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Tokyo Head Office: 1 F. Yaesu KT Bldg. 1-1-8,
Yaesu, Chuo-ku, Tokyo JAPAN 103-0028
Phone: +81 3 3548 3010 / Fax: +81 3 3231 4690

The 11th AAEF held in India, confirms the importance of ties between recyclers and automakers

The 11th Asian Automotive Environmental Forum (AAEF) was organized in New Delhi on November 1, 2018. The AAEF was organized in India for the first time and approximately 200 delegates from seven countries participated in the main conference and the related meetings. These delegates included automakers, representatives from the automotive recycling industry, and those from government and academic sectors. From the hosting country India, the board of directors of the Metal Recycling Association of India (MRAI) and the



Chairman of the AAEF Japan Committee, Professor YU Jeong-soo, Tohoku University Graduate School declared the opening of the 11th AAEF

CO₂ Reduction Effect (based on JARA System)

The use of Reuse Parts saved
3,088 tons of CO₂ emissions
in November 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.



The speakers from every country were asked many questions by the audience

Society of the Indian Automobile Manufacturers (SIAM) attended the event. From Japan, directors and members of the AAEF Japan Committee (Chairman Professor YU Jeong-soo, Tohoku University Graduate School) and the non-profit organization Japan Automotive Recycling Alliance (NPO-JARA Chairman Satoshi Takahashi), as well as the representatives of Toyota Tsusho Corporation, Kobelco Construction Machinery Co., Ltd. automakers and NPO-JARA member companies participated in the event.

India responding to rapid growth

In the opening session of the conference, Professor YU Jeong-soo stressed the necessity of the responding to changing environment surrounding the automotive industry. He added, "In addition to its core members, Japan, China and South Korea, the AAEF has recently welcomed Malaysia, Australia, and Mongolia. We need to further widen AAEF's coverage." He further added, "We also welcome India, the newest member."

The annual sales figures in the new vehicle market in India are expected to grow from 4 million-unit at present to 10 million units in 2030. End-of-life-vehicles (ELVs) are also expected to significantly increase in the country.

A member of a recycling group of SIAM expressed concerns, "Older vehicles are extensively used in India, which causes air pollution. Now, the Government is considering an incentive program for purchasing new vehicles to replace with the older ones." At present, the recycling of ELVs is primarily done by medium- to small-sized recyclers, which are mostly located in big cities. "Even if a large number of ELVs appear, the capacity of recyclers would not be enough. They cannot handle proper processing of electric auto parts."

Further, SIAM, jointly with the government and heavy industries association, is involved in

building an advanced automobile recycling system. A new plant fitted with the latest equipment and facilities is likely to be constructed in the suburbs of Chennai.

MRAI is also involved in developing proper dismantling of ELVs as well as reducing the use of heavy metals. It recognizes the importance of the relationship between recyclers and automakers.

Increasing awareness about the importance of automobile recycling

The participants paid careful attentions to Japan's advanced auto recycling system. Professor YU Jeong-soo explained Japan's efforts, and then referred to the global impact of resources recycling and cross-border pollution. At present, many used hybrid vehicles are exported from Japan to Mongolia, Sri Lanka, Myanmar, and Pakistan. "When the hybrid vehicles become ELVs in these countries, it could cause issues. Since people all over the world have suffered natural disasters in recent years, he reported that, in Japan, the Japan Automobile Recycling Promotion Center (JARC), jointly with the environment ministry, is creating a manual for proper recycling of vehicle damaged due to disasters.

Meanwhile, YU also pointed out that due to the China's import restrictions on industrial wastes, export of miscellaneous goods and electric products from Japan is likely to be difficult. In China, authorities are tightening the rules regarding environment-related issues, which might affect the country's auto recycling businesses. "In future, environmental regulations are expected to be tightened in all Asian countries, Japan's technical support would be much sought-after in building the automotive recycling systems and rule-making, especially in developing countries." (*Daily Automotive News, Dec. 6, 2018 issue*)



Many people from Japan participated in the conference



Rebuilt parts, etc. are on display at the JARA booth

JARA and partners join old cars festival in Odaiba

Japan Automotive Recycling Alliance Corporation (JARA, President Soshio Kitajima) participated in the Odaiba Kyusha Tengoku 2018 (Odaiba Old Car Festival), which was held in Tokyo's Odaiba area. JARA's partner rebuilt parts manufacturers jointly exhibited their products. They were Links Japan Co., Ltd., Turbo Techno Service Co., Ltd., TAS Corporation's Yokohama Generator Supply Division, and Soshin Co., Ltd.

At the JARA booth, cut models of turbochargers and compressors, as well as starters, were displayed. Promotional leaflets on recycled auto parts were also provided to visitors. Many owners of old and classic cars that were made during Japan's Showa Era attended the event. Exhibitors' staff received

many inquiries regarding recycled parts from visitors.

"It was a good opportunity to directly communicate with visitors regarding the low-priced recycled- and reuse-parts that are under warranty," JARA said. (*Daily Automotive News, Dec. 13, 2018 issue*)

China's ban on waste plastics import brakes shredding operations in Japan

Shredding of ELV bodies and remaining materials is slowed down at shredding operators' facilities, with stocks piled up to wait. In October 2018, pile of such vehicles increased by 7.5 percent compared to the previous year to 22,456, caused by China's ban on import of waste plastics. Following the ban, shredder residues of household electrical appliances had a sharp increase and rush to the shredding facilities, resulting in a scale down of shredding capacity of automobiles.

Usually, every year ELV body shedding peaks in March and April and this pace goes down coinciding with new vehicle's sales performance. However, affected by China's import restrictions on industrial waste and import ban on waste plastics, which were introduced in June 2016 and December 2017, respectively, waste electrical appliances and used plastics stock have no place to go but pile up in Japan.

(*Daily Automotive News, Dec. 4, 2018 issue*)

Toyota Tsusho increases Lithium carbonate output in South America

Toyota Tsusho Corporation announced their plans to increase lithium carbonate production capacity in Argentina. The production is a joint operation with Australia's Orocobre Ltd. By 2020, company plans to increase the output volumes by 1.7 times the current level. With an increase in the production capacity of lithium carbonate output is expected to increase to 42,500 tons per year. This move comes as one of the company's efforts to meet the growing demand for electric vehicles (EVs), with planned investment of 295.00 US\$ (33.4 billion yen) in facility expansion.

Since 2014, Toyota Tsusho facilities at Salar de Olaroz, Argentina, has been producing lithium carbonate, by pumping up sea water containing metal carbonate, followed by evaporating and concentrating processes. Currently, it produces 25,000 tons of Lithium carbonate annually.

On completion of the expansion, increased capacity is partially expected to go for Lithium hydroxide output, which is also used for EVs.

ELV acceptance expected to grow for two consecutive years

In 2018, accepted numbers of end-of-life-vehicles (ELVs) by certified operators is expected to increase compared to the previous year, marking yearly increase for two consecutive years. According to the Japan Automobile Recycling Promotion Center (JARC), the ELV acceptance in November 2018 increased by 2.9 percent on the year to 275,446 units. As the numbers during January-November 2018 period was 3,085,669 units, the full year 2018 figures are expected to be close to 3.36 million units, about 90,000 units more than the previous year.

Increase in sales of new vehicles contributed to the growing trend of ELVs. During January-November 2018, new vehicle sales were 4,884,542 units, up 0.9 percent higher than the previous year, and by the end of 2018 figures are expected to surpass 5 million units for the second year in a row. This facilitates the growth of ELVs. If the numbers of ELV acceptance



Some shredding operators reduce trading volume

This scenario affected the automobile shredding operations. "Some operators are forced to reduce trading volume of ELV shredding," JARC said.

Recyclers have to pay close attentions to the future trends in other Asian countries. As import ban on waste plastics is also introduced in Thailand, Malaysia and Vietnam. According to the Ministry of Environment, Japan emits 900 million tons of waste plastics annually out of which 140 million tons are exported to China per year. The amount of automobile shredder residues (ASRs) in Japan aggregates to only 600,000 tons a year, which contributes very small portion of waste plastics.

If a huge amount of industrial wastes has no overseas place but to build up in Japan, recycling businesses would face serious problems in near future. This situation may pose great impact on the automobile recycling industry in Japan, which until now relied on overseas markets. (*Daily Automotive News, Dec.6, 2018 issue*)

surpasses 3.3 million units, it would be for the first time in four years.

Another factor contributing to the growth of ELV is high trade prices of scrap steels. Since November 2016, scrap steel prices have been high: currently, it is between 32,000 yen to 33,000 yen per ton. Further, many vehicles were damaged by disasters, which hit in Japan in the summer of 2018, also contributed to the increase in ELV acceptance increase.

Meanwhile, for fiscal year 2018 ending in March 2019, JARC expects an annual increase of 2.6 percent comparing to the previous year figure to 3.39 million units. (*Daily Automotive News, Dec. 20, 2018 issue*)

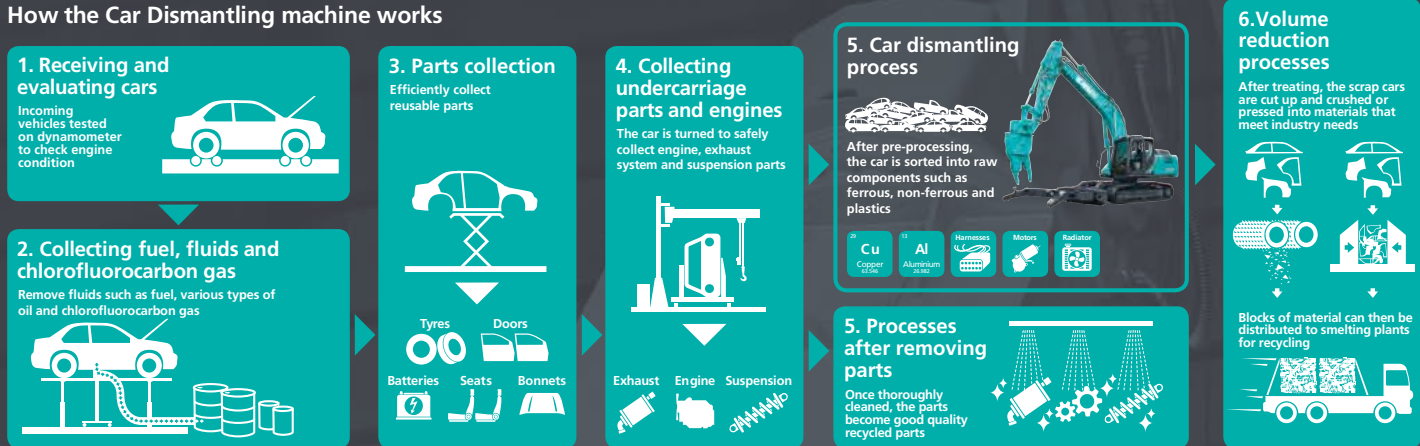


Acceptance of ELVs is expected to be above 3.3 million units for the first time in 4 years



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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