

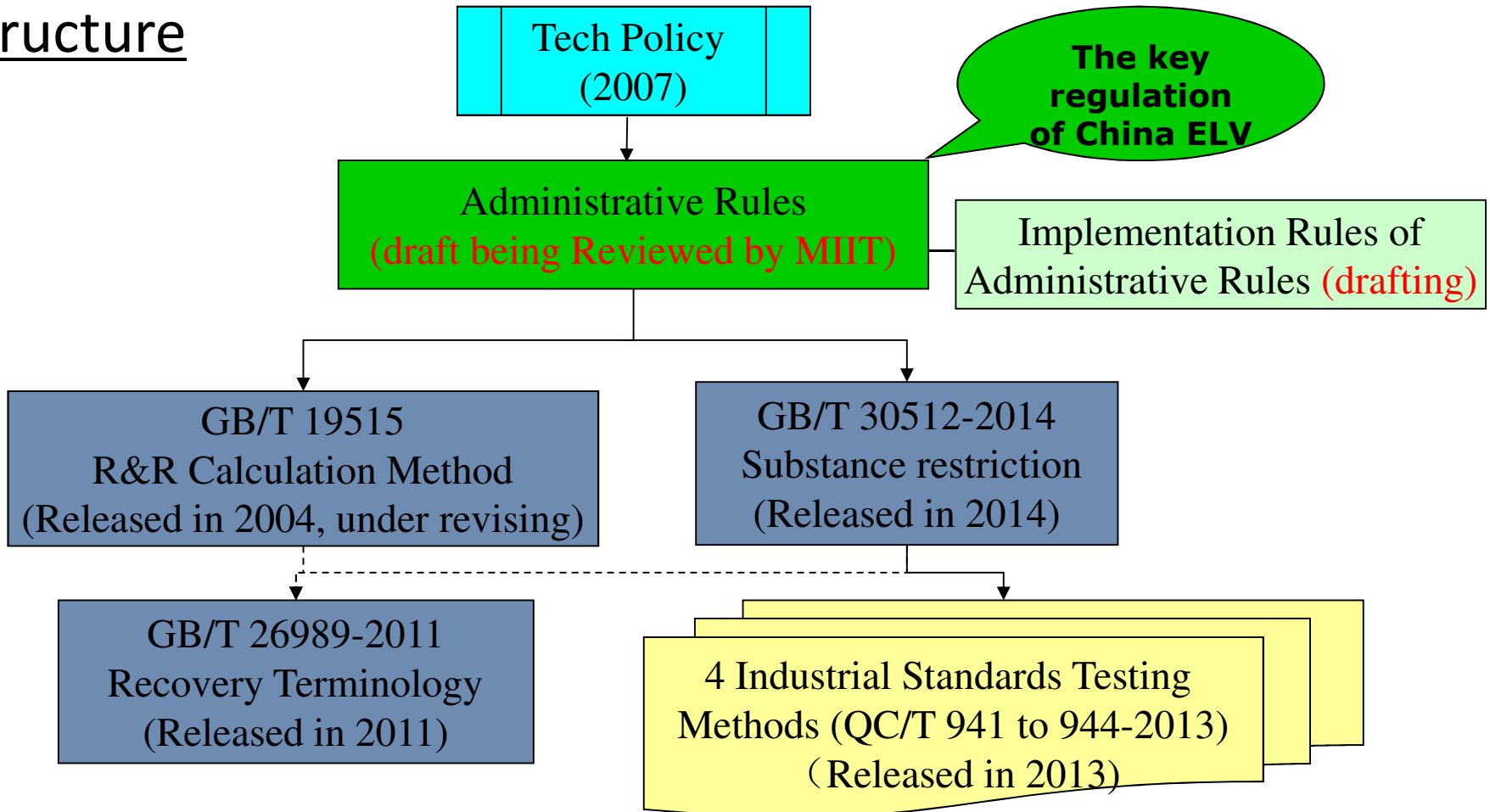
China ELV

- Overall Status of China ELV
- Administrative Rules
- Implementation Rules
- Suppliers' Impact
- Next Step

June, 2014

Overall Status of China ELV

Structure



Latest Status

Administrative Rules will be published soon because almost all related GB/Ts have been already published.

Administrative Rules

Recoverability Rate for Motor Vehicles

- Mandatory Scope: Vehicles of category **M1** and **N1**
 'Domestic production vehicles' and 'Imported vehicles'
- - The vehicles with new type approval

Recyclability rate : 80% and more Recoverability rate : 90% and more	Application date : The first of 2015*
Recyclability rate : 85% and more Recoverability rate : 95% and more	Application date : The first of 2017*

- - The vehicles in production

Recyclability rate : 80% and more Recoverability rate : 90% and more	Application date : The first of 2017*
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*: Not fixed yet as of May, 2014
 Application date is CATARC's estimation.

Forbidden Substances for Motor Vehicles

(Extract from GB/T 30512-2014)

- Mandatory Scope: Vehicles of category **M1** and **N1**
 'Domestic production vehicles' and 'Imported vehicles'

- - The vehicles with new type approval

Forbidden Substances:

Lead, Mercury, Cadmium, Hexavalent Chromium,
PBB*1 and PBDE*1

Application date :

The first of 2015*2

- - The vehicles in production

Forbidden Substances:

Lead, Mercury, Cadmium, Hexavalent Chromium,
PBB*1 and PBDE*1

Application date :

The first of 2017*2

*1: Brominated flame retardants

*2: Not fixed yet as of May, 2014

Application date is CATARC's estimation.

- Spare parts:
 Out of scope of Administrative Rules.

Forbidden Substances for Motor Vehicles

- Exemption List (excerpt version) : (Extract from GB/T 30512-2014)
- - Lead as an alloying element

Steel for machining purposes galvanized steel components containing up to 0.35% lead by weight	Expiry date: without any date
Aluminum with a lead content up to 0.4% by weight	
Copper alloy containing up to 4% lead by weight	

- - Lead and lead compounds in components

Batteries	Expiry date: without any date
Lead in solders in electrical applications or on electronic circuit boards	
Lead in a glass or ceramic matrix compounds - not cover the use of lead in glass in bulbs and glaze of spark plugs	

- - Mercury

Discharge lamps for headlight application	Expiry date: without any date
Fluorescent tubes used in instrument panel displays	

Implementation Rules

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Automotive Product Audit

High risk parts

CATARC requests OEMs to submit 'Test Report'.

The rest of other parts

CAMDS users :

CATARC requests OEMs to show CAMDS ID.

IMDS users:

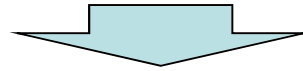
CATARC requests OEMs to perform 'On-site check' confirming whether OEMs gather proper data or not from suppliers.

How to treat 'Compliance control' and 'Tracking approach' are big influence to automobile supply chain.

Suppliers' Impact

MDS Reporting

Chinese OEMs request suppliers to use their specified tool / method such as **IMDS**, **CAMDS** and **Test report**.



How to reduce our work load for MDS reporting

- To avoid submitting any test reports to OEMs.
- To convert our data between IMDS and CAMDS smoothly.

Forbidden Substances

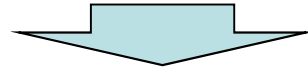
How to change over 6 banned materials / chemicals in our products

- To change over 'Brominated flame retardants' such as PBB and PBDE (not regulated in EU Directive)

Next Step

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China is the biggest market for automobile supplier chain!



JAPIA would like to cooperate with European OEMs and CLEPA to follow up China ELV and the related regulations.