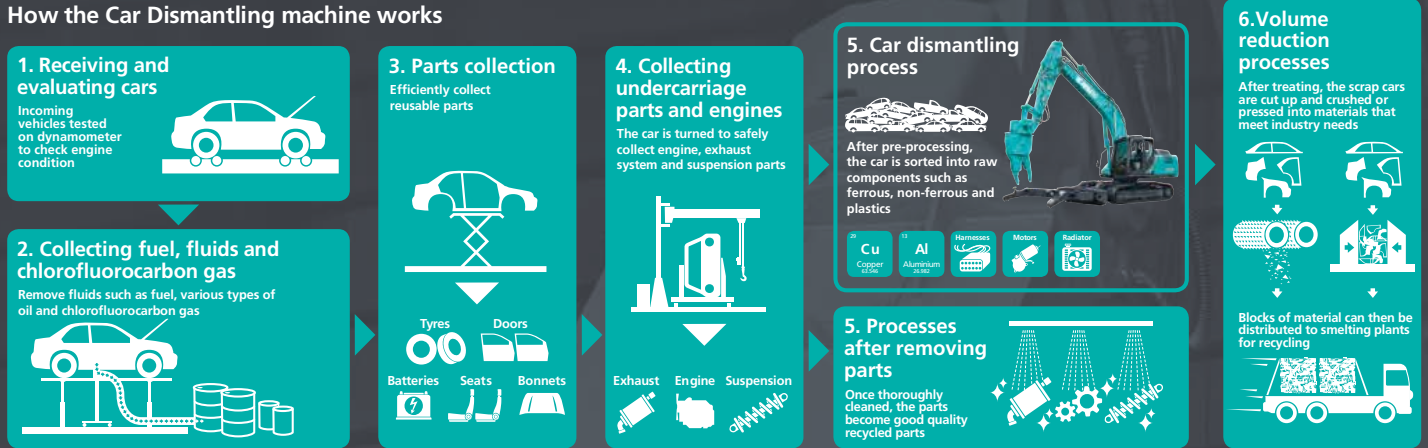
\*: Based on "Green Point System", which was jointly developed by the Japan Automotive Parts Recyclers Association and Waseda University Environmental Research Institute using a life cycle assessment (LCA) technique.





## Dismantling process flow chart

How the Car Dismantling machine works



## The Evolution of car dismantling industry by Kobelco

Four times\* the vehicle dismantling capability compared with hand dismantling.

\*In one day (Kobelco test figures)

**15 vehicles >**  
One operative working by hand.

**60 vehicles >**  
One operative in a Kobelco Car Dismantling machine.

Engine, Catalytic Agents, Body Steel, Seats, Windows, Wheels/Tyres, Suspension, Radiator, Brakes, Front & Rear Bumpers, Transmission, Doors, Harnesses

The machine's special attachment is designed to strip materials from End-of-Life Vehicles (ELV) safely and thoroughly

Improved recovery rate of rare earth metals

Fe Iron	Al Aluminum	Cu Copper	Pt Platinum	Pd Palladium
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Separation of these valuable materials is quicker and easier and can be performed with one Kobelco machine.



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