



Japan Automobile Recycling Promotion Center / JARC

AUTOMOBILE RECYCLING SYSTEM

May 21st, 2024



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- 1. Background of the Automobile Recycling System**
- 2. Current Status of the Automobile Recycling System**

***JARC Profile**



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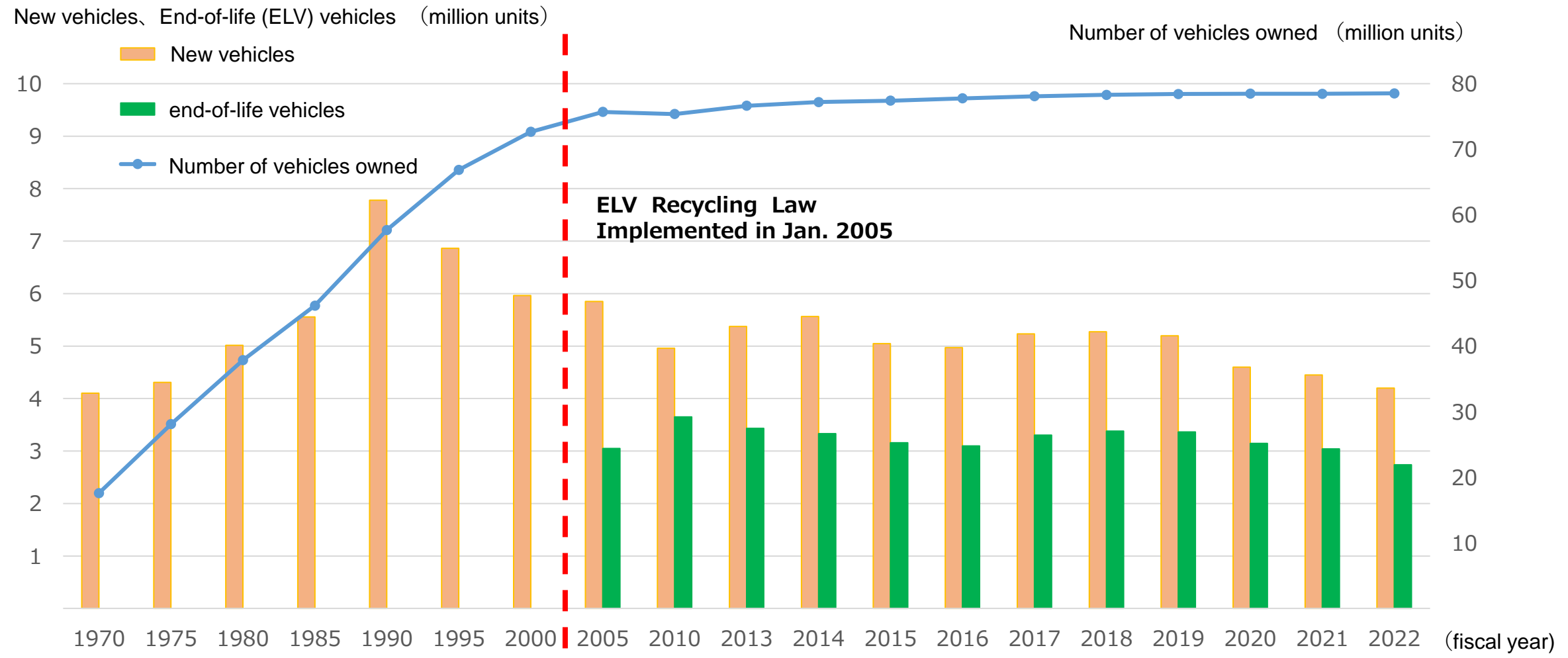
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Vehicle distribution situation data

Approximately 5 million new vehicles are sold in Japan every year.

Approximately 3 million vehicles are retired in Japan each year. (since 2005)

Currently, the number of vehicles owned in Japan exceeds 78 million.

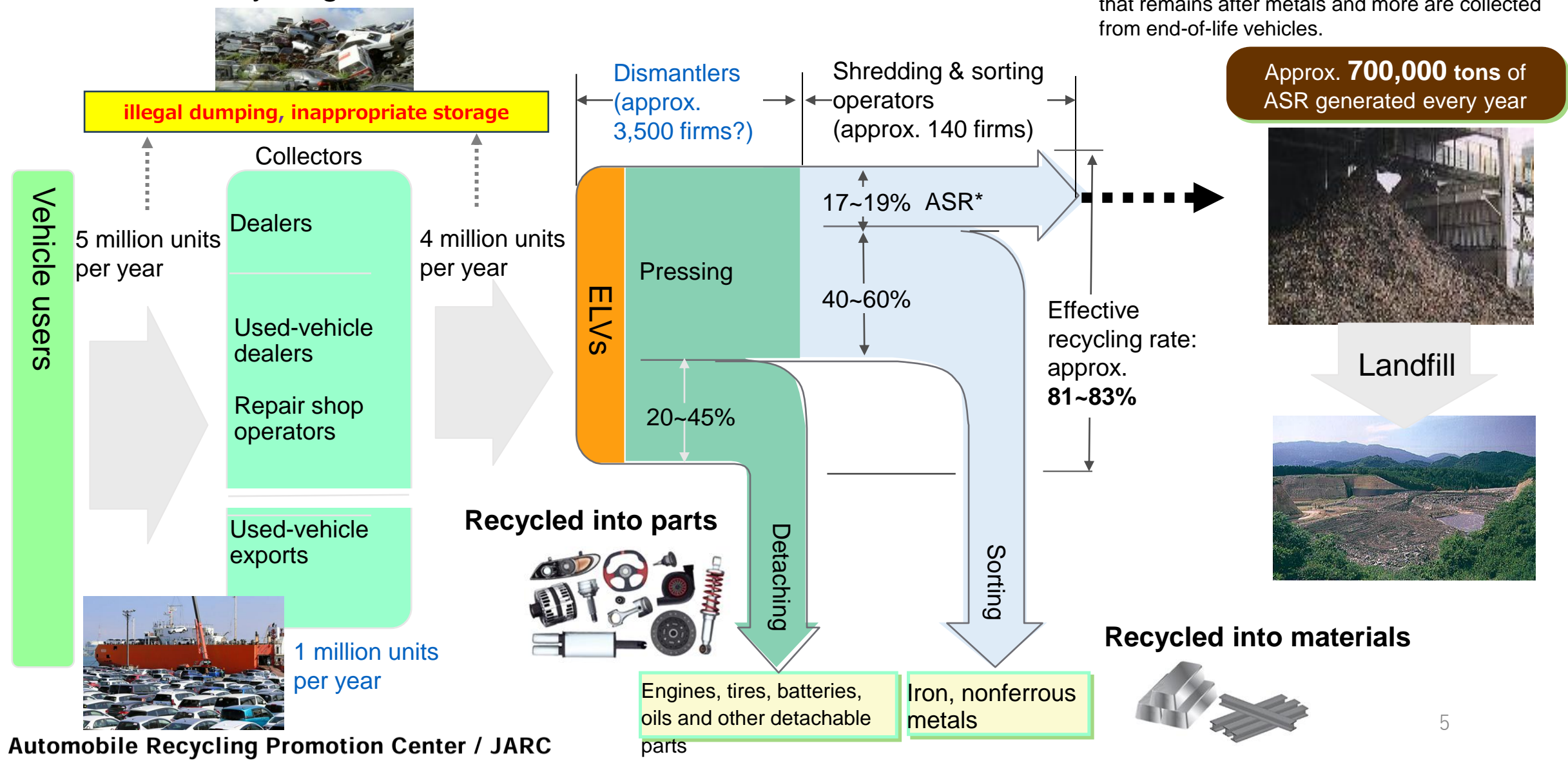


ELV Flow before ELV Recycling Law Legislation

Many businesses were involved in recycling end-of-life vehicles.
At that time, the recycling rate was around 80%.

*** A S R : Automobile Shredder Residue**

Crushed debris such as resin, rubber and glass that remains after metals and more are collected from end-of-life vehicles.



Past inappropriate cases

Such cases were occurring all over Japan.

1990s



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Illegal dumping and inappropriate disposal

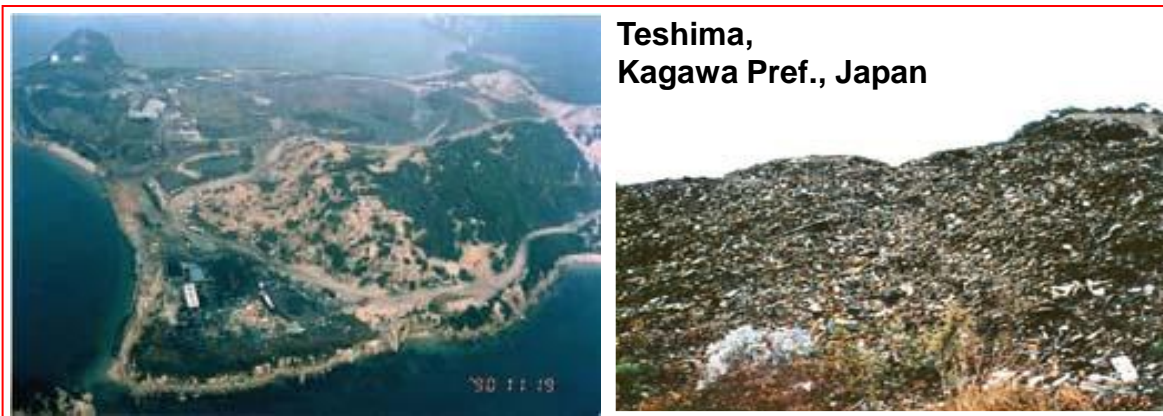
As of the end of September 2004

Total	Illegally dumped ELVs	Improperly piled ELVs
218,359 units	22,499 units	195,860 units

Source: Government council

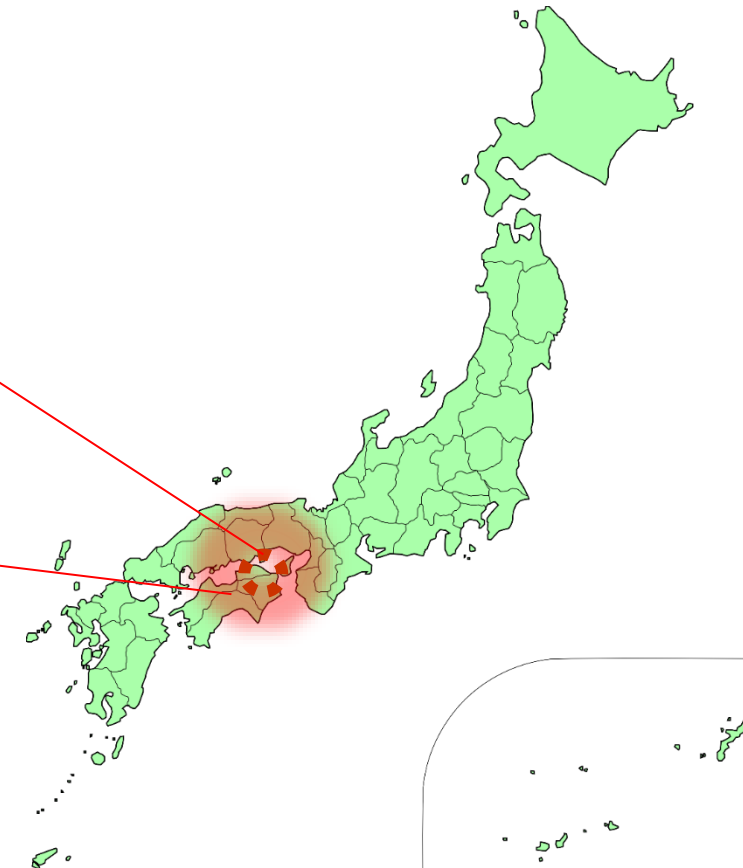
Symbolic case: Case of Teshima Island

Illegal dumping case of industrial wastes happened tragically at Teshima Island on this beautiful Seto Inland Sea symbolizing Japan's typical economy-first, others-second, society. This case, eventually, lead society to focus on the wastes problem and led Japan to create an environment-friendly recycling-oriented society.



- Uncovering of illegal ASR dumping on Teshima Island, 1990
- Approx. 900,000 tons of ASR dumping on Teshima Island
- Approximately 52 billion yen is expected to be spent over 10 years to clear away the industrial waste

Source: "Ministry of the Environment Press Release Presentation (January 25, 2013)"



Why did such inappropriate cases occur ?



1. Economic reasons:

“I don't want to pay for garbage disposal!”

2. Lack of understanding of the environment

As a result of discussions with various stakeholders, including vehicle owners, stakeholder businesses and automakers, it was decided to create a new recycling system to handle this problem.

- ✓ **Institutionalization of cost burden**
- ✓ **Mandate proper processing**
- ✓ **Promoting understanding of proper waste disposal**



New recycling system

“Act on Recycling, etc. of End-of-Life Vehicles”

July 12, 2002 : Enacted

January 1, 2005 : Came into force



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Features

1. Vehicle owners pay recycling fees

In principle, you pay recycling fee when you purchase a vehicle. The recycling fee will be used for the proper disposal of three items from end-of-life vehicles.

(3 items: shredder residue, chlorofluorocarbon gas, airbag)

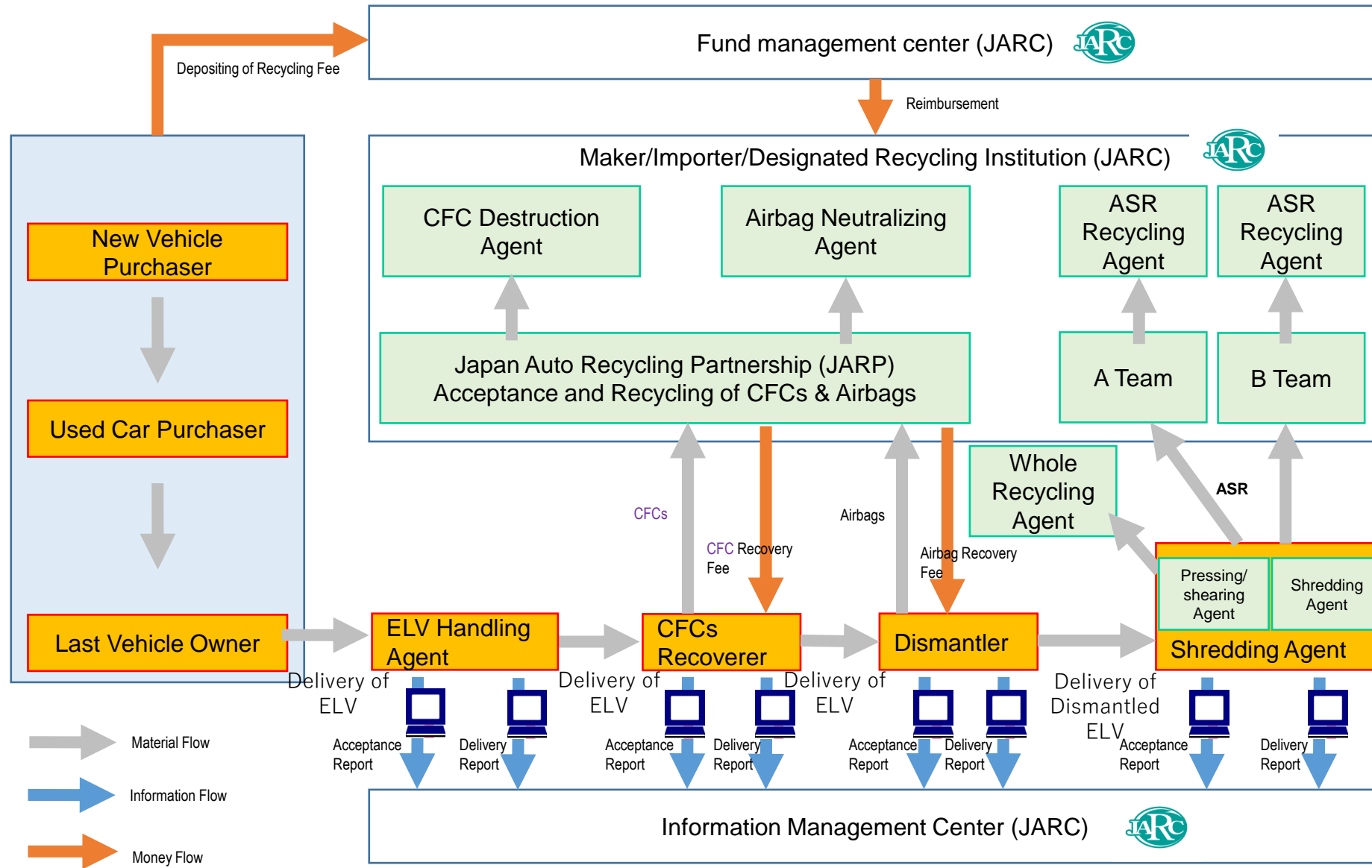
2. Introduction of Electronic Manifest System

Introduced a system to manage the process of properly handling the three items.

3. Introduction of penalties for violations and registration/permit system for recycling businesses

Introduced mechanisms such as penalties for violation of obligations and cancellation of registration/permits.

Main scheme of the Automobile Recycling System



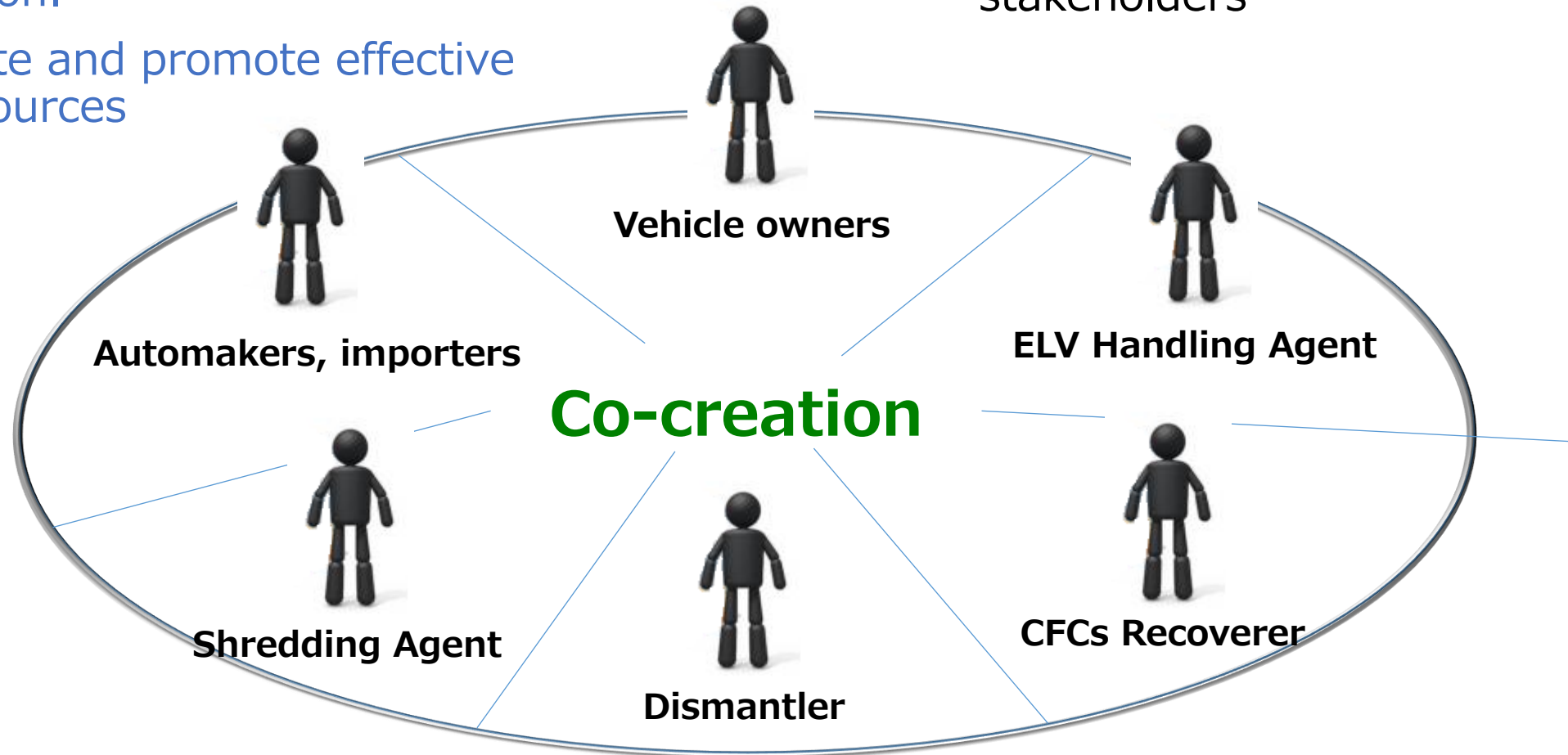
<p>Vehicle owners</p>	<p>Depositing of recycling fee; handing ELV over to a collector</p>
<p>Stakeholder businesses (dealers, repair shops, dismantlers, shredding operators)</p>	<p>Proper collection & delivery of ELVs; recovery of fluorocarbons, airbags and other waste.</p> <p>Dismantlers required to properly dispose of batteries, waste oils/fluids and phosphorescent lamps</p>
<p>Automakers, importers</p>	<p>(1) Automakers and auto importers must collect, recycle and properly dispose of ASR, fluorocarbons and airbags recovered from the vehicles they manufactured or imported *</p> <p style="text-align: right;">*</p> <p style="text-align: right;">*ASR recycling rate targets: 30% in 2005 (88% in ELV equivalent) 50% in 2010 (92% in ELV equivalent) 70% in 2015 (95% in ELV equivalent)</p> <p>(2) Required to assume the central role in structuring and running the new recycling system</p>

Relationship diagram

Let's all work together to further promote environmental conservation.

Reduce waste and promote effective use of resources

In the automobile recycling system, clarify the roles of users and other stakeholders



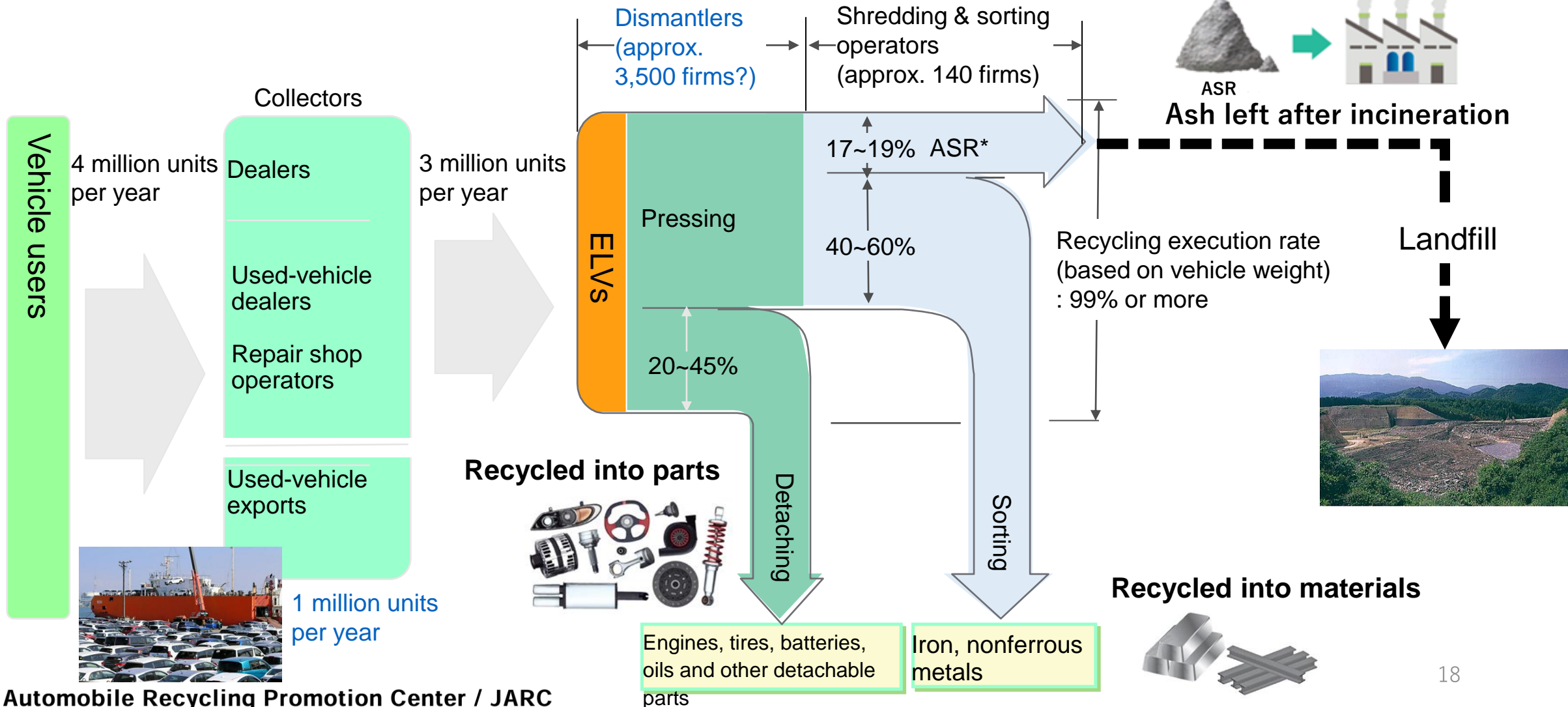
Current status of ELV recycling?

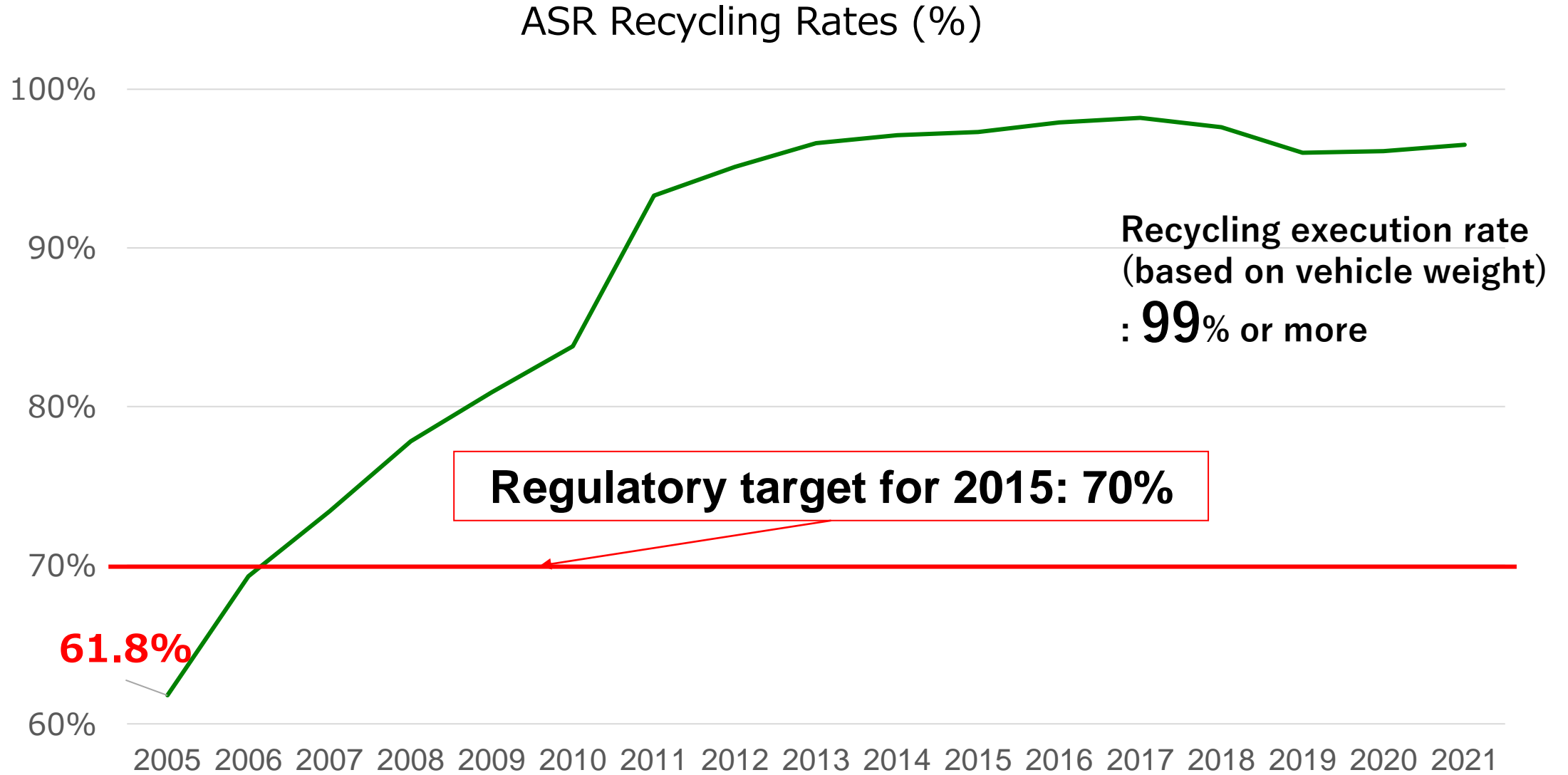
Most ELV portions recycled.

Recycling execution rate (based on vehicle weight): 99% or more

*** A S R : Automobile Shredder Residue**

Crushed debris such as resin, rubber, glass that remains after metals and more are collected from end-of-life vehicles.





Source: Government council

Since the start of the automobile recycling system, the number of illegally dumped or piled ELVs has dropped phenomenally.

		End of Sep. 2004	End of Mar. 2021
Total		218,359 units	5,281 units
	Illegally dumped ELVs	22,499 units	752 units
	Improperly piled ELVs	195,860 units	4,529 units

Source: Government council



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Thank You for Your Attention!





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Registered Name	Japan Automobile Recycling Promotion Center (JARC)
Address	 <p>11F,Jidosha Kaikan,1-30 Shiba Daimon 1-chome,Minato-ku,Tokyo 105-0012,Japan</p> <p>URL https://www.jarc.or.jp/</p>
Founded	November 22, 2000 April 1, 2010 : Reregistered as a public interest incorporated foundation
President	Eiji Hosoda
Objectives	Conduct activities for promoting the recycling and proper disposal of end of life vehicles with a view to conserving natural resources, protecting the environment, benefiting the vehicle users, developing the economy, and advancing the people's living standard.
Supporting Members	<ul style="list-style-type: none"> • Japan Automobile Manufacturers Association • Japan Mini-Vehicles Association • Japan Auto Parts Industries Association • Japan Used Car Dealers Association • Japan Automobile Importers Association • Japan Automobile Service Promotion Association • Japan Automobile Dealers Association • Japan Iron and Steel Recycling Institute
Jurisdictive Offices for the entities designated in the Automobile Recycling Law	<ul style="list-style-type: none"> • Ministry of Economy, Trade and Industry; • Ministry of the Environment



Eiji Hosoda
President