Recommendation against Nissan Motor Co., Ltd. under the Subcontract Act

March 7, 2024 Japan Fair Trade Commission

The Japan Fair Trade Commission (JFTC) today issued a recommendation against Nissan Motor Co., Ltd. (Nissan) for violating the Subcontract Act.

The JFTC found that, in order to cut cost, Nissan had reduced payments to its 36 subcontractors without any fault of the subcontractors. The total amount of payment reduction was 3.02 billion yen.

This conduct falls under "payment reduction" in Article 4, paragraph 1, item 3 of the Subcontract Act. The JFTC recommended that Nissan resolve not to engage in the similar conduct and improve its compliance program.

\* Note that this announcement is a tentative translation. For more details, please refer to the original text in Japanese.