

**NISSAN MOTOR CORPORATION**



# **Importance of EU-Japan FTA/EPA from the viewpoint of Global Automotive Industry**

**June 3, 2014**

**Toshiyuki Shiga**

**Representative Director & Vice Chairman**

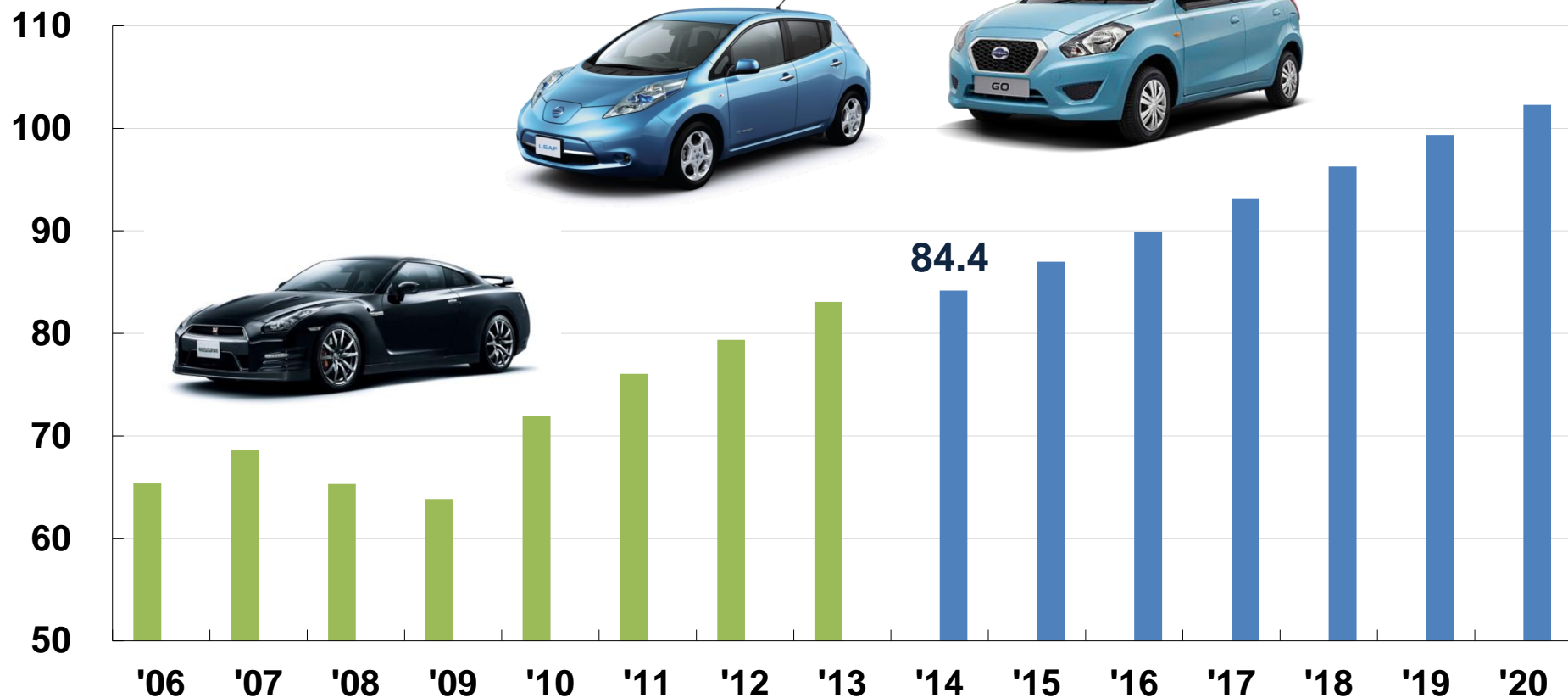
**Nissan Motor Co., Ltd.**

# **Agenda**

- 1. Expanding global auto market**
- 2. Problems we are facing**
- 3. Importance for leadership by developed auto industries**
- 4. Integration of EU and Japan auto industry**

# Global Vehicle Demand Forecast

(M units)

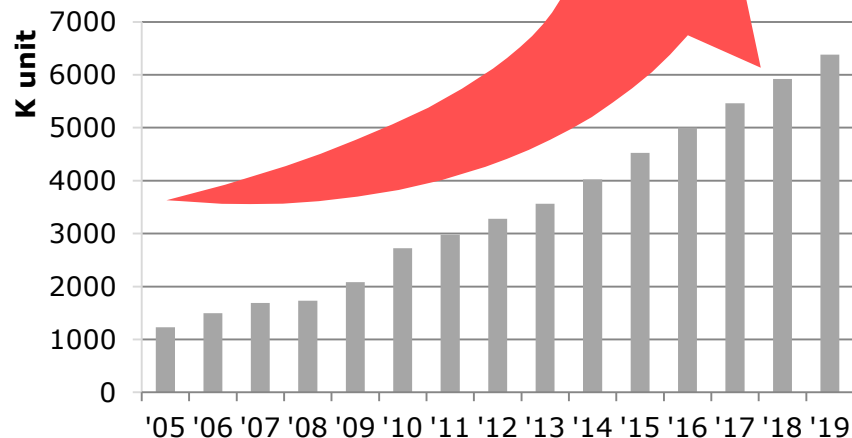


# Rapid Growth in Emerging Countries



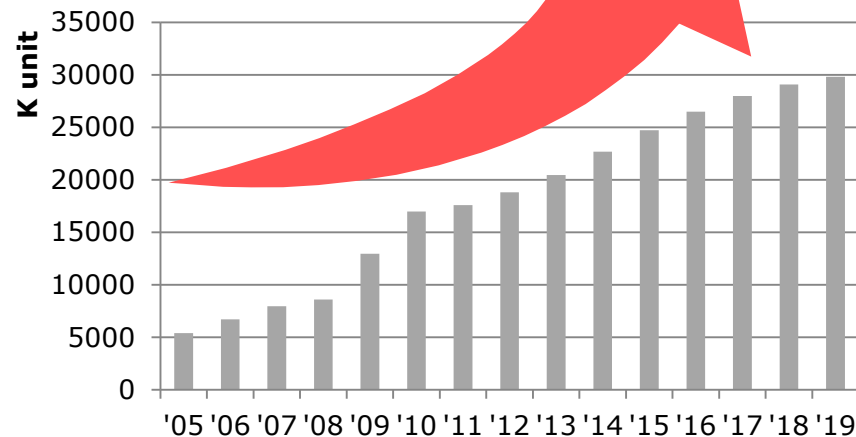
**India**

**x5**



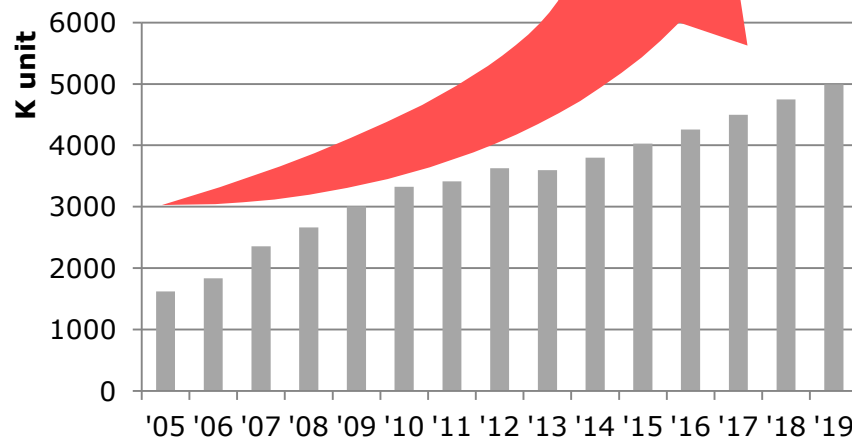
**China**

**x6**



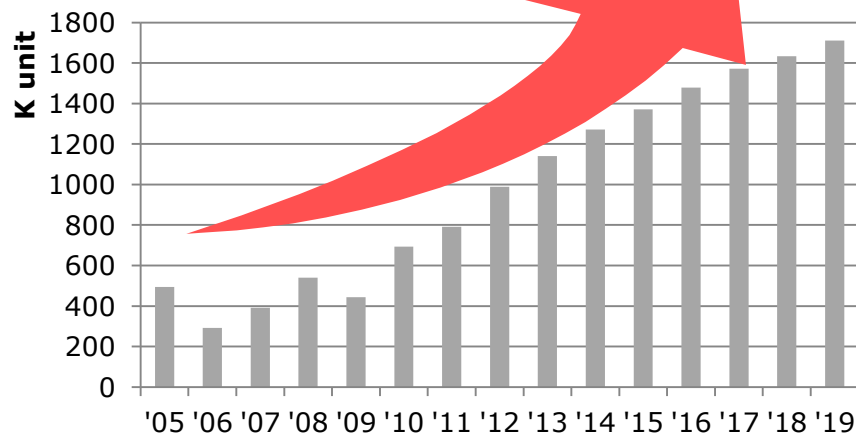
**Brazil**

**x3**

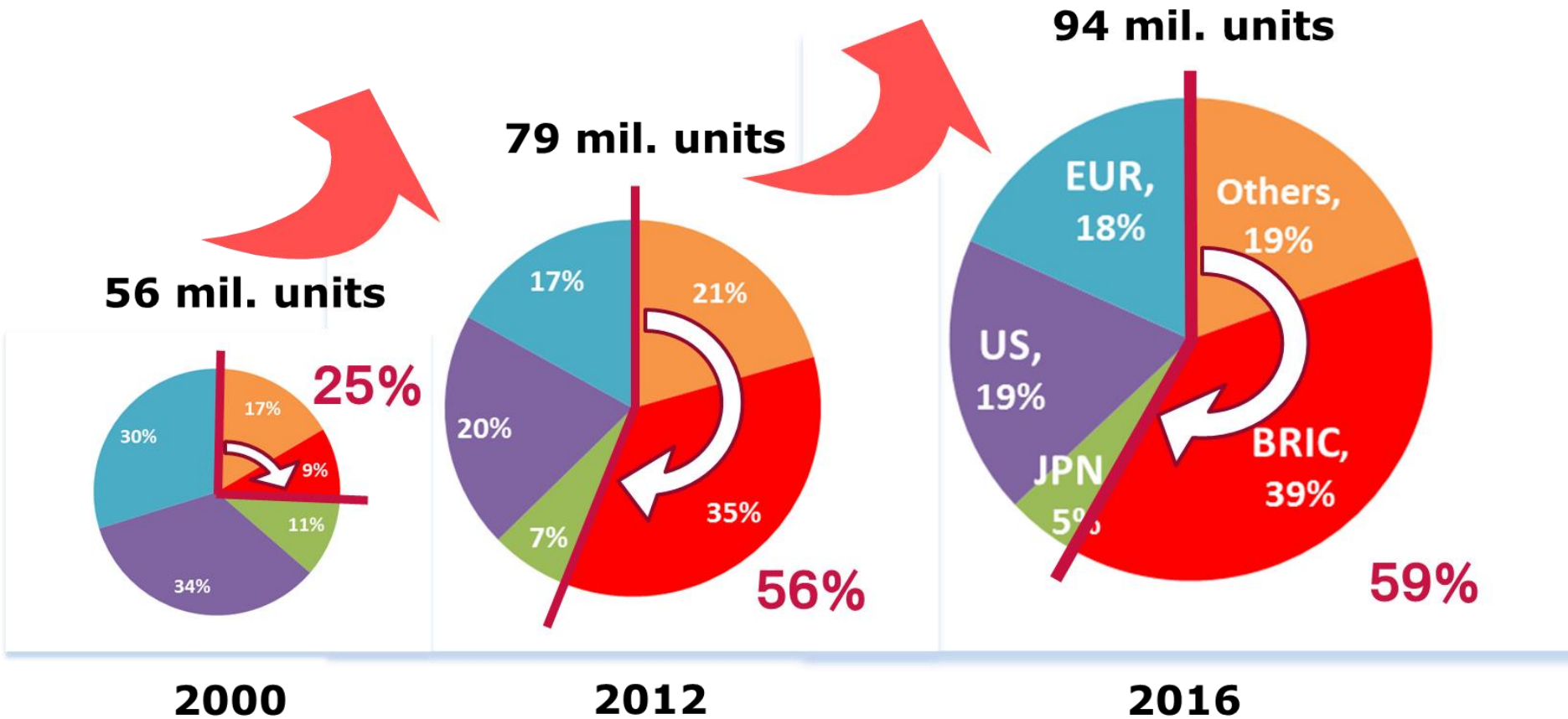


**Indonesia**

**x4**



# Emerging countries lead the growth

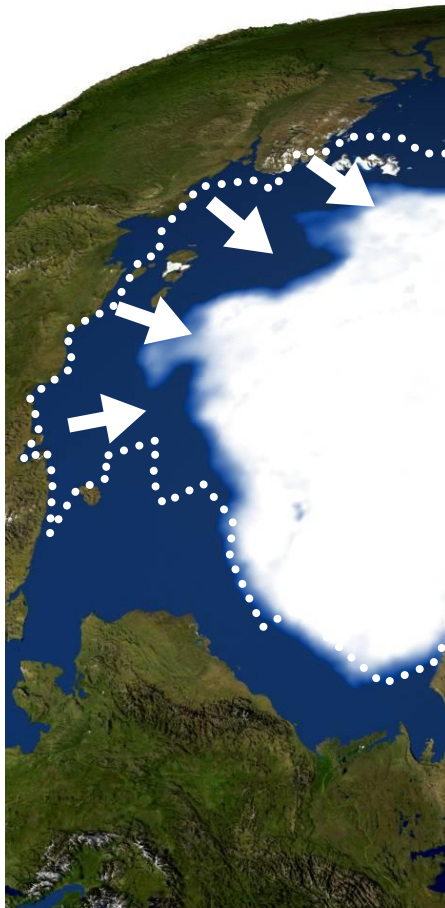


# Problems we are facing

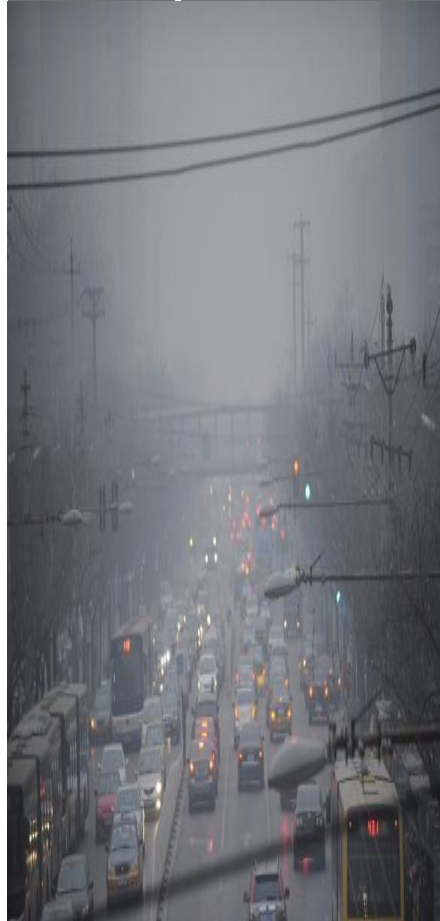
Energy



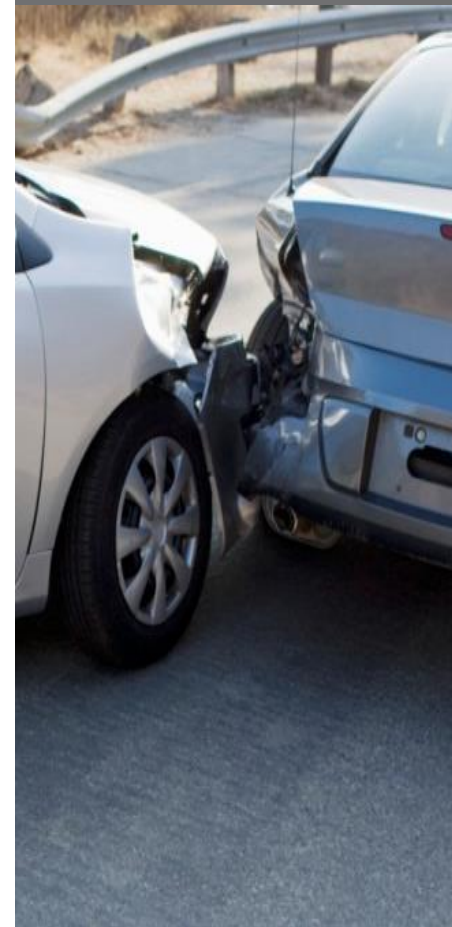
Global warming



Air pollution



Accidents



**Fossil fuels**

**Emission**

**Safety**

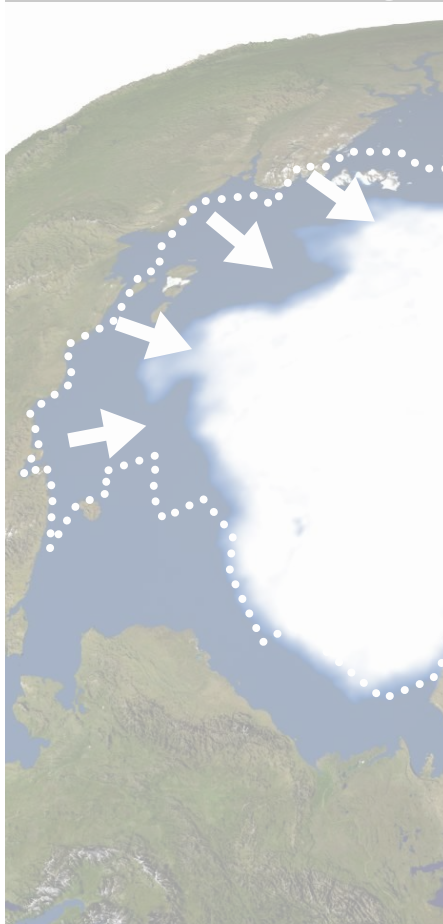


# Problems we are facing

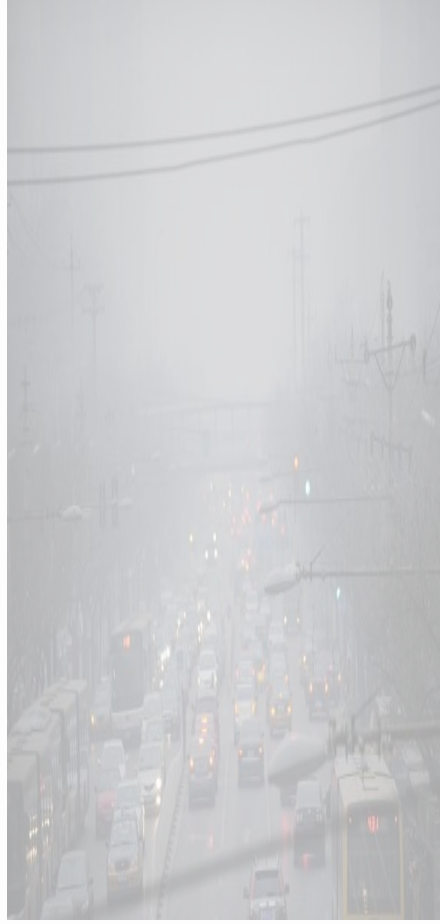
Energy



Global warming



Air pollution



Accidents



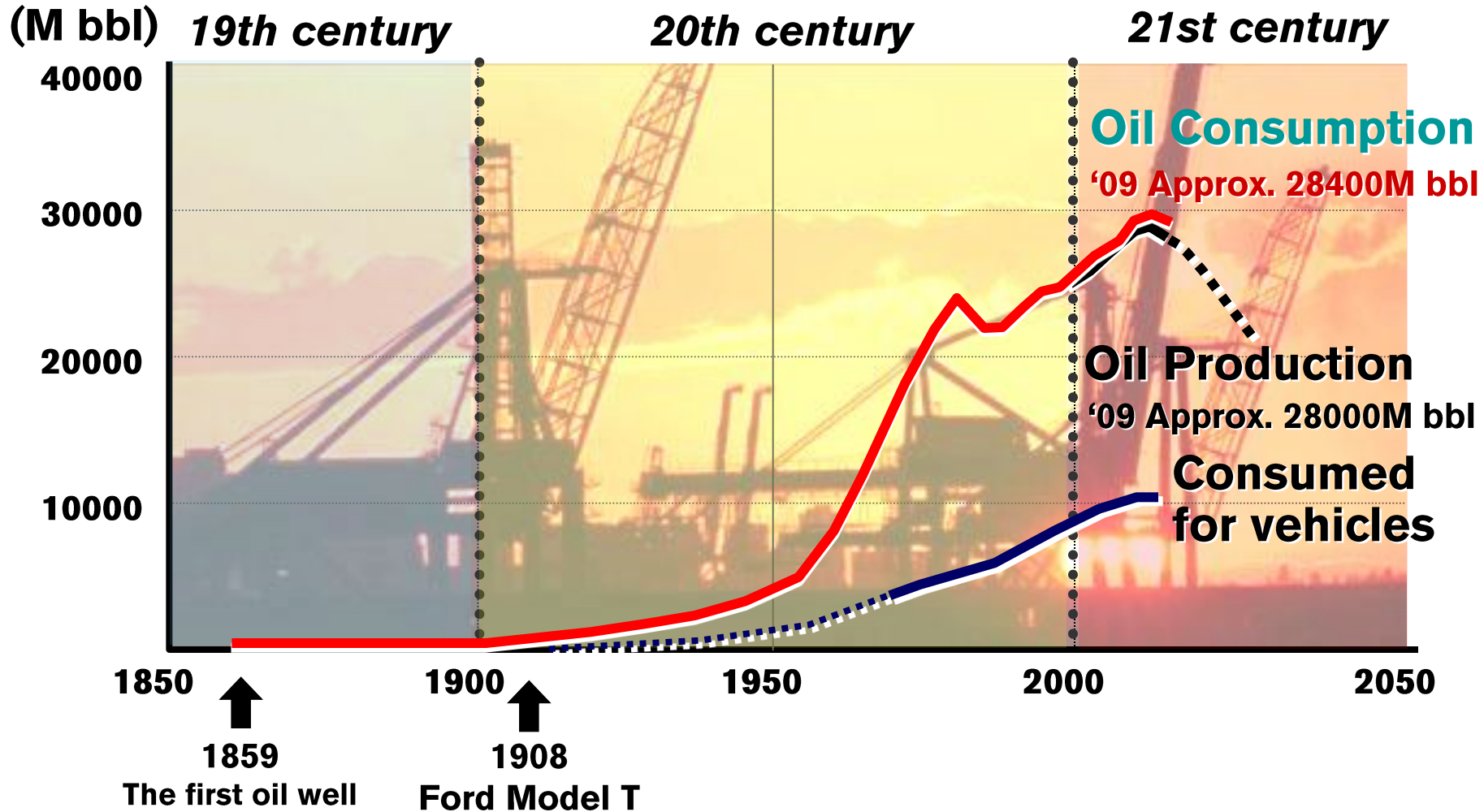
**Fossil fuels**

**Emission**

**Safety**

# Energy

## ■ Oil production has reached its peak

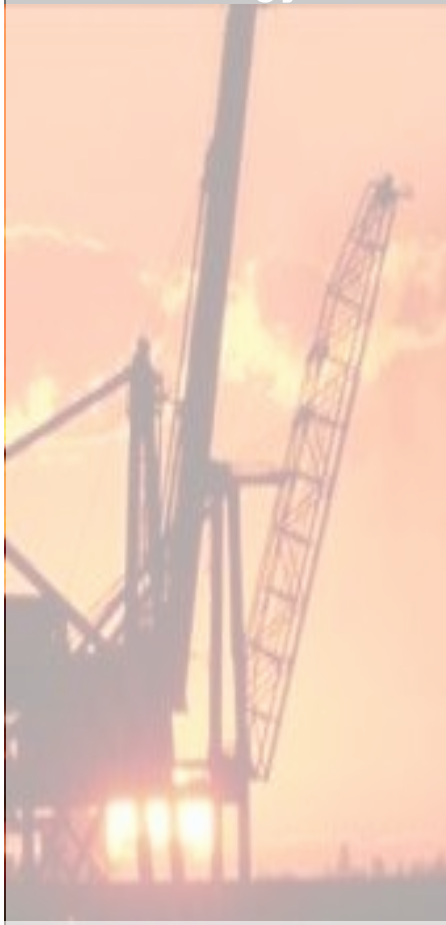


Source: calculated by Nissan based on BP Statistical Review, WBCSD SMP Report, IEA WEO and JPDA Report

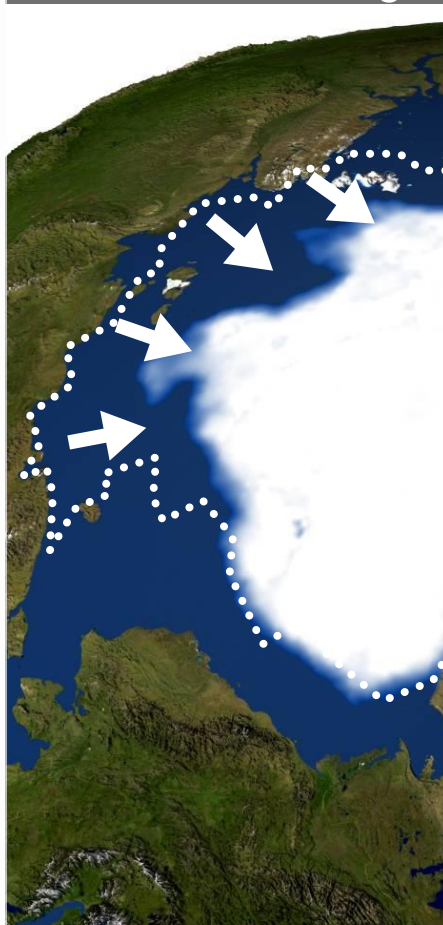


# Problems we are facing

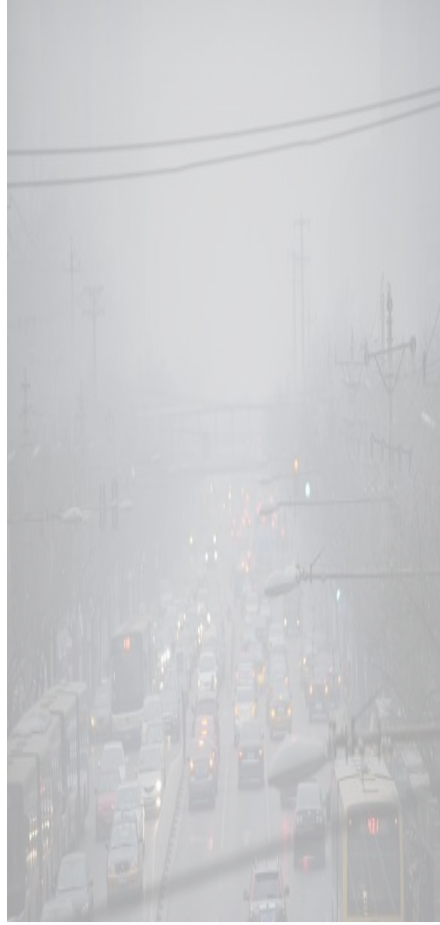
Energy



Global warming



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Accidents



**Fossil fuels**

**Emission**

**Safety**

# Global Warming

**Influence on species  
threatened with extinction**



**Sea level rise**



**Extinction of Coral**



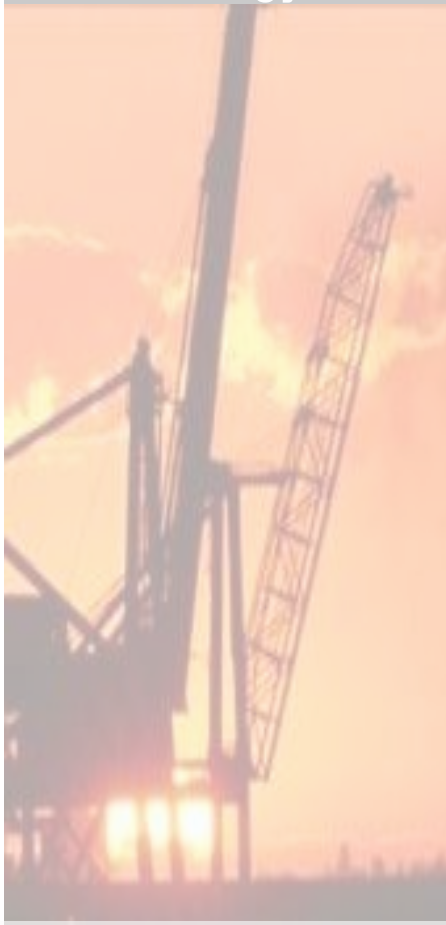
**Desert phenomenon**





# Problems we are facing

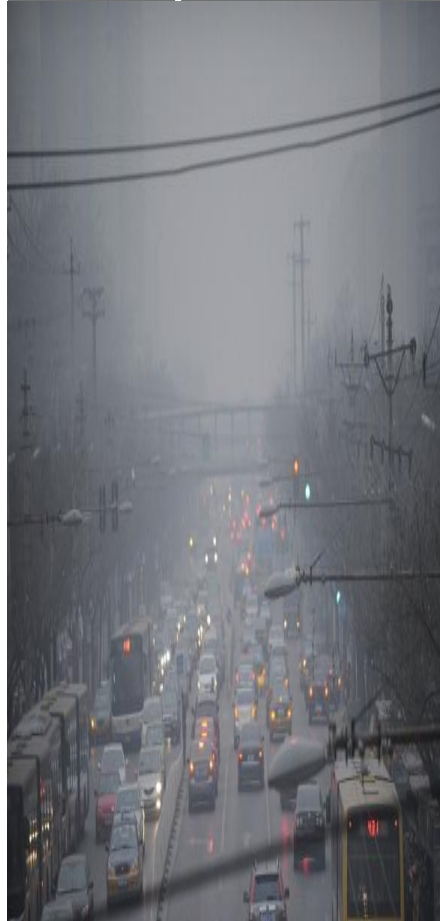
Energy



Global warming



Air pollution



Accidents



**Fossil fuels**

**Emission**

**Safety**

# Air Pollution getting serious in Emerging Countries

Beijing some years ago

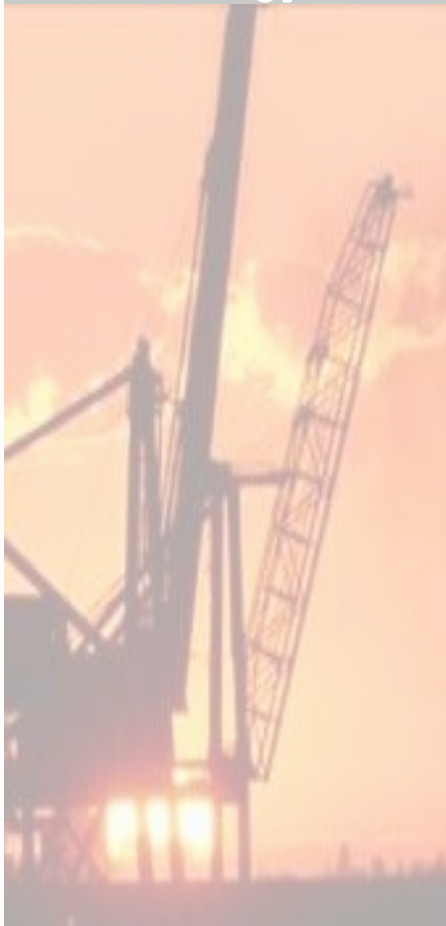


Current Beijing

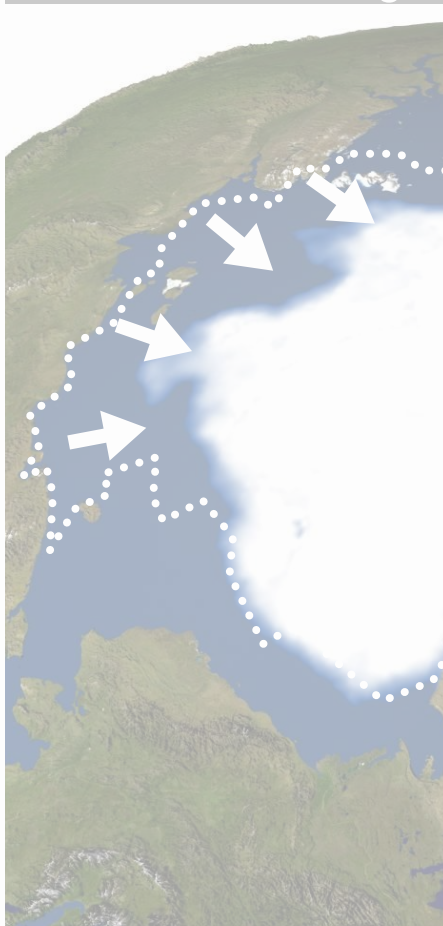


# Problems we are facing

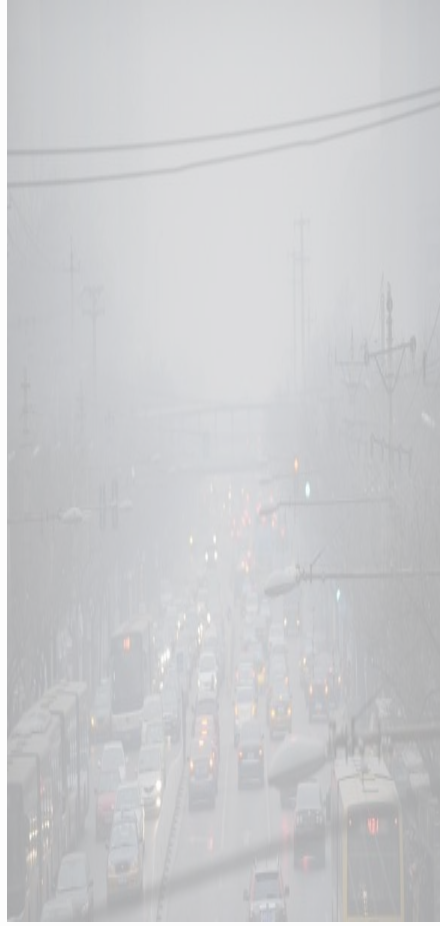
Energy



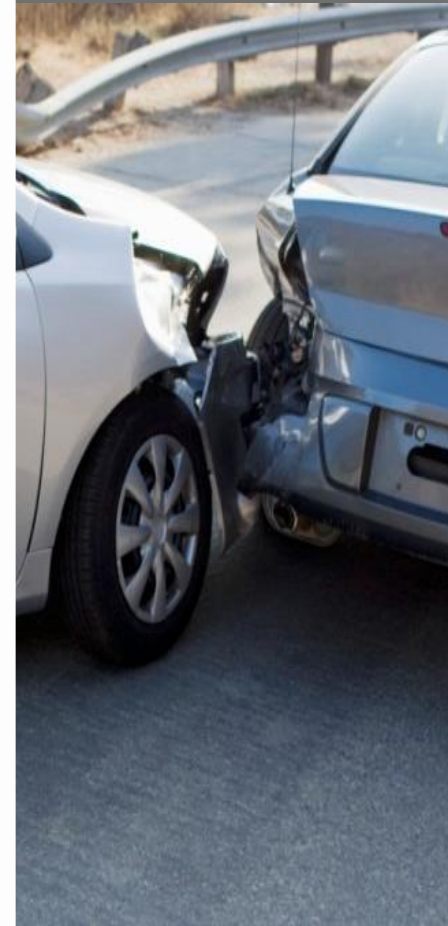
Global warming



Air pollution



Accidents



**Fossil fuels**

**Emission**

**Safety**



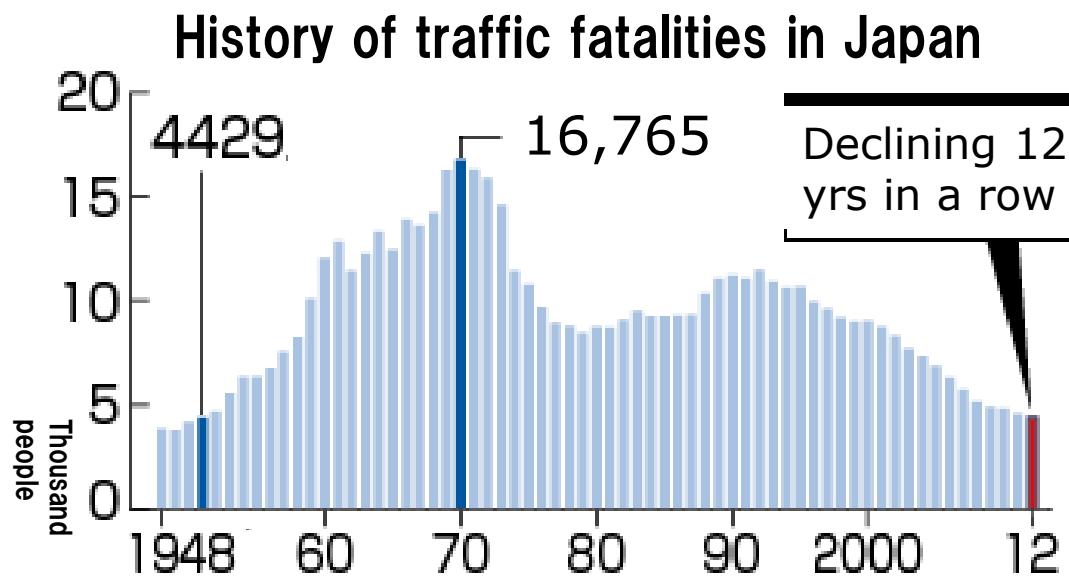
# Traffic fatalities

■ Over 1.2 million people die in traffic accidents around the world.

	Rank	fatalities (1000 people)
1	India	<b>126</b>
2	China	<b>67</b>
3	US	<b>34</b>
4	Russia	<b>26</b>
5	S. Africa	<b>13</b>
	⋮	
13	Japan	<b>4</b>

<2009 WHO >

■ #of fatal accidents in Japan peaked in 1970 and is on the decline.



# Solution for sustainable mobility

Energy

Global warming

Air pollution

Accidents

**Zero emission**



**Zero fatality**

# Solution for sustainable mobility

Energy

Global warming

Air pollution

Accidents

## Electrification



## Vehicle Intelligence



# Electrification for Zero emission

Energy



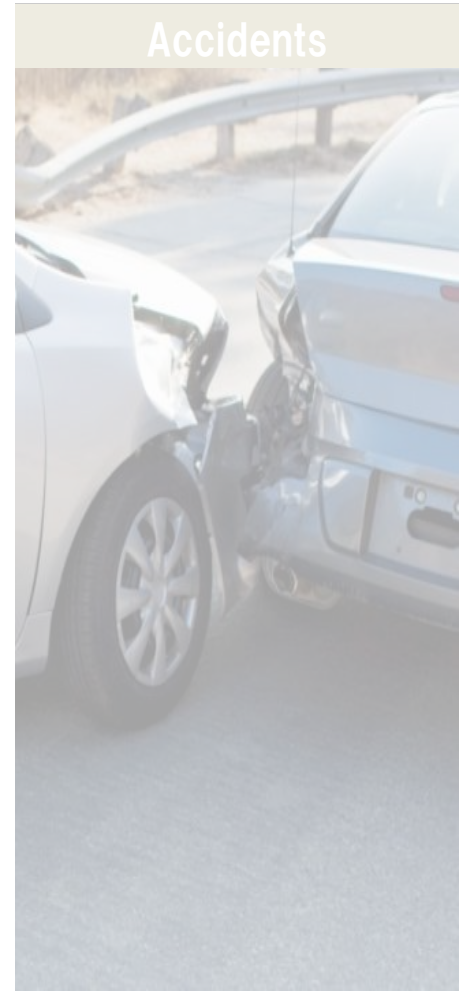
Global warming



Air pollution



Accidents



# 100% EV Nissan LEAF

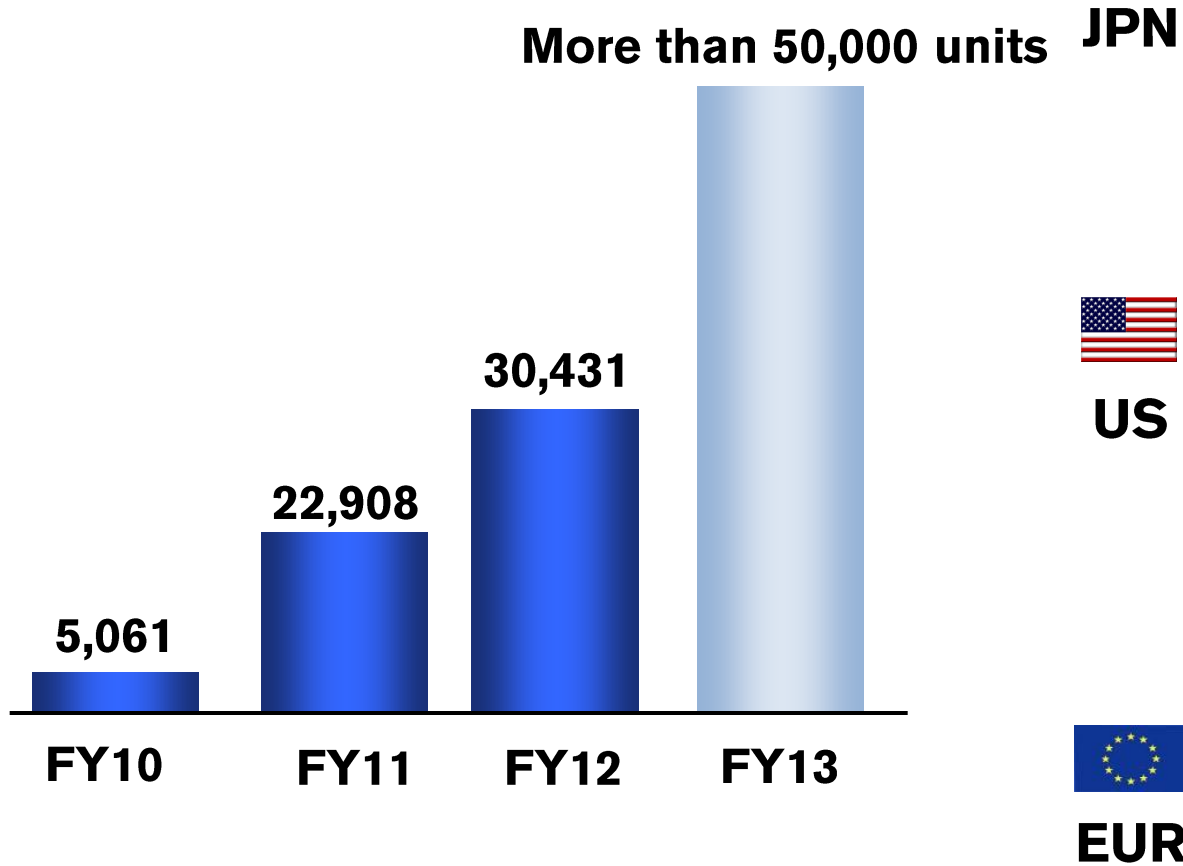
■ Launched December 2010





# Aggregate Global Sales of Approx. 110,000 units (as of March 2014)

## History of Nissan LEAF Sales Volume



Kanagawa Prefecture



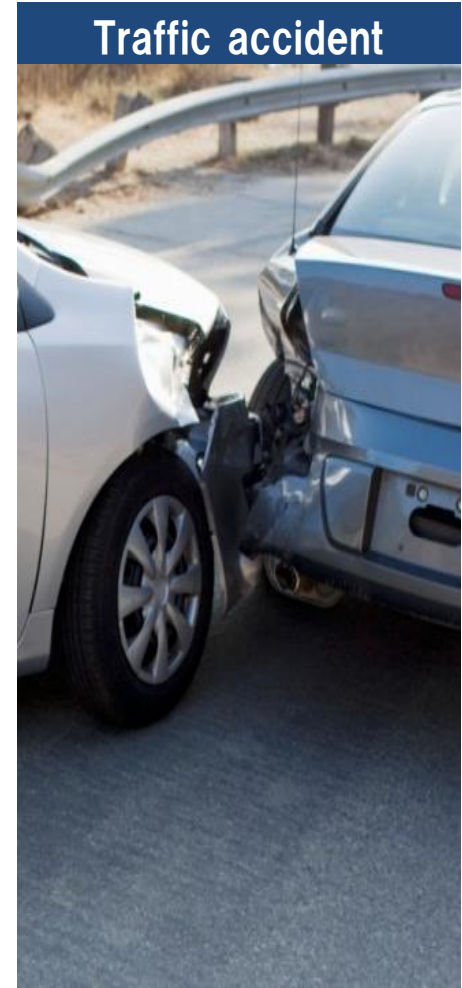
Nissan LEAF Owners' Event in San Francisco



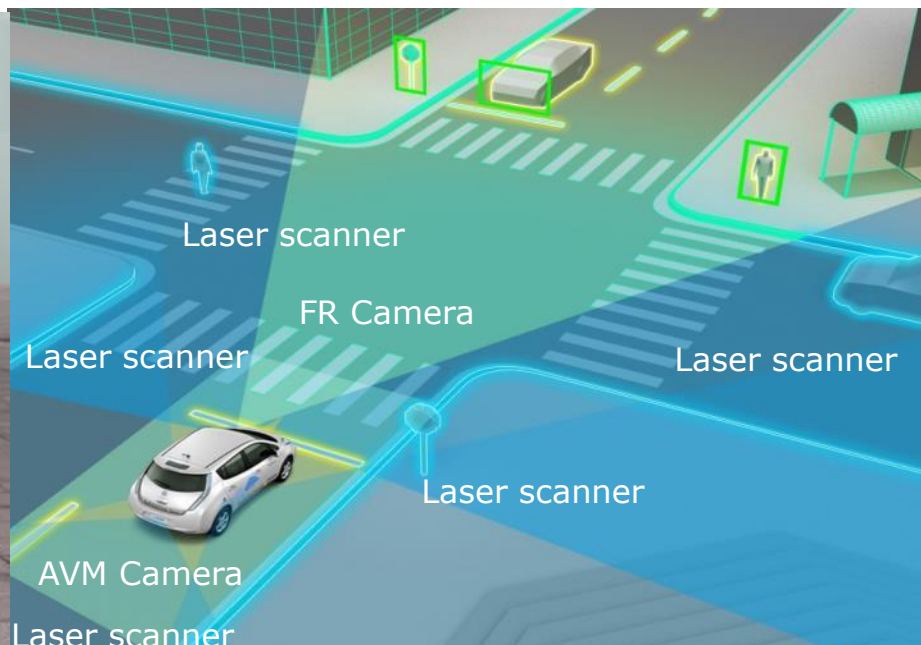
Switch EV Project in U.K.



# Vehicle Intelligence for Zero Fatality



# Autonomous driving technologies will be put to practical use in the very near future.

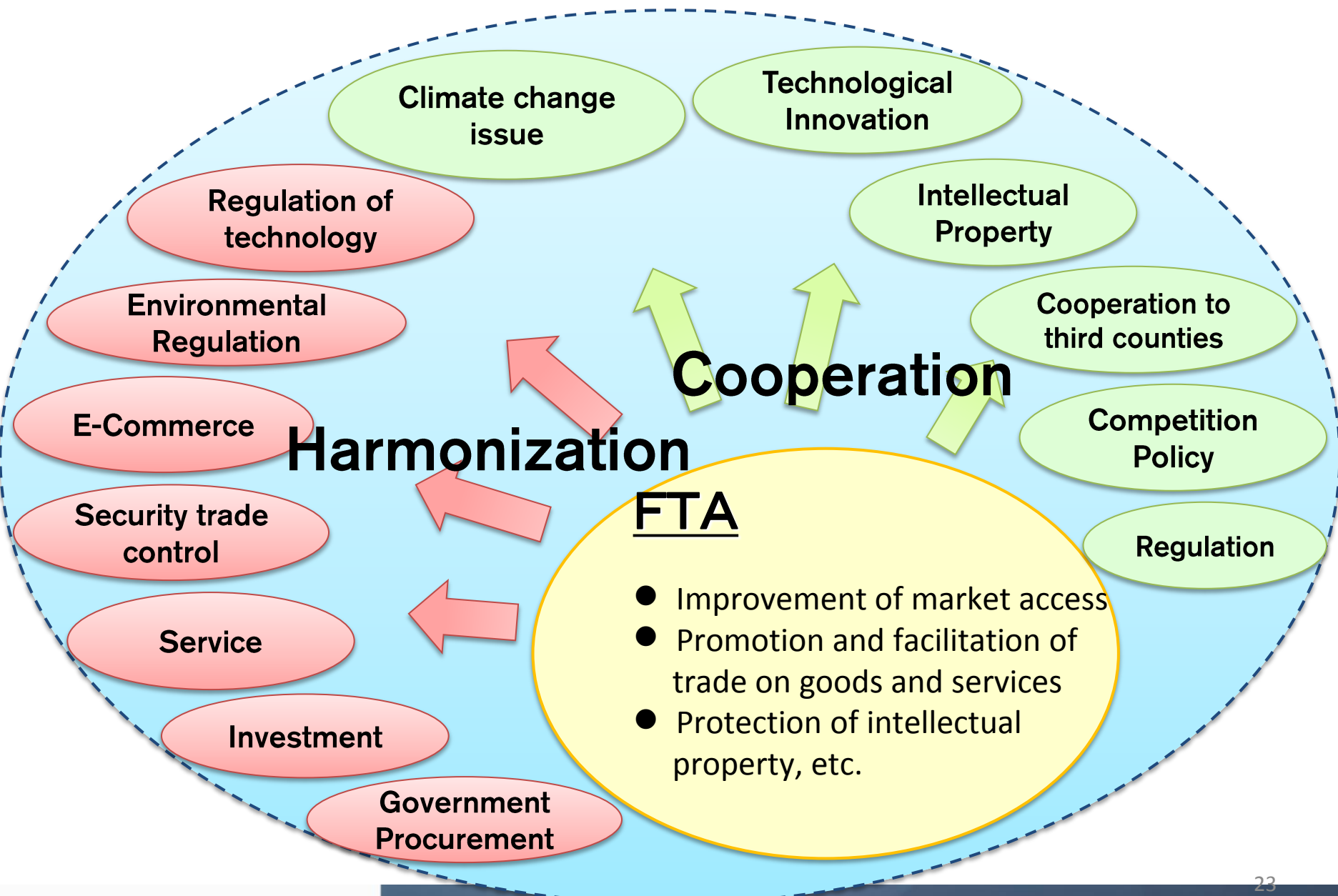




**To achieve sustainable mobility on a global basis, those advanced technologies have to be made available to emerging countries as soon as possible: led by European and Japanese auto makers.**

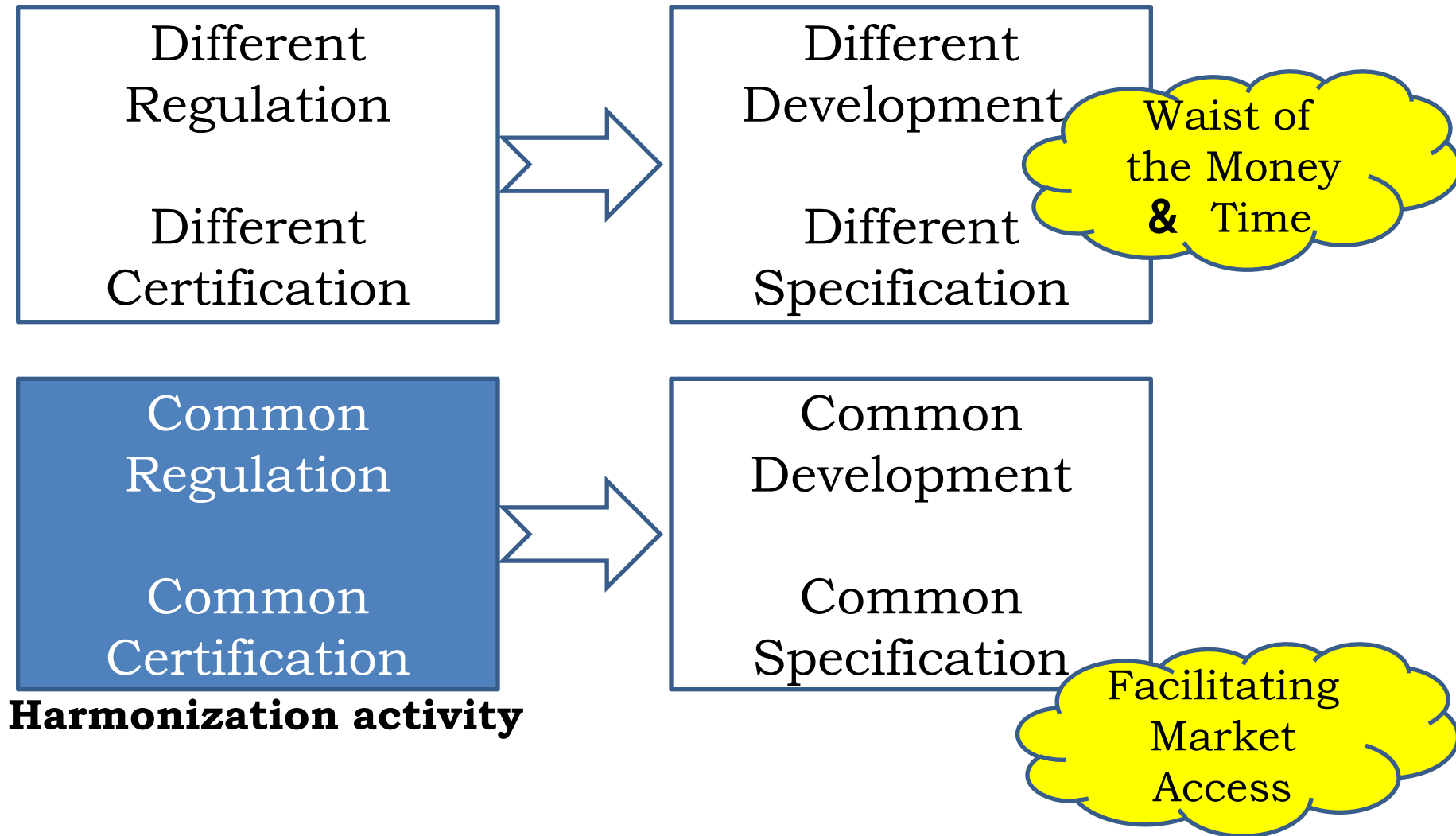
**For that purpose, EU-Japan EPA/FTA is required. Why ?**

# Coverage of EU-Japan EPA





# What is harmonization?



# Global Harmonization of Regulation under UN

(1958 agreement and 1998 agreement)

## United Nations

United Nations Economic Commission for Europe (UN/ECE)

### World Forum for Harmonization of Vehicle Regulations (permanent working party) (UN/ECE/WP29\*)

\*WP29: Working Party 29

#### 1958 Agreement

concerning the Adoption of Uniform Technical Prescriptions for Wheeled Vehicles, Equipment and Parts which can be Fitted and/or be Used on Wheeled Vehicles and the Conditions for Reciprocal Recognition of Approvals Granted on the Basis of these Prescriptions

harmonization + mutual recognition

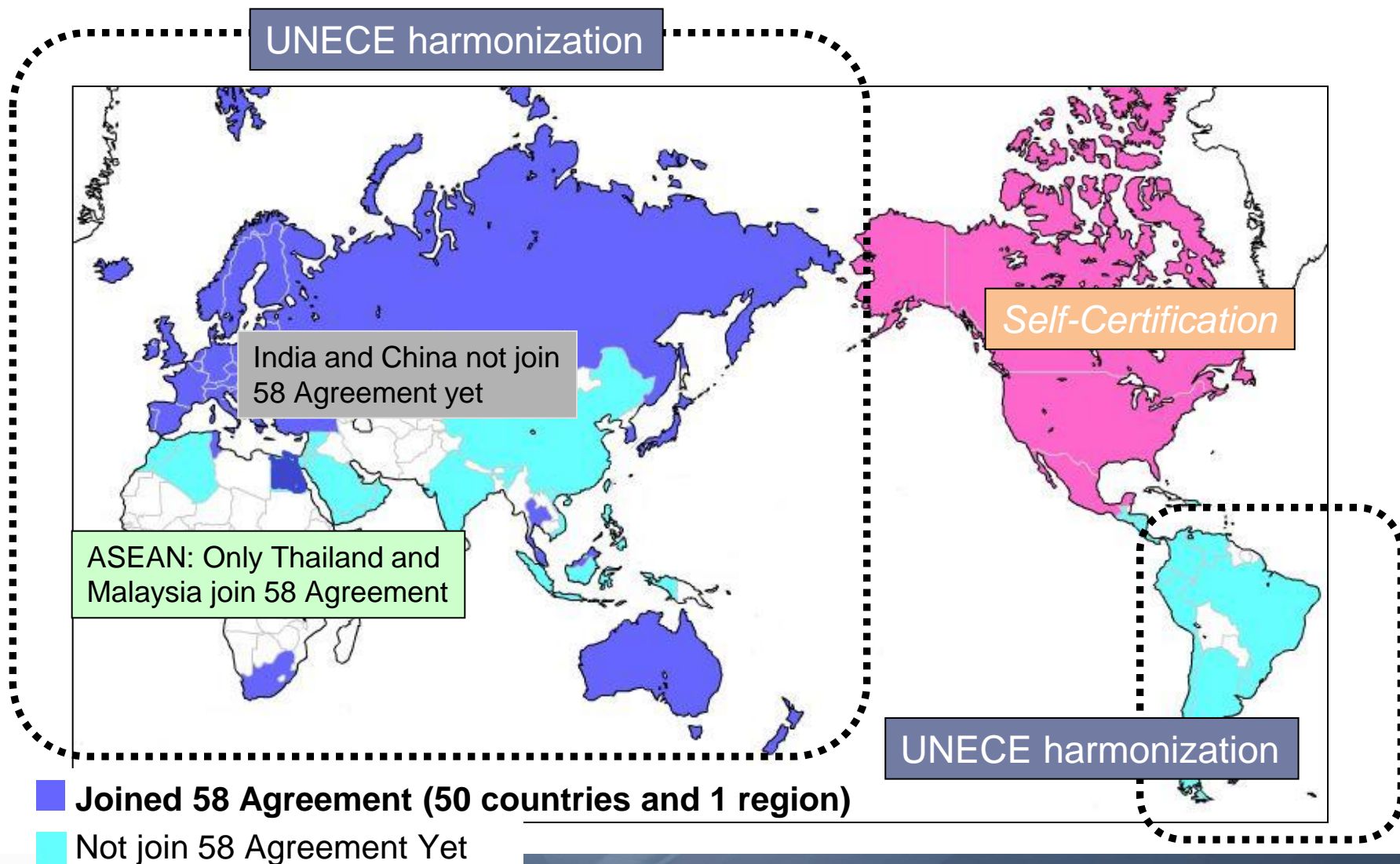
#### 1998 Agreement

concerning the Establishing of Global Technical Regulations for Wheeled Vehicles, Equipment and Parts which can be Fitted and/or be Used on Wheeled Vehicles

harmonization

# Promotion of Regulatory harmonization led by EU and Japan

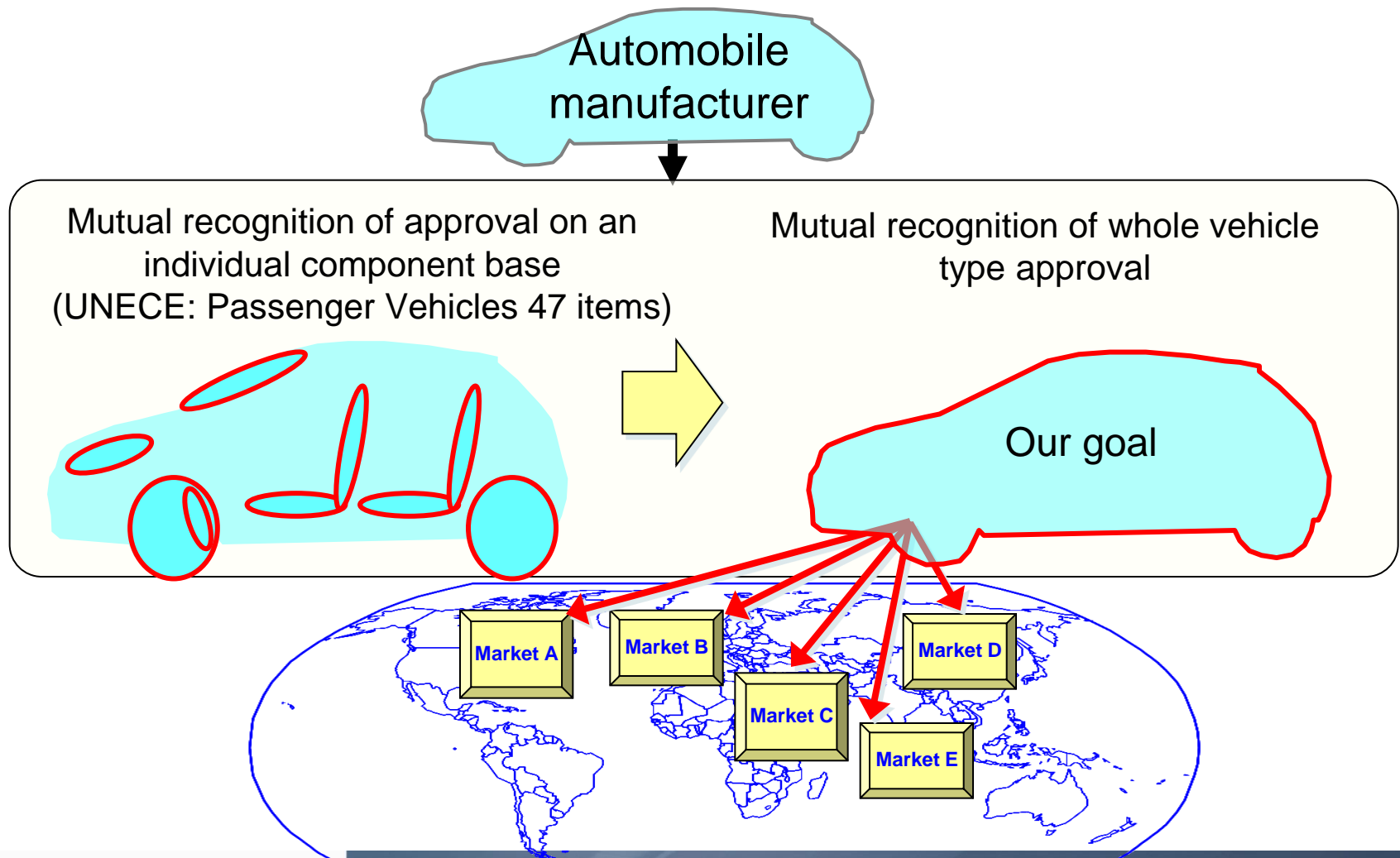
Facilitate harmonization of regulations / mutual recognition of certification  
under 58 Agreement



# Initiatives towards IWVTA under 58 agreement

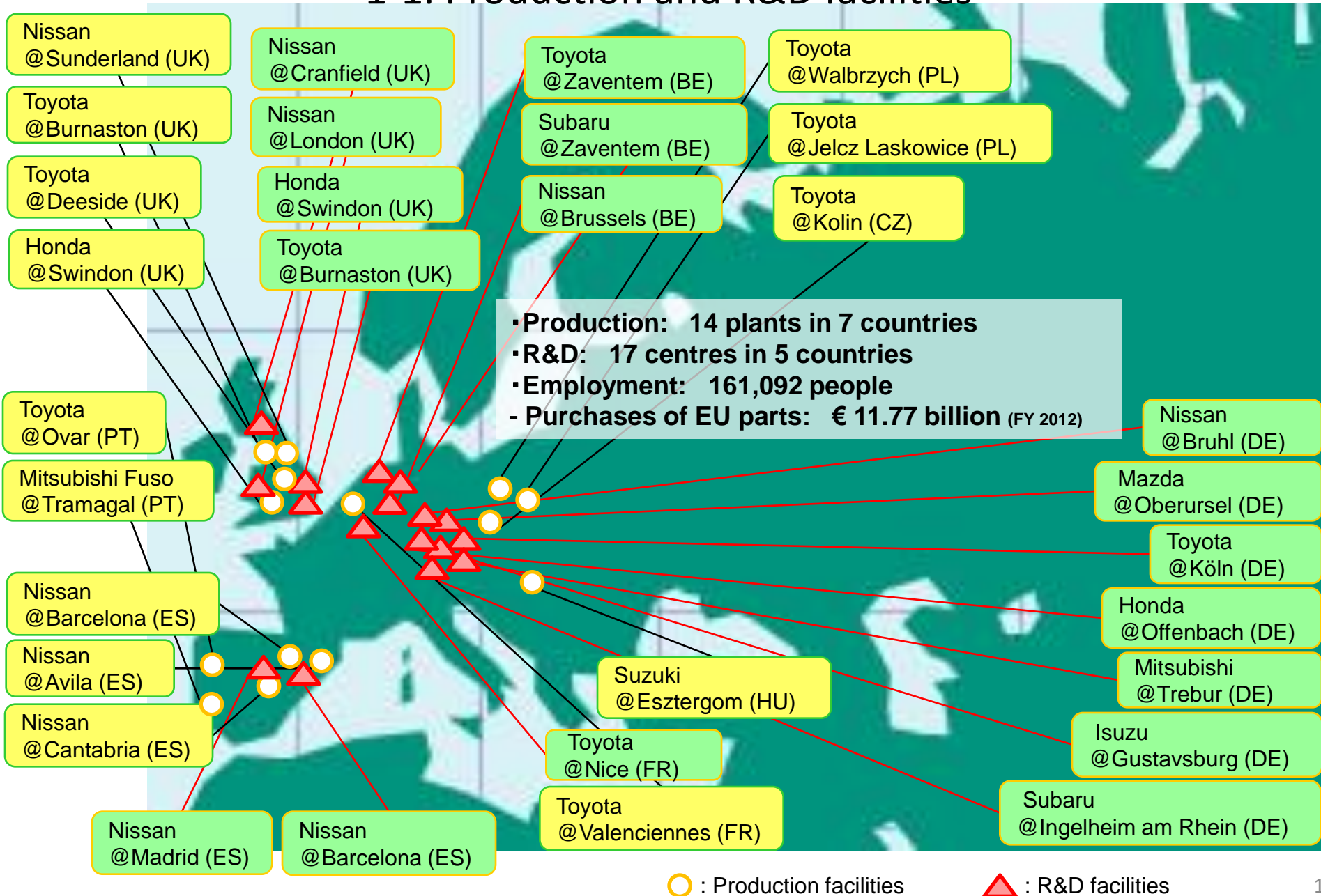
## International Whole Vehicle Type Approval (IWVTA)

*Mutual recognition from an individual component-based approval to one that is based on the whole vehicle under UN 1958 agreement.*



# 1. Japanese Automakers in the EU:

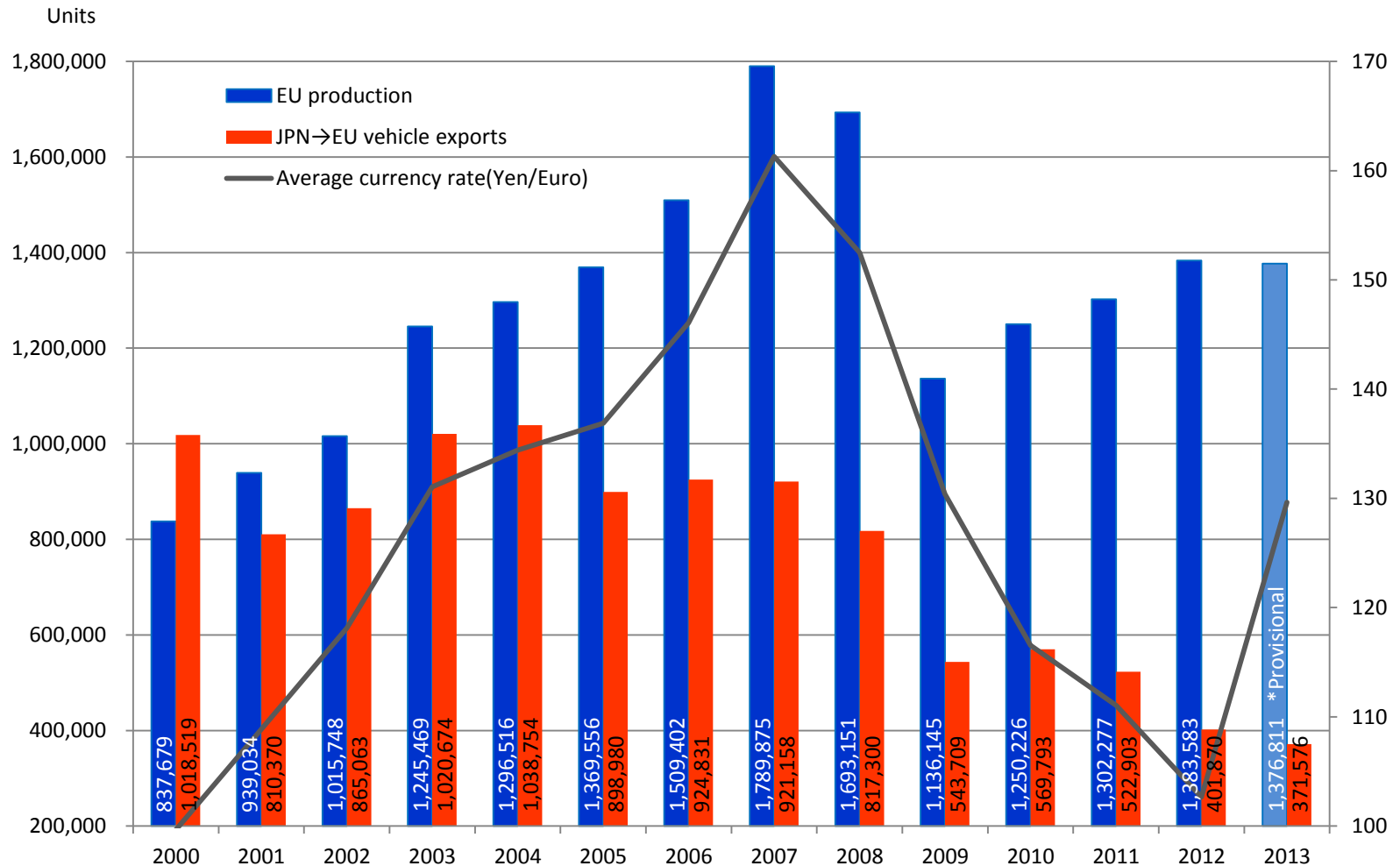
## 1-1. Production and R&D facilities





# 1. Japanese Automakers in the EU:

## 1-2. Trends in production and imports



- EU production by Japanese automakers has risen steadily.
- In 2013, JAMA members produced a total of 1.38 million\* vehicles, of which more than two-thirds were sold in the EU.

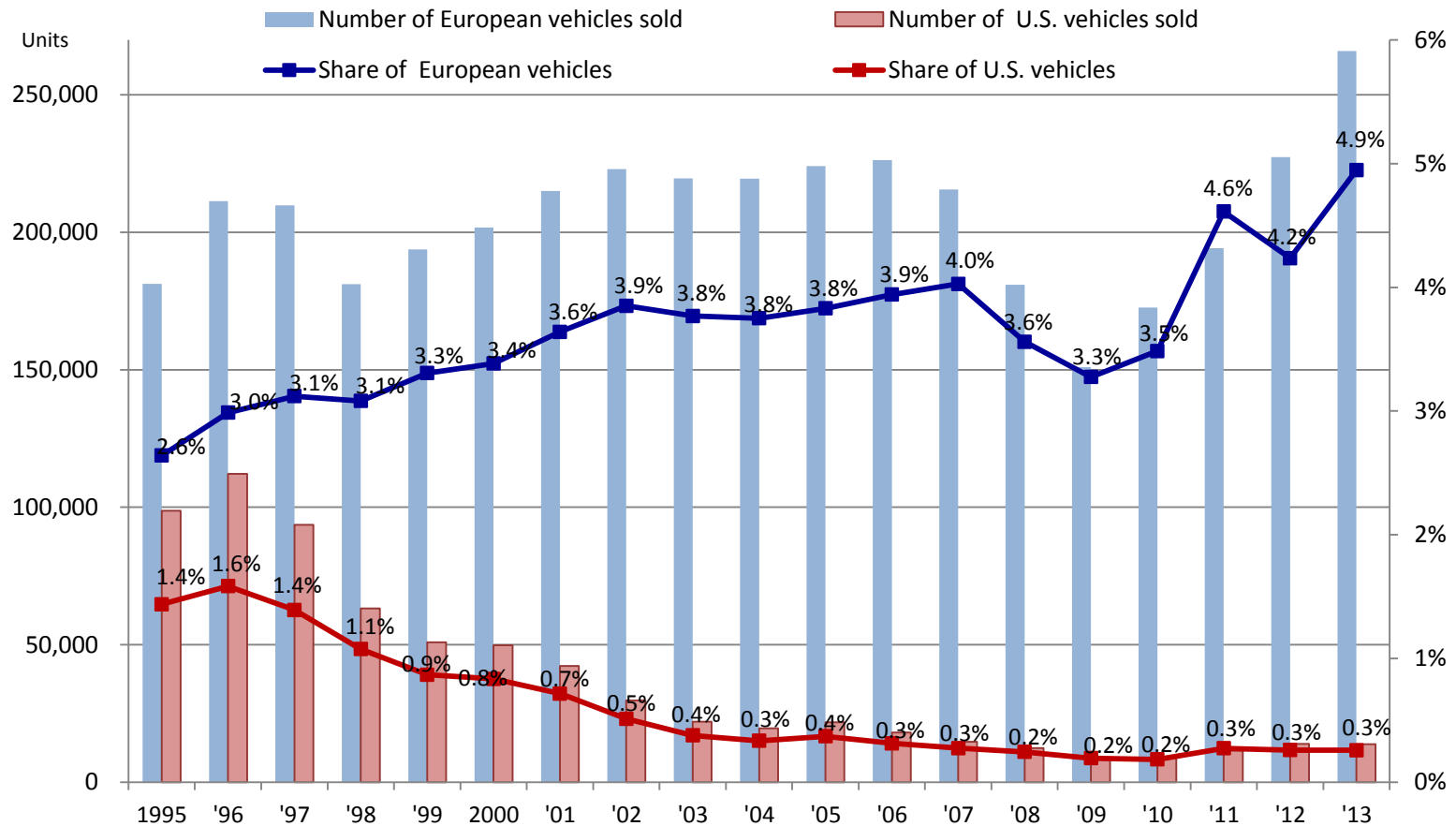
\*Preliminary figure

## 2. Imported Vehicles in Japan's Home Market

### 2-1. Market shares

- The share of European vehicles in Japan's home market has steadily grown over the past two decades.
- In 2013, European brands held a 4.9% of share of Japan's overall domestic market.

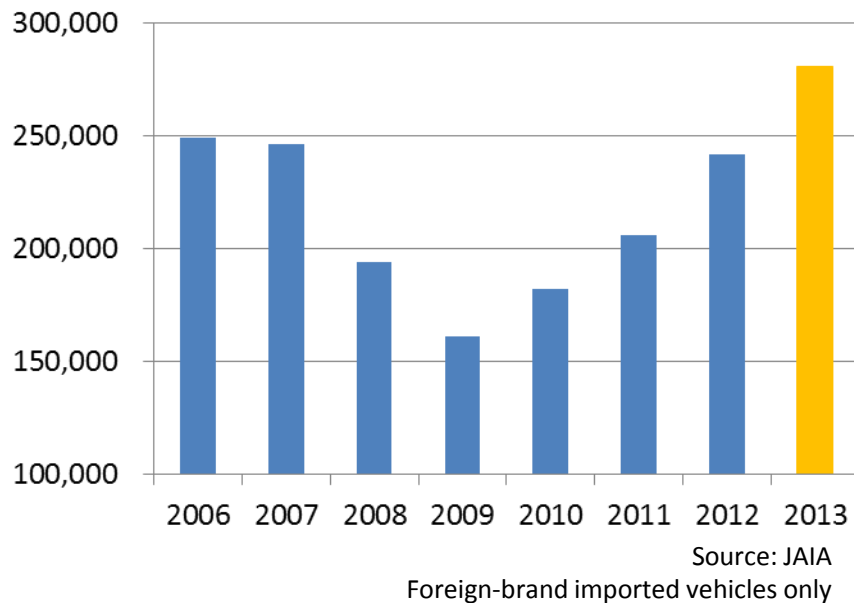
Share (in units and %) of European Vehicles in Japan's Home Market



Note: Includes mini-vehicles.

## 2. Imported Vehicles in Japan's Home Market:

### 2-2. Recent developments



#### ■ Results of 2013

Looking at Japan's domestic automobile market last year, sales of passenger cars were down 3.8% from the previous year while mini-vehicles were up 6.7%, resulting in the overall market remaining almost unchanged at + 0.1%. Sales of foreign-brand imported vehicles were up 16.1% from the previous year to 280,500 units, which was a great result, by far exceeding the initial forecast.

(From a speech by JAIA\* chairman at press conference on 15 Jan 2014)

\*Japan Automobile Importers Association



#### ■ Volkswagen Golf named Japan Car of The Year

German automaker Volkswagen AG's mainstay Golf small passenger car was selected as Car of The Year in Japan on Saturday, becoming the first imported car to win the award since it was created in 1980.

(Jiji Press, 23 Nov 2013)

#### ■ European brands to expand number of dealers

European brands plan to increase the number of their dealerships or expand existing functions.

Audi: Will increase number of dealers by 10%, to 125 sites.

Mercedes: Will expand dealer functions.

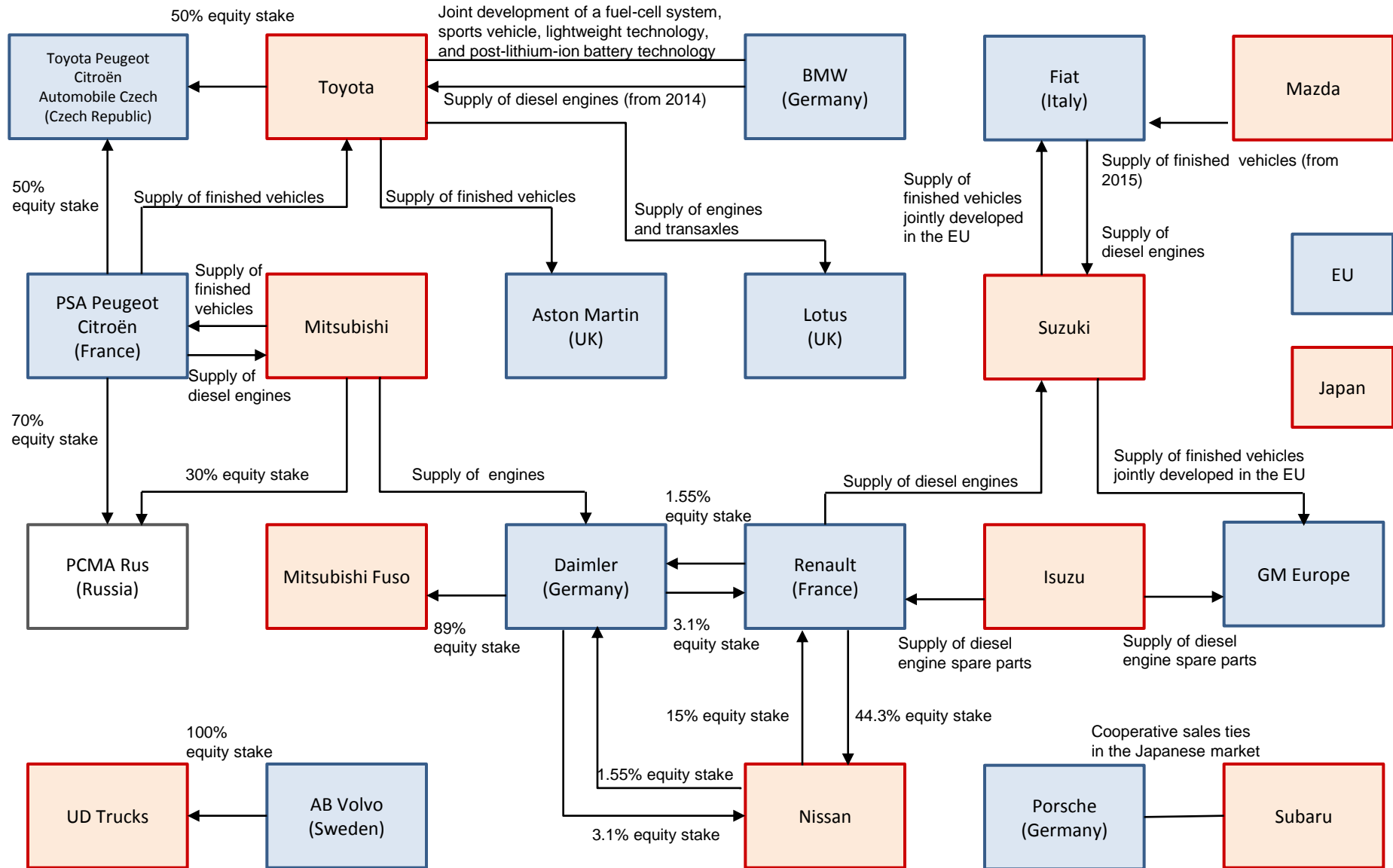
VW: Will double number of dealers year-on-year in 2014.

Fiat: Will increase number of dealers by 30% to 200 sites in 2014.

(From Nikkei Shimbun, 13 Feb 2014)

### 3. Strengthening Economic/Cooperative Relations between the EU and Japan

#### Automotive ties between Europe and Japan







**Thank you for getting connected**

# NISSAN MOTOR CORPORATION

