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JARA Corp. and system user groups participate in a joint staff workshop

Attended by 140 people to improve industry-wide abilities

Four automotive recycled parts trading system operators, including the JARA Corporation (President: Yoichi Tabuchi), held a joint staff workshop in Tokyo. A total of 140 people participated in the workshop held on February 13. This workshop was designed to enable participants to learn about successful cases of production efficiency and improve sales abilities across the companies. This is an initiative of the four groups to cooperate each other to improve industry-wide abilities, amid difficult times that recycling businesses are facing due to insufficient end-of-life-vehicles for parts picking.

The other three hosting companies were Big Wave, Inc (President: Atsushi Hattori), JAPRA Corporation (President: Toji Murakami), and SSG Group, Inc. (President: Hiroshi Kudo). These four groups use their respective trading systems based on the Automobile Total Recycling System (ATRS) developed by JARA Corp. Each group consists of recycled parts manufacturers and regional wholesale companies.

During the workshop, participants were

grouped into 14 subgroups. In one group, front-desk staff, parts manufacturing workers, and inspection staff from different companies were combined. They discussed the priorities for selecting the desired inventory

and checkpoints. Subsequently, a representative of the Japan Automobile Recycling Promotion Center (JARC, President: Eiji Hosoda) explained an improved aspect of the ATRS, which was successfully linked to the upgraded automobile recycling system of JARC in January.

Big Wave President Hattori commented, "Face-to-face discussions like this workshop allow the participants realize 'you are that kind of person'. That leads to business." He added, "This kind of workshop will help increase sales." (*Daily Automotive News, February 26*)

JARA Corp. and BBF agree on the joint development of linkage for

recycled parts trading systems

JARA Corp. and BBF Corporation (President: Akira Kakehashi) agreed on a joint development for the linkage of recycled parts trading systems.

By linking these two companies, sales opportunities for the inventory of parts owned by each member company are expected to improve efficiently. External EC channels will also be involved in the linked systems, especially in the overseas markets.

Recently, some member companies have improved their sales of recycled parts using EC sites. This approach is expanding in the industry. Currently, JARA Corp.'s Total Automobile Recycling System (ATRS) and JAPRA Corp.'s Super Line System (SPL) conduct strict product management according to their respective operating rules to realize a stable supply of high-quality recycled parts.

Hereafter, the two companies will engage in the research and development efforts to provide various functions and services through the linkage. With these, they will support the business strategies and decision-making of member companies, thereby strengthening competitiveness in terms of both parts manufacturing and sales.

JARA Corp. President Tabuchi commented, "We will expand the platform that optimizes the demand and supply of recycled parts, thereby further improve competitiveness in the domestic and overseas markets." (*JARA, December 2025*)





Cars4US website, left, and Cars4US retail store, right

Toyota Tsusho acquires MCT Automotive Group in Australia

Toyota Tsusho Corporation announced on January 31 that it would acquire the Australian used vehicle trading company MCT Automotive Group Pty Ltd. as of February 2. The deal was performed through Toyota Tsusho Australasia Pty Ltd, making MCT a wholly owned subsidiary. Owing to the high local car ownership rate, a steady demand for used vehicle is expected in Australia. Toyota Tsusho is aiming to expand its value chain there.

MCT was established in 2019. Its business includes online- focused purchasing of used vehicles, along with two retail stores in Queensland.

Toyota Tsusho has been operating auto auctions and used car retrieval sites centering on Africa and southeast Asia. The acquisition of ACT is expected to lead to enhanced synergy. *(Daily Automotive News, February 2)*

More than 60% of parts suppliers post sales increases for April-December 2025

Toyota-affiliated companies profitable, while others struggled

Daily Automotive News compiled financial results for April-December 2025, covering 115 parts suppliers. More

than 60% companies posted annual sales increases, suggesting solid performances. Toyota-affiliated companies performed well, whereas Nissan- and Honda-focused suppliers perform poorly.

Seventy-two companies reported increased sales and reported increased profits. Seven companies reported that they are now operating in the black. Of the 12 Toyota-affiliated companies, 10 increased their sales. Eight companies either showed profits or began operating in the black. For full-year forecasts ending March 31, 2026, six companies revised upward. The increased production of Toyota vehicles, progress in price pass-through, and weaker yen contributed to good performance.

In contrast, suppliers who traded mostly with Nissan and Honda struggled. Because of the reduced vehicle production of these brands, supplier sales declined. In particular, the suspension of Honda car production after October 2025 due to the semiconductor supply crunch affected the downturn results.

Only 59 companies announced increased profits forecasts for the year ending March 31, 2026. This “conservative” forecasts are related to the Trump tariffs. The full-year performance depends heavily on how the cost pass-through progresses during the remainder of the year. An Aisin Corporation executive said, “In the first half of FY2025, payment was made in advance, while the correction was delayed. In the third quarter, corrections and payments began to balance.” A supplier representative said, “We first calculate a fixed estimate for the carmaker, and then negotiate and correct. This is taking longer time than expected.” “The correction may surpass the end of the term.”

The effects of the currency exchange rate are also major factors. Akebono Brake Industry revised its assumed rates

to 149.8 yen against the U.S. dollar and to 172.9 yen against the euro. At the beginning of the fiscal year, the company set its rates at 145 yen and 157 yen, respectively. This resulted in an upward revision of the full-year forecast. They are expected to operate in the black throughout the year. *(Daily Automotive News, February 26)*

Recycled parts trader SSG holds its 26th General Meeting

The Sapporo-City-based automotive recycled parts group, SSG, Inc. held its 26th Annual General Meeting on February 20. All agenda items have been approved. In the following annual owners’ meeting, transaction results and activities were reported. Consequently, 85 industry group representatives attended a lecture and a party.

At the opening of the party, president Kudo stated, “It has been 40 years since the computer system started to operate, which was the base for SSG. Up until now, the business environment has changed drastically.” He expressed his enthusiasm, “This year, by returning to our original intention, we will activate the domestic distribution of recycled parts. By linking with nationwide groups through online systems, we will make the best to increase the transactions of high-quality used parts, rebuilt parts, and GP lineup.”

Koji Kaneko, a radio personality, was invited as a lecturer of a lecture titled “A key to live the happiest life.” He stressed the importance of “Attitude towards the contribution to others.” *(Daily Automotive News, February 26)*



President Kudo, center, introduces the group directors to the audience.



Physical AI-based database building focuses on automotive industry

METI calls for automakers to join database building initiative for physical AI

The Ministry of Economy, Trade and Industry (METI), will begin building a physical AI-based database focusing on the movements of the robots used for manufacturing vehicles. During the fiscal year starting in April 2026, the ministry plans to call for automakers and parts suppliers to build an open-source data-gathering foundation. In addition to humanoid robots, which are in fierce competition among developers in the U.S. and China, Japan will introduce AI to industrial robots, which is a Japanese strength.

In the first session of the “AI robotics strategy meeting,” opinions were exchanged among participants concerning the building of a data foundation for each industry. Just as

generative AI such as “Chat GTP” finds optimal answers through the internet, physical AI will need a vast amount of data for recognition, decision-making and movement.

To this end, the Ministry is considering a data foundation, where companies cooperatively provide data on robot movements. The corrected data will include cooperative data, but not competitive domain data such as data on the parts made by a specific company.

U.S. and Chinese companies are also focusing on data gathering to activate AI-aided general-purpose robots. In Japan, such efforts have been primarily made by the AI Robot Association (President: Tetsuya Ogata). For example, a general-purpose robot will be capable of a basic movement such as “hands an apple.”

However, complicated and high levels of movements are required in an automobile manufacturing plant, such as assembling parts with different sizes and shapes, switching equipment, and changing the setting for each vehicle model. Corrected data for these industry-focused usages are expected to help reduce the development time.

U.S. and Chinese startups have developed humanoid robots. “QDD motors,” which are mass-produced in China, feature flexible movements like those of humans. However, issues remain, including a lack of power and precision. On the other hand, Japanese robot makers will use “servo motors” which feature high outputs despite a small size, thanks to gear ratio regulation functions.

METI aims to develop a growth strategy based on the latest trends to enhance Japan’s strength. (*Daily Automotive News, February 12*)

Japan's self-development ratio of coal and natural gas increases to 42.1%

Agency for Natural Resources and Energy announces

On February 17, the Agency of Natural Resources and Energy announced that the Japanese self-development ratio of coal and natural gas in 2024 increased to 42.1%, which was 4.9 percentage points higher than that of the previous year. The agency commented that the reduction of imports and advancement of development projects contributed to increase Japanese companies’ receipts of these resources.

The self-development ratio of coal and natural gas is the ratio of domestic production and the amount received from overseas, in which Japanese companies have interests, to the combined total of the imported amount and domestic production. Therefore, ensuring a stable supply of resources and energy is necessary. In the “7th Energy Basic Plan,” the Japanese government aims to increase the self-development ratio to more than 50% by 2030 and more than 60% by 2040. (*Daily Automotive News, February 18*)

CO2 Reduction Effect (based on JARA System)

The use of Reuse Parts saved **3,572 tons** of CO2 emissions in January 2026

The reference figure represents the difference of carbon dioxide (CO₂) emissions at the vehicle repair using genuine (new) parts and recycled parts.*

*: Based on "Green Point System", which was jointly developed by the Japan Automotive Parts Recyclers Association and Waseda University Environmental Research Institute using a life cycle assessment (LCA) method.

Trend of Automotive Parts Price in Scrap Market

Automotive parts price in scrap market: sourced from Metal Recycling Japan

Parts Item	B: Price on Jan. 29, 2026 (Yen/kg)	A: Price on Feb. 26, 2026 (Yen/kg)	Up / down	pct A/B
Chassis, Drivelines	22.5	22.5	→	100.0%
Body (-30%)	18.5	18.5	→	100.0%
Wiring harnesses	661	665	↑	100.6%
Aluminum wheels	322	332	↑	103.1%
Starter, alternator	195	195	→	100.0%
Aluminum radiator	93	93	→	100.0%
Engine (Black & white: steel majority)	38	38	→	100.0%
Catalytic converter (Large)*	17,300	22,100	↑	127.7%
Catalytic converter (Middle)*	13,500	17,700	↑	131.1%
Catalytic converter (Small)*	8,100	9,300	↑	114.8%
Used automotive batteries	95	95	→	100.0%

* Catalytic converter is priced for one unit

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