

**First meeting of the Working Group on Motor Vehicles and Parts under the
Agreement between the European Union and Japan for an Economic Partnership**

Joint Minutes

On 11th November, the Working Group on Motor Vehicles and Parts established by the Agreement between the European Union (EU) and Japan for an Economic Partnership (hereinafter referred to as “the EPA”) held its first meeting in Geneva, co-chaired by the Ministry for Foreign Affairs of Japan and the European Commission.

1. Opening Statements

The EU and Japan recalled the importance of this working group given the economic significance of Motor Vehicles and Car Parts in their trade relations. The Parties also underlined the importance of the first meeting to build solid working arrangements for cooperating in an efficient manner with a view to fully implementing the EPA. The EU and Japan confirmed the Working Group will work to deepen cooperation on UNECE Regulations and to discuss car-related issues.

2. Adoption of the Agenda

The attached Agenda was adopted by the Parties.

*3. Working methods of the Working Group on Motor Vehicles and Parts-
Rules of Procedure*

The Working Group confirmed the application *mutatis mutandis* of the Rules of Procedure of the Joint Committee to this working group.

Both sides confirmed that they will continue to review the progress on the issues addressed at the Working Group, building their coordination through informal meetings ahead of UNECE WP29.

4. State of Play and trends of trade in motor vehicles and parts between the Parties

The EU presented its assessment on the importance of the car sector in the EU-Japan trade relations and invited Japan to share their data in the next WG. The Parties confirmed the interest to analyse the evolution of trade flows.

5. Implementation of the Annex 2-C on Motor Vehicles and Parts

a) Application of UN Regulations (article 5(1)) and status of implementation of UN Regulations (article 5(2))

The Working Group decided to recommend to the Joint Committee to adopt a decision amending Appendix 2-C-1 and 2-C-2 of Annex 2 of the EPA to incorporate UNECE regulations 85, 145 and 146 under Appendix 2-C-1 (the incorporation of Regulation 53 depends on upcoming WP29 procedures). The Parties decided to start working on a draft decision that the EU will prepare by the end of January 2020.

The EU encouraged Japan to consider adopting new UNECE regulations and further enlarging the scope of the Appendix 2-C-1.

b) Amendment and establishment of new UN Regulations (articles 6 and 7)

- New upcoming safety topics in the domestic legislation (i.e. the new EU General Safety Regulation(GSR), Advanced Emergency Braking System (AEBS) in Japan) and automated driving topics (safety, event data recorders and cybersecurity)*

On AEBS, Japan confirmed that they would like to take into consideration that the implementation dates are the same as in GSR.

On automated driving topics, both parties confirmed to keep working together with a view to developing new regulations in this area. The EU asked for information on the development of domestic legislation regarding level 3 automation (Automated Lane Keeping System (ALKS), audit, cybersecurity). Japan described the measures as temporary, based on the Government's strategy taking into account the special nature of its Olympic year, until a new international standard will be adopted. The EU recalled that

UNECE should be the major forum for discussion and regulatory work on vehicle automation and asked to be consulted on the draft legislation.

- *Harmonization of emission tests (Real Driving Emission: RDE). Introduction of In-Service Conformity (ISC) rules for checking durability of emissions throughout the lifetime of the vehicle*

Japan confirmed that it will be open to discuss with EU on introducing ISC for emissions (RDE) as a part of the work in the WP29's Working Party on Pollution and Energy (GRPE) in Geneva.

6. Other car-related issues

a) Electric motors: Information on treatment of embossment and visible marking

The EU shared with Japan the concerns raised by the EU industry regarding the visibility and embossment/marketing requirements for electric vehicle.

Japan and the EU confirmed the necessity of embossment/marketing for electric motors, and Japan expressed its openness to have technical dialogues with JAIA under preconditions that marking methods should be difficult to be counterfeited and that original equipment manufacturers (OEMs) or importers should appropriately manage the content of marking.

The EU took note that the issue had been raised by ACEA/JAIA in their meeting with the Ministry of Land, Infrastructure, Transport and Tourism (MLIT) and that a MLIT-JAIA expert level consultation will be held. Japan confirmed that importers and domestic OEMs are equally treated. The EU considers that a pragmatic solution should be found to comply with these rules avoiding any unduly cumbersome or costly procedures for manufacturers.

Japan confirmed its intention to keep the EU updated on the developments of the discussions that are taking place at expert level.

The EU informed Japan that it would send additional technical questions on the subject. Japan confirmed that they would continue the exchange with the EU on this matter.

b) EU and JP Regulatory and policy plans including Life Cycle Assessment (LCA)

The EU presented its policy related to sustainability of batteries including LCA, and the expectation that further consultations with industry will be held in the near future.

The Parties decided to keep each other informed on LCA CO₂ activities and on the battery durability regulation activities, with important work underway in UNECE GRPE. The Parties decided to continue the discussion on this matter.

c) Conformity of production procedures (COP)

Japan confirmed that COP (for each vehicle) is performed in accordance to Schedule 1 of 1958 agreement.

The EU took note of the explanation and informed Japan that it would formulate questions in writing. Japan accepted to continue the exchange on this matter.

d) Information on recent development on non-regulatory measures regarding small-engine cars in Japan

Japan presented the recent evolution in relation to non-regulatory measures for small engine cars (i.e. <660 cm³) as well as the importance of this segment in its market.

The EU took note of the explanation and informed Japan that it would prepare additional questions in writing. Japan confirmed that it would continue to exchange information with the EU on this matter.