

New car recycling law in Japan



The treatment of End-of-Life Vehicles (ELVs) has been identified in Japan - as in the European Union - as a key challenge in the field of waste management in the years to come. Every year, approximately five million automobiles are taken off the roads in Japan, containing reusable metals and parts. Although these are already processed for recycling and final disposal, the Japanese Government recognised an urgent need to reform the current system and, hence, adopted a new law on the recycling of ELVs in May of this year.

End-of-Life Vehicles – a key challenge in Japan and the EU

The proposal would create a new ELV recycling system to ensure the proper recycling and appropriate treatment of ELVs by assigning mandatory roles to car producers and other economic operators. It takes into account the reduced availability of landfill sites for waste disposal and of growing public concern over illegal dumping and the inappropriate treatment of waste in Japan.

Under the new system, vehicle owners will be obliged to deliver their ELVs to authorised facilities. Following the producer responsibility principle, manufacturers and importers are responsible for the recycling of ELVs and have to accept their own vehicles.

The costs for the treatment of ELVs, however, will be borne by vehicle owners. Following the implementation of the new ELV law, the recycling

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fees will be collected at the sale of a new car or the first periodic inspection of every in-use vehicle. The collected recycling fees will be paid into a fund and managed by a non-profit organisation. The surplus – resulting from the export of ELVs and old cars – will be used to help local governments in Japan to cover the costs of combating illegal dumping and disposal.

The European Union, where nine million tonnes of ELVs accumulate every year, has reacted to this challenge in a

similar way - by making producers responsible for the treatment of ELVs. A Directive on the treatment of ELVs was adopted in 2000, requiring EU Member States to set up take-back systems for new cars by 1 July 2002 and for old cars by 2007. A majority of Member States is, however, still in the process of adopting national implementing legislation.

Both the EU and Japan refrain from charging the last owner of a vehicle for the treatment of ELVs to avoid illegal

dumping of vehicles. There is one major difference, however: in Japan, new vehicle owners have to foot the bill, while the EU established that carmakers have to bear *all or a significant part* of the costs.

A crucial step in fostering sustainable transport

The new systems in Japan and in the EU constitute crucial steps in fostering sustainable transport and will ensure that vehicles are easy and almost completely recyclable. ■

Topic

“Cleaner Fuels for Cleaner Air”

JAMA and the Japanese automobile industry participate in numerous initiatives which aim to improve the current ecological situation and to protect the environment. JAMA is particularly active in various initiatives which aim to reduce automobile exhaust emissions, including carbon dioxide (CO₂).

JAMA supported the launch of a new initiative at the Johannesburg Summit

At the World Summit on Sustainable Development (WSSD), JAMA supported the launch of a further initiative to combat transport-related air pollution world-wide by using cleaner fuels and cleaner vehicles.

As part of this “Cleaner Fuels for Cleaner Air” initiative, the United Nations Environment Programme (UNEP) and a number of industry organisations, governments, and NGOs discuss health and environmental impacts of air pollution linked to transport-related emissions, policy frameworks, and technological solutions to help protect the environment.

Mr Suzuki, JAMA President, participated in this initial debate, contributing to the discussion by outlining existing efforts and

illustrating JAMA's visions for the future.

Fuel quality is a crucial factor in achieving cleaner emissions and reducing CO₂

JAMA acknowledges that fuel quality is a crucial factor in achieving cleaner emissions and reducing CO₂. At this stage, the automobile associations in Japan, Europe, and the U.S. are actively engaged in the process of the global harmonisation of fuel properties. JAMA and its European (ACEA) and U.S. (AAM, the Alliance) counterparts have been joint partners in the World-Wide Fuel Charter since its establishment.

Activities in the World-Wide Fuel Charter were launched eight years ago when the automobile associations in joint co-operation with the U.S. Engine Manufacturers Association (EMA) started a series of discussions concerning the standardisation of fuel properties. Fuel property standards were first announced in 1998 and further developed in 2000, with a second modification scheduled for this year. Accordingly, standards for petrol and diesel fuel are divided into four categories respectively, ranging from standards for developing countries to future standards.

The World-Wide Fuel Charter is becoming a global initiative

JAMA, ACEA and the Alliance are not the only associations endorsing this Charter. Similar endorsement efforts are also being made by OICA and other automobile associations of Canada, China, the Philippines, South Korea, and Thailand which is gradually turning the Charter into a truly global effort.

JAMA acknowledges that improving fuel quality is a considerable task in view of the broad range of fuel properties that exists world-wide. A strong emphasis in this task is placed on the elimination of lead because of its particularly severe impact on human health. It is equally important to achieve a decrease in the sulphur content of fuel to reduce vehicle emissions.

JAMA is striving to improve the quality of fuels and lubricants in Asia

In Asia, JAMA is striving to improve the quality of fuels and lubricants by co-ordinating efforts with countries in the area. Every year, JAMA organises a meeting of the U.S.-based SAE's (Society of Automotive Engineers) Steering Committee for Asia in order to discuss the quality of fuels and lubricants on the Asian continent. The Steering Committee – comprising some thirty members from thirteen countries - is responsible for the establishment of the relevant standards and the development of respective test methods. It

was established eight years ago and has since been chaired by Japan.

With regard to fuels, the Committee has recently urged countries in the Asian region to: 1) aim for lead free fuels, 2) to develop a framework of ideal and desirable octane values, and 3) to encourage a reduction of the sulphur content of fuels. In the field of lubricants, the Committee has been responsible for

developing standards concerning motorcycle engine oils and diesel engine oils.

The presentation of the Steering Committee's annual activity report is usually held at an Asian venue and attended by some 200 experts, which allows frank and in-depth discussions.

JAMA hopes that the new WSSD "Cleaner Fuels for Cleaner Air" initiative will fur-

ther contribute to co-ordinated efforts to promote the use of more environmentally-friendly fuels throughout the world. JAMA is looking forward to actively participating in the partnership for "Cleaner Fuels for Cleaner Air" in order to advance the sound environmental progress of the automobile industry world-wide. ■

Profile

Shuhei Toyoda, President & Chief Executive Officer of Toyota Motor Europe

"It is part of Toyota's tradition to see change as beneficial to the company"

When you meet Shuhei Toyoda, the great-nephew of Kiichiro Toyoda, the founder of Japan's largest car company, you are struck by his modest demeanour and yet you know that here is the man who is taking Toyota into the 21st Century Europe – big time. Mr. Toyoda, the so-called father of the Yaris, wants to make Toyota more European, build more Toyotas in Europe and bring the company back to profitability.

The father of the Yaris wants to make Toyota more European

Today, Mr. Toyoda is Toyota's supremo in Europe, having been appointed President and CEO in April 2002 of Toyota Motor Europe, in charge of manufacturing, sales, engineering and marketing. A mechanical engineer by training, he studied tribology, the science of friction and lubrication, at Leeds University in England. He knew from a young age that he wanted to work in the automotive industry, no doubt influenced by his family lineage. Not surprisingly, he chose Toyota.



Mr. Shuhei Toyoda

He first started working on the lean-burn engine, then he moved on to the chassis division where he worked on the "Crown" model. This was followed by managing a diesel engine plant. He went on to vehicle evaluation and then product planning for domestic cars. Interestingly, it was during

this time that he was invited to the UK to study a site for Toyota's first European manufacturing plant. His recommendation, Burnaston in Derby, was to be the one, he proudly acknowledges. It was not long, however, before they called him back to Derby where he was responsible for purchasing and as he puts it "ensuring that Toyota was obtaining the right parts at the right price and at the right time."

Mr. Toyoda is looking to take Toyota into the 21st Century

In 1996 he was called back to Japan to take charge of the product planning for the development of the Yaris. For Mr. Toyoda, this was a unique opportunity to see something from start to finish, but the icing on the cake is of course when customers started to buy the product

and the car won the "European Car of the Year Award" in 2000. He acknowledges that the Yaris could be a contender to the best ever selling car, the Corolla, if they were to sell it in the US. In any case, he sees the compact car as a pre-requisite for the future.

With his new role in Europe, Mr. Toyoda is looking to take Toyota into the 21st Century aiming for a 5% share of the European market by 2005. Whilst he acknowledges Toyota's ambition to increase its market share (the company sold 660,000 units last year which equates to 3.8 % market share last year in Europe), he does not provide a precise figure, a sign of his caution as he must first tackle cutting costs – increasing profitability is of course his ultimate goal.

When the conversation turns to European legislation and, in particular, environmental policy, Mr. Toyoda states unequivocally that "it was necessary to introduce the many tough rules but at least the Europeans have now caught up with the US and Japan". Mr. Toyoda

"We continually seek to improve the environmental performance of our vehicles"

states that "we continually seek to improve the environmental performance of our vehicles", pointing to the latest advances in hybrid vehicles such as the Prius, fuel cell technology and the latest D-CAT diesel engine with its single catalyst capable of reducing both particulate matter and NOx, to be commercialised next year. In July, Toyota announced the marketing of a fuel cell hybrid passenger vehicle (FCHV-4), albeit limited, which they hope will contribute towards the establishment of standards and infrastructures for the popularisation of fuel cell vehicles and towards greater social acceptance of hydrogen as a fuel.

While Mr. Toyoda states that they have no specific plans for expansion in

Europe at the current time, he is looking forward to the alliance with PSA to jointly produce some 300,000 units in Poland by 2005. Some 100,000 of these will go under the Toyota brand and will be of small car type (so-called Sub-B segment) much liked in Europe these days.

Synergy – the key to Toyota's success in Europe

When asked about Toyota's success in Europe, Mr. Toyoda talks of synergy. He recalls that with the launch of the Yaris, Toyota was building its sales network across Europe and the two came together at the right time. There is no doubt that Toyota has many challenges ahead and many changes will need to be introduced but as he puts it "it is part of Toyota's tradition to see change as beneficial to the company". ■

Essay

by Peter Nunn

Small Cars

Carmakers, analysts and dealers are all talking these days about the changing market in Japan and, in particular, the new boom that's sprung up for small cars.

We're talking here of superminis and mini MPVs in around the 1.0-1.3-litre mark; smart new generation cars that are compact and interesting on the outside, also roomy and versatile inside. Cars that are temptingly affordable to buy and run, present a fresh new image on the road and are usually pretty zippy to drive, too.

Cars that fit this description include the likes of the Honda Fit (Jazz), new Nissan March (New Generation Micra), Toyota Vitz (Yaris), plus another Toyota model, the ist. The just-relaunched Mazda Demio (Mazda2) and Mini are also members of this new small car genre. Later this year, Mitsubishi will join the fold too with the new Colt supermini.

Some attribute this sudden rush to small cars to a flow of new products which

"fit" the needs of a changing market. As the economy tightens, so buyers, it seems, want a change. The car in demand is one that offers plenty in the way of packaging, versatility and utility, all wrapped up in a compact body and with low running costs the final icing on the cake. If the product is also brand new, so much the better.

Meantime cars like the Fit and March are not just attracting tribes of economy class passengers but also those trading down from bigger cars, even BMWs and suchlike. Why? Because swapping for a smaller car can be viewed as a smart

New small cars "fit" the needs of Japan's fast moving market

financial move in these straightened times. While this is going on, some 660 cc minicars buyers are also trading up seeing as the distance up to the small car has now narrowed.

In Japan's fast moving market, trends come and go yet there's a feeling there's something long lasting and substantial about this fascinating small car new wave,

as if they're really onto something. Big is beautiful, as the saying goes. But today in Japan, many might beg to differ. ■

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