

Annex I

Working Group meeting (Policy Forum)

1. First Working Group Meeting of the Economic Research Institute for ASEAN and East Asia (ERIA) Research Project on Survey on Vehicle Recycling in the ASEAN Region



The First Working Group Meeting of the ERIA Research Project on Survey on Vehicle Recycling Systems in the ASEAN Region was held on 2 April 2015 in Jakarta, Republic of Indonesia. The meeting was attended by government officials, think-tanks and persons with relevant knowledge and experience on End-of-Life Vehicle (ELV) recycling from India, Japan, Indonesia, Malaysia, Thailand and Viet Nam. The meeting was chaired by Dr Michikazu Kojima, Senior Research Fellow at Japan External Trade Organization (JETRO).

Time	Program
8 : 30	Registration
9 : 00 (10 minutes)	Opening remark
9 : 10 (10 minutes)	1. Briefing on the objective, program, schedule, and expected output of the research project
9 : 20 (30 minutes)	2. Introduction of result of preliminary survey of current status in member countries
9 : 50 (40 minutes)	3. Presentation from WG members: 1 st session * 20 minutes for each expert
10:30 (20 minutes)	Coffee break
10:50 (40 minutes)	3. Presentation from WG members: 2 nd session
11:30 (60 minutes)	Lunch
12:30 (40 minutes)	3. Presentation from WG members: 3 rd session
13:10 (20 minutes)	4. Presentation on 1 st field survey by Secretariat
13:30 (20 minutes)	5. ELV recycling and legislation in non-WG member Asian countries (China, Korea, Taiwan, among others)
13:50 (20 minutes)	6. Current status of ELV recycling in Japan, (dismantling technologies, used parts trading), shipment of used cars and parts to ASEAN countries
14:10 (20 minutes)	Coffee break
14:30 (20 minutes)	7. Background, development, and operation of ELV legislation in Japan
14:50 (20 minutes)	8. Voluntary activities of private sectors before ELV legislation in Japan
15:10 (80 minutes)	9. Discussion and plan of 2 nd WG meeting
16:30	Closure of the meeting

WG members and observers presented on current status and challenges in their countries.

2. Second Working Group Meeting of the ERIA Research Project on Survey on Vehicle Recycling in the ASEAN Region



The Second Working Group Meeting of the ERIA Research Project on Survey on Vehicle Recycling Systems in the ASEAN Region was jointly organised by the ERIA, Mitsubishi Research Institute (MRI) and Regional Resource Centre for Asia and the Pacific (RRC.AP) on 21 August 2015 in Putrajaya, Malaysia. The meeting was participated by government officials, experts, think-tanks, and observers with relevant knowledge and experience on ELV recycling from India, Japan, Indonesia, Malaysia, Thailand and Viet Nam. The meeting was chaired by Dr Michikazu Kojima, Senior Research Fellow at JETRO.

Time	Program
8:30	Registration
9:00 (10 minutes)	Opening remark
9:10 (10 minutes)	1. Briefing on the objective, program, schedule, expected output of the 2 nd WG meeting
9:20 (25 minutes)	2. Points of discussion in 1 st WG meeting. Presentation of the results of the survey on current ELV recycling systems and legislations, and challenges in ASEAN countries and India by Secretariat.
9:45 (25 minutes)	3. Presentation on 2 nd field survey by Secretariat
10:10 (20 minutes)	4. Presentation from Dr Abe
10:30 (10 minutes)	Coffee break
10:40 (50 minutes)	5. Expert's discussion <ul style="list-style-type: none"> • Design for Recycling (DfR), End-of-Life/Service of Vehicle

Time	Program
	(including inspection system)
11:30 (90minutes)	5. Expert's discussion • ELV Dismantling Facility/Reuse of Parts
13:00 (120minutes)	Lunch break
15:00 (60 minutes)	5. Expert's discussion • Downstream Recycling and Treatment Facility, other items
16:00 (10 minutes)	Coffee break
16:10 (60 minutes)	5. Expert's discussion • Overall discussion and recommendations
17:10 (20 minutes)	6. Presentation of Final Report structure by Secretariat and discussions
17:30	Closure of the meeting

WG members and observers discussed challenges and policy measures to address them according to the flow of ELV generation, treatment, and disposal.

1) ELV dismantling facility (crushing facility)

The importance of the demonstration facility centre was highlighted as a good model and tangible result of the project that may be replicated to countries in the region.

2) Reuse of used parts

It was cited that most of the developing countries use imitation auto parts or aftermarket auto parts. The control and regulation of the quality of reused parts is not easy for developing countries since the reused auto parts do not meet the standards of the vehicles and are not comparable with the genuine and brand new auto parts. Used parts are uncontrollable and there are concerns on the risk and safety issues of the used auto parts for vehicles. The traceability of the used parts is also becoming a very big concern, taking into consideration the quality control process. It was raised that the safety concerns on the used parts could be a danger if awareness is not raised.

Some of the observations of the experts include: The generation of spare parts is limited. There is a need to import spare parts as the use of used parts or imitation auto parts are evident in the region. In addition, used auto parts are not cheap. Although the owners of the cars can repair at lower cost, there is a need to also take into account the safety and environmental issues. Quality check of these reused auto parts has to be done.

Downstream recycling and treatment facility

Downstream recycling is expensive. Downstream recycling in Indonesia is not possible due to safety issues. It was stressed that these practices cause water and air pollution. The country needs to raise awareness and seek support from international organisations to address the current situation.

It was stressed that the treatment of plastic and rubber from ELVs is not good in some countries. The recovery of rubber could release toxic fumes as well as pollute the environment. It was remarked that the sustainability of ELV recycling centres will depend on the price of material, and thus, it was suggested to have a 10–50 years policy as it will take a long time to have the change of monetary value of material to be recycled.

Indonesia categorised three focused factors in downstream recycling, including tires, that are used for 10 years and that cannot be reused for safety concerns. However, it was found that the tire's waste product can be mixed with asphalt for roads, giving the tires added economic value.

Support from the private sector to bear the cost of downstream recycling could be explored, including cost-sharing mechanisms.

The conduct of research and development on ELV waste recycling and its estimated market value in ASEAN region was suggested. Technological options for sustainability which could also contribute to sharing of data and information on the study of ELV recycling should be conducted.

Demarcation of roles and responsibilities among players

It was proposed that the promotion of design for recycling of CFCs, airbags as well as the Extended Producer Responsibility be made to enhance the car owner's and car maker's responsibility. It was also suggested that the importer, in addition to carmakers, be added as one of the stakeholders. Considering the minimum quality standards, the inclusion of a retirement scheme to cover the implementation of safety standards was also proposed. The government could collect fees from car owners for downstream recycling, especially to bear the cost of hazardous waste in ASRs, bearing in mind that investing in downstream recycling is expensive.

The attendees were very impressed with the way the report on expected policy measures was presented.

On the matter of information on the preparation, development and execution of ELV recycling law, the first step should be to identify the problem or issues to solve. For example, the Teshima Case, one of the largest and most famous illegal dumping cases in Japan. Consultation will follow in developing the ELV recycling law.

Expected policy measures

It was suggested that, as per Recommendation 3, data on the number of vehicles, the average life of the vehicles, the extent of the problems, the estimates, among others, be included. This will be incorporated in the final report of the ASEAN ELV recycling systems. The behaviour of vehicle users in each country should also be included. What is ELV in Indonesia is not in the same as in Japan.

It was also suggested that issues or problems on ELVs in the region be inserted in the background on the draft recommendations.

Future actions on ELVs in ASEAN

Some future directions were proposed at the meeting. These include: 1) forecasting/estimating the number of ELVs or the average age of the vehicles that should be on the road; 2) establishing demonstration centre facilities; and 3) improving the infrastructure of ELVs in the country. The report could reflect the benefits of ELV recycling by quantifying the benefits, such as how many jobs are created, how much investment is being made (economic impacts), how much pollution will be reduced to assist decision makers and or policymakers. Engaging high-level policymakers in the discussions on the ASEAN ELV recycling is also an option.

The Working Group members extended their appreciation to the secretariat for the high quality reports and presentations. It was highlighted that the Japanese experience on ELV recycling system is a worthwhile model to replicate in ASEAN countries.

It was also proposed that capacity building through consultation workshops on ELV recycling is essential for some countries in ASEAN. This could be through tailor-made forums, depending on the needs of the country.