

News from

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JAPAN AUTOMOBILE MANUFACTURERS ASSOCIATION, INC.

Top News

AAF-TC takes up harmonization,
other matters at Jakarta meeting

On February 4-5, members of the ASEAN Automotive Federation Technical Committee (AAF-TC) represented by Indonesia, Malaysia, Philippines, Singapore, Thailand and Vietnam, assembled in Bali, Indonesia to discuss pending issues related to harmonization of standards in three key areas: the environment, certification and safety.

At present, each ASEAN country maintains its own certification system, administered by a related government organization. As the distribution of vehicles and their parts is expected to expand in the future, it has become a crucial matter to avoid any technical barriers based on different standards.

AAF-TC has yet to reach consensus on which of two systems in use in ASEAN — self-certification by manufacturers or governmental approval based on test reports submitted by manufacturers — is the most appropriate. While establishment of a unified system may not prove easy, it is generally agreed among AAF industries that similar tests should not be duplicated in each country. The UN/ECE 1958 agreement, which embraces the concept of mutual recognition, is viewed by AMEICC as a model that may guide the way to a similar approval system in the future.

In preparation for the upcoming AMEICC meeting scheduled for May, the AAF-TC's three working groups conducted meetings on their respective topics.

WG1 (environment)

– reconfirmed the agreement to adopt the minimum gas emission standards applied by “EURO2” by the end of 2005 for gasoline powered vehicles, and 2007 for diesel. A schedule for improvement of fuel quality was confirmed, and comprehensive road map formulated to achieve the objectives.

WG2 (certification)

– decided to keep the targets for “seatbelts” and “tires” pegged to 2005 (2007 for Vietnam). Also, it was decided to harmonize the certification system among ASEAN countries by following the concept of “Tested Once, Accepted Everywhere.” The concept for harmonization of the certification system stands as a critical turning point for the region's manufacturers.

WG3 (safety)

– representatives discussed the means by which their present safety conditions could be adopted to ECE standards.

Report: Experts Dispatch Program Phase Two in Thailand and Indonesia

In the previous issue, we reported on progress of Phase Two of the ASEAN Experts Dispatch Program in the Philippines and Malaysia. The report continues in two other nations.

In Thailand

The Automotive Expert Dispatch Program for Thailand consists of a team of six Japanese specialists and 10 local counterparts, who call on two companies a week. Most of the ten counterparts were recruited specifically for this project, and demonstrate excellent abilities.

At the strong request of the Thailand Automotive Institute (TAI) to call upon as many companies as possible, the team has been conducting two visits per week over a four-week cycle. Despite the grueling schedule, by the end of the first stage on March 24, the program will have made calls on some 40 companies.

Thai component manufacturers are an extremely diverse group, and particularly those in the second and third tier often lack power.



Because Thai manufacturers are becoming involved in the development and production of new vehicle models, awareness of the need for production preparation has been gaining in importance.

The second stage is expected to continue at the same level, including follow-up calls to manufacturers that have already received earlier visits. The program's main tasks are gradually shifting to the local counterparts, who are expected to assume most of the work from this coming October.

In Indonesia

From Phase Two, the Automotive Expert Dispatch Scheme for Indonesia (AEDSI) opened its own



office, located on the 10th floor of Indonesia's Ministry of Industry and Trade.

The AEDSI office is headed by coordinator Mr. H. Takayama and staffed by Messrs. Y. Saito, K. Endo, S. Nakajima and K. Inoue. They are assisted by the same Indonesian staff as Phase One of the program, including Mr. Husni, and Messrs. Afandi and Noegardjito from and office Secretary Deeta.

The program's guidelines can be summarized by the Japanese term "KAIZEN" (improvement), as applies to such areas as reduction of defects, and the "5S" (Sorting, Simplifying, Systematic Cleaning, Standardizing, and Sustaining) applied to raise productivity. To these, which were also a part of Phase One, the Phase Two has added instruction in control systems aimed at stabilizing the supply of products to customers.

Accompanied by Mr. Husni, members of the expert team took part in KAIZEN meetings with staff of local industries that had participated in the previous phase, where they were warmly welcomed.

Despite the relatively brief duration of training, the knowhow imparted by the experts has taken root and recipients of the visits continue to show promising results.

SERIES: The Future of Motoring

Exciting New Technologies on the Horizon

Part II. Car Telematics

(second of two parts)

In our previous installment, we introduced the emerging technology called “Car Telematics” — a word combining “telecommunication” and “informatics” — which can be expected to bring about more efficient, more convenient and safer motoring lifestyles.

The most widely used form of telematics at present is the GPS car navigation system, a technology that has been in existence for over a decade and which boasts approximately 12 million users in Japan. As of March 2003, Japan also had an estimated 6.58 million users of VICS (Vehicle Information and Communications System), which uses multiplexed FM signals to communicate road traffic and other data to drivers. Another rapidly growing service is ETC, a convenient cashless payment system designed to reduce congestion at highway toll gates.

Driver safety is a prime concern. Since April 1990 a working group within JAMA has developed guidelines to encourage the smooth development and introduction of Telematics-related technologies. A key concern at this stage is establishing strict guidelines for safety. To avoid the problem of “driver distraction” while the vehicle is in motion, Japan’s government and private sector worked out revised guidelines related to in-vehicle displays and controls that took effect in January 2000. Japan is also keeping abreast of developments at

the NHTSA (National Highway Traffic Safety Administration) in the United States and OICA (Organisation International des Constructeurs d’Automobiles) in Europe, as well as product standards established by the ISO.

Telematics will take many forms, some of which are designed to interface with the Internet and other media in a ubiquitous environment using cars and mobile phones. In addition to moving vehicles, Telematics capabilities can easily be extended to supply data to mobile terminals carried by people away from their vehicles, which may help to realize a people-friendly “mobile society.”

Also well along in development are such advanced technologies as voice synthesis and voice recognition to create an interface between cars and humans, and with practical applications related to driver and vehicle security. In the area of safety, manufacturers are experimenting with devices that recognize inattentive driving patterns or encroaching sleepiness that can lead to accidents and immediately alert the driver.

Some experts believe that the age of Telematics will take off in earnest when automakers begin to bundle services into a package designed to boost so-called customer relationship marketing (CRM) activities. To this end, Japan’s automakers are already well along in development of sophisticated telematics systems designed to close ties between manufacturers and their millions of customers. These include Toyota’s “G-BOOK,” Nissan’s “Car Wings” and Honda’s “Internavi Premium Club,” to name three examples.

Sales & Production Data for 2002/2003

		Sales		Production	
		2002	2003	2002	2003
Indonesia	Passenger Cars	26,689 -24.2%	38,925 +45.8%	24,006 -25.5%	20,897 -13.0%
	Commercial Vehicles	291,101 +10.1%	315,704 +8.5%	329,522 +11.3%	355,295 +7.8%
	Total	317,790 +6.1%	354,629 +11.6%	353,528 +7.7%	376,192 +6.4%
Malaysia	Passenger Cars	375,358 +9.4%	334,416 -10.9%	380,050 +6.8%	324,911 -14.5%
	Commercial Vehicles	59,596 +12.2%	70,594 +18.5%	76,772 +5.4%	99,196 +29.2%
	Total	434,954 +9.7%	405,010 -6.9%	456,822 +6.6%	424,107 -7.2%
Philippines	Passenger Cars	21,728 -8.3%	24,321 +11.9%	N/A	N/A
	Commercial Vehicles	63,859 +20.5%	68,015 +6.5%	N/A	N/A
	Total	85,587 +11.6%	92,336 +7.9%	N/A	N/A
Singapore	Passenger Cars	66,203 -4.6%	83,458 +26.1%		
	Commercial Vehicles	11,743 -25.1%	15,378 +31.0%		
	Total	77,946 -8.4%	98,836 +26.8%		
Thailand	Passenger Cars	126,353 +20.9%	179,005 +41.7%	169,321 +8.5%	251,691 +48.6%
	Commercial Vehicles	283,009 +50.0%	354,171 +25.1%	415,633 +37.0%	490,371 +18.0%
	Total	409,362 +39.6%	533,176 +30.2%	584,954 +27.3%	742,062 +26.9%
Total	Passenger Cars	616,331 +7.0%	660,125 +7.1%	573,377 +5.4%	577,157 +0.7%
	Commercial Vehicles	709,308 +23.4%	823,862 +16.2%	821,927 +22.3%	944,862 +15.0%
	Total	1,325,639 +15.2%	1,483,987 +11.9%	1,395,304 +14.7%	1,542,361 +10.5%

Announcement regarding NEWS FROM JAMA

Thanks to your support and encouragement, NEWS FROM JAMA Asia-Pacific Edition has been communicating with readers for nearly three years since its launch, through nine print editions up to now. In each issue, we have worked to provide readers in Asia with the latest information regarding such topics as JAMA's involvement in AFTA, news related to the activities and contributions achieved by the automotive exports dispatch program, new technological advancements in Japan and others. To reach greater numbers of readers in a more

timely manner, from May 2004 JAMA has announced its plans to post the contents of this newsletter on its re-designed site on the World Wide Web. From May, readers are encouraged to visit the site at <http://www.jama.or.jp> (and then clicking on "English" that appears at the top of the screen), to obtain the latest updates of NEWS FROM JAMA Asia-Pacific Edition on "Asia Page."

We hope you will enjoy our new, electronic version, and look forward to seeing you on the Web!

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