



Public Procurement in Japan Opportunities for you?

Lyckle Griek,
Japan Tax & Public Procurement Helpdesk Project manager



Topics today:

- Outline of the public procurement market in Japan
- How and where do I find information on PP?
- Overview of the procedures
- Opportunities & Challenges
- How can JTPP Helpdesk help you?

What is public procurement?

- **Public or government procurement**

- *Purchases of goods, services and public works by government entities by means of tender procedures*

- *Fair and equal access*
- *Value for money*



The Market



Market size

Estimates range from 220 to 550 billion EUR

The Market

Top 10 public procurement categories

(WTO Procurement by central government excluding construction)

Category	Total Procurement Value	Foreign share		Contracts awarded	Foreign share		Value per contract
	EUR m	%	EUR m	#	%	#	EUR m
Computer & Related Services	5,686 m	4.4	250 m	3,020	4.0	121	2.07 m
Office Machines & Automatic Data Processing Equipment	1,834 m	2	37 m	1,008	3.7	37	0.98 m
Professional/Scientific & Controlling Instruments & Apparatus	1,753 m	39.4	691 m	1,399	29.7	416	1.66 m
Miscellaneous Articles	1,653 m	3.8	63 m	2,159	4.2	91	0.69 m
Mineral Products	539 m	11.5	62 m	1,322	39.0	516	0.12 m
Medical/Dental/Surgical & Veterinary Equipment	525 m	43.1	226 m	885	30.4	269	0.84 m
Medical & Pharmaceutical Products	386 m	21.2	82 m	407	34.9	142	0.58 m
Railway Vehicles & Associated Equipment	109 m	45.9	50 m	28	7.1	2	25.19 m
Ships/Boats & Floating Structures	95 m	14.4	14 m	19	5.3	1	13.57 m
Aircraft & Associated Equipment	39 m	90.6	35 m	14	42.9	6	5.85 m

The Market

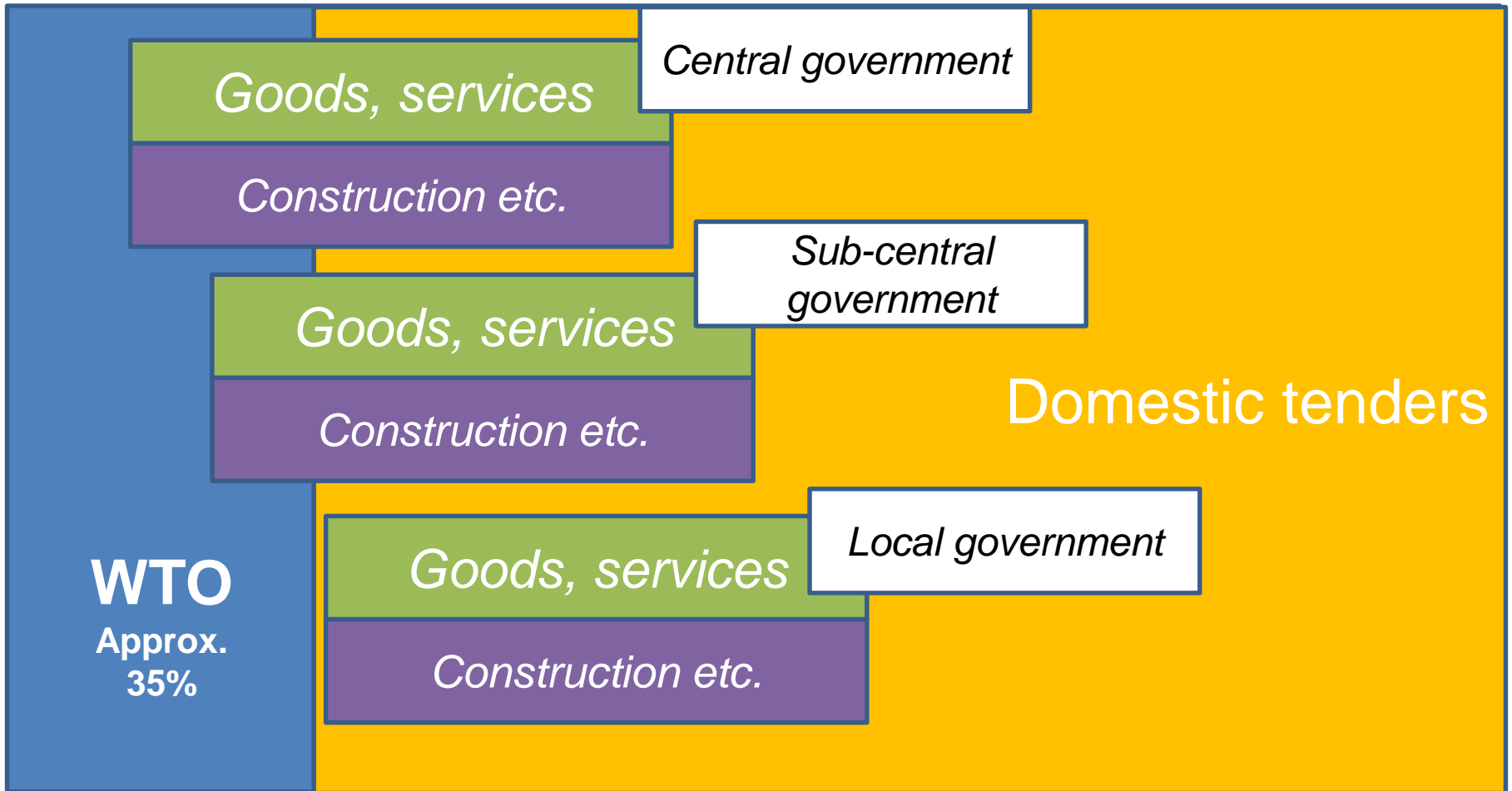


Important distinction to keep in mind

- **WTO tenders (*tokuteichoutatsu*)**
- **Domestic tenders**

WTO Agreement on Government Procurement' tenders	Domestic tenders
<ul style="list-style-type: none">• Non-discriminatory• Thresholds• English summaries• Longer bidding periods• Limited coverage• Certain products/services excluded	<ul style="list-style-type: none">• Conditions favouring domestic suppliers may exist

The Market: *more distinctions*



WTO Thresholds

(1000 SDR/EURO (1 EURO =

¥125

National government and related organisations

SDR (millions) JPY (millions) EUR

Central Government entities

1. Products	100	16,000	128,000
2. Construction	4,500	740,000	5,920,000
3. Architectural, engineering & Other Technical services related to construction	450	74,000	592,000
4. Services other than 2 & 3	100	16,000	128,000

Prefectures and 20 designated cities

Sub-central Government Entities

1. Products	200	33,000	264,000
2. Construction	15,000	2,470,000	19,760,000
3. Architectural, engineering & Other Technical services related to construction	1,500	240,000	1,920,000
4. Services other than 2 & 3	200	33,000	264,000

125 government entities

Other entities

1. Products	100	16,000	128,000
2. Construction services for entities in Group A except Japan Post	15,000	2,470,000	19,760,000
3. Construction services for Japan Post and entities in Group B[1]	4,500	740,000	5,920,000
4. Architectural, engineering & Other Technical services related to 2 and 3	450	74,000	592,000
5. Services other than 2 & 3, 4	130	16,000	128,000

Where is the information?



English-language notices:

- **JETRO**
- **EU-Japan Centre for Industrial Cooperation**
- **Chotatsujoho website**

Business Opportunities

- [Business Matching Database \(TTPP\)](#)
- [Online Trade Fair Database \(J-messe\)](#)
- [Japanese Government Procurement](#)

Japanese Government Procurement



Online database of Japanese government procurement notices and invitations published in the National Printing Bureau's "Official Gazette." Users can search by publication date, product/service category as well as location. (*Detailed inquiries relating to procurements should be directed to the government ministry or agency that issued the notice.)

About Government Procurement

National Government

- [Search](#)

Local Government

- [Search for Prefectures and Designated Cities](#)

Notice of Procurement

Previous

Next

Results List

New Search

- Types of procedures:
 - *Open/Competitive*
 - *Selective*
 - *Limited(Single)*
- Qualify as supplier in advance
- SMEs: classified as C,D
- Bidding period: 50 days
- Other notices:
 - *Request for submission of materials*
 - *Request for comments*
 - *Future procurement plans*

5 SUMMARY (1) OFFICIAL IN CHARGE OF DISBURSEMENT OF THE PROCURING ENTITY : TAKAHIDE MARUYAMA DIRECTOR GENERAL OF CHUGOKU REGIONAL DEVELOPMENT BUREAU (2) CLASSIFICATION OF THE SERVICES TO BE PROCURED : 14 (3) NATURE AND QUANTITY OF THE SERVICES TO BE REQUIRED : TELEMETER EQUIPMENT 1 SET (4) DELIVERY PERIOD : 28 FEBRUARY, 2018 (5) DELIVERY PLACE : AS IN THE TENDER DOCUMENTATION (6) QUALIFICATION FOR PARTICIPATING IN THE TENDERING PROCEDURES : SUPPLIERS ELIGIBLE FOR PARTICIPATING IN THE PROPOSED TENDER ARE THOSE WHO SHALL : (A1) NOT COME UNDER ARTICLE 70 AND 71 OF THE CABINET ORDER CONCERNING THE BUDGET, AUDITING AND ACCOUNTING (A2) HAVE GRADE A, B, C OR D ON "MANUFACTURING OF PRODUCTS" OR "SELLING OF PRODUCTS" IN CHUGOKU AREA IN TERMS OF QUALIFICATION FOR PARTICIPATING IN TENDERS BY MINISTRY OF LAND, INFRASTRUCTURE, TRANSPORT AND TOURISM (SINGLE QUALIFICATION FOR EVERY MINISTRY AND AGENCY) (A3) NOT BE UNDER SUSPENSION OF NOMINATION BY DIRECTOR-GENERAL OF CHUGOKU REGIONAL DEVELOPMENT BUREAU FROM TIME-LIMIT FOR THE TENDER TO BID OPENING (A4) NOT BE THE BUILDING CONSTRUCTOR THAT A GANGSTER INFLUENCES MANAGEMENT SUBSTANTIALLY OR THE PERSON WHO HAS EXCLUSION REQUEST FROM MINISTRY OF LAND, INFRASTRUCTURE, TRANSPORT AND TOURISM IS CONTINUING STATE CONCERNED (A5) HAVE PROVEN TO HAVE ACTUALLY DELIVERED THE PRODUCTS CONCERNED (A6) HAVE PROVEN TO HAVE PREPARED A SYSTEM IN JAPAN TO PROVIDE AFTER-SALE SERVICE AND MAINTENANCE FOR THE PRODUCTS CONCERNED (A7) HAVE OFFICIALLY RECEIVED THE GRANT OF THE BID MANUAL FROM DIRECTOR GENERAL OF CHUGOKU REGIONAL DEVELOPMENT BUREAU, OR THOSE WHO HAVE DOWNLOADED FROM THE ELECTRIC PROCUREMENT SYSTEM (7) TIME-LIMIT FOR TENDER : 17 : 00 14 JULY, 2017 (8) CONTACT POINT FOR THE NOTICE : FIRST PURCHASE SECTION, CONTRACT DIVISION, GENERAL AFFAIRS DEPARTMENT, CHUGOKU REGIONAL DEVELOPMENT BUREAU, MINISTRY OF LAND, INFRASTRUCTURE, TRANSPORT AND TOURISM, 6-30 KAMIHATCHOBORI, NAKA-KU, HIROSHIMA-SHI, HIROSHIMA-KEN, 730-8530 JAPAN. TEL 082-221-9231 EX. 2536 (9) ACQUIRE THE ELECTRIC CERTIFICATE IN CASE OF USING THE ELECTRIC PROCUREMENT SYSTEM [HTTPS://WWW.GEPS.GO.JP/](https://www.geps.go.jp/)

調達情報はどこ？

Where is the information? (In Japanese)

- **www.geps.go.jp**
 - National government online procurement platform
- Websites run by each government entity
 - Ex. Tokyo <https://www.e-procurement.metro.tokyo.jp/indexPbi.jsp>
- Commercial services
 - Ex. <https://www.njss.info/>

General procedure



Tender notice

- Or first *Prior information notice* or *Request for comments*

Explanatory meeting

- specifications

Expression of interest

- Submission of Supplier Qualification/licenses etc.

Preparation and submission of bidding documents

Announcement of bidding results (*Lowest price usually wins*)

- Bidding room / Online

Contracting

- Little room for negotiation

Delivery/execution of contract

- deadlines strict



Opportunities

- Often only one bidder
- Regionally and locally less competition
- Services in high demand (IT, technical services, academia)
- Larger margins if supplying directly (cutting out trading companies)
- Tokyo2020 Olympics

Challenges

- Language barrier
 - Access to market information
- Licenses/standards
 - Construction
 - Medical
- Local orientation
- After-service

JTPP Helpdesk services



Tender notice

- Or first Prior information notice or Request for comments

Explanatory meeting

- specifications

Expression of interest

- Submission of Supplier Qualification/licenses etc.

Preparation and submission of bidding documents

Announcement of bidding results (*Lowest price usually wins*)

↳ Bidding room / Online

Contracting

- Little room for negotiation

Delivery/execution of contract

- deadlines strict

Market information

- Weekly Tender Digest
- PP Market Quick Scan
- Custom-made monitoring

Provisional translation of specifications

Supplier Qualification Service

Assistance with licenses' applications

Arranging of translators

Assistance during contracting

JTTP Helpdesk: WTO tender digest: Week 20 (May 15-19, 2017)

Type	Category ↓	Item Description	Deadline	Supplier Class.	Contact details (*If link does not work, try copy and paste in browser)
Contract Notice	General	WTO tenders published this week by Tokyo Metropolitan Government (In English)			http://www.zaimu.metro.tokyo.jp/en/summary2519-290517.pdf
Contract Notice	Products of the Chemical & Allied Industries	ABUSE DRUG TEST KIT (25TEST/1BOX) 1,616EA	7/6/17	A,B,C,D	HEAD CONTRACT 1ST SECTION, GROUND MATERIAL CONTROL COMMAND, JAPAN GROUND SELF DEFENSE FORCE, 1-5-70 JUJODAI, KITA-KU TOKYO 114-8564 JAPAN. TEL 03-3908-5121 EXT. 2567 http://www.mod.go.jp/gsdf/gmcc/hoto/hmenu/hseifu.htm
Contract Notice	Artificial Resins & Plastic Materials; Rubber/Factice; Raw Hides & Skins/Leather	10,500,000 specified paid garbage bags	6/21/17	City Qualifications	Contract Division, Finance and Budget Bureau, City of Okayama,1-1-1 Daiku, Kita-ku, Okayama-city 700-8544 Japan Tel: 086-803-1156 https://www.jetro.go.jp/en/database/procurement/local/2017/05/524447f660b0391a.html
Contract Notice	Artificial Resins & Plastic Materials; Rubber/Factice; Raw Hides & Skins/Leather	ABOUT 169,478 OF TRANSPARENT MAIL TRAY (CLEAR TYPE)	6/29/17	Not specified	EISUKE FUKUSHIMA, PROCUREMENT DEPARTMENT, JAPAN POST CO., LTD. 1-3-2 KASUMIGASEKI CHIYODA-KU TOKYO 100-8798 JAPAN TEL 03-3504-5333 https://procurement.japanpost.jp/general/2017/20170519137127.html
Contract Notice	Non-Ferrous Metals & Articles Thereof	ZINC INGOT 30 TONS	7/12/17	A,B,C	TAKURO IMAI, CONTRACT UNIT, ACCOUNTS DIVISION, GENERAL AFFAIRS DEPARTMENT, JAPAN MINT, 1-1-79 TEMMA KITA-KU, OSAKA-SHI 530-0043 JAPAN TEL 06-6351-5463 http://www.mint.go.jp/bid/bid_seifucyotatsu.html
Contract Notice	Non-Ferrous Metals & Articles Thereof	BRASS BLANK 10,880 THOUSAND PIECES	7/27/17	A,B,C	TAKURO IMAI, CONTRACT UNIT, ACCOUNTS DIVISION, GENERAL AFFAIRS DEPARTMENT, JAPAN MINT, 1-1-79 TEMMA KITA-KU, OSAKA-SHI 530-0043 JAPAN TEL 06-6351-5463 http://www.mint.go.jp/bid/bid_seifucyotatsu.html
Contract Notice	Power Generating Machinery & Equipment	CRANKCASE WINDOW CLOSURE PACKING 12 ITEMS AND 240 PIECES PURCHASE.	7/12/17	A,B,C,D	YOICHIRO KOTERA, BID EXAMINATION SECTION, FINANCE DIVISION, FINANCE AND SUPPLY DEPARTMENT, 6TH REGIONAL COAST GUARD HEADQUARTERS, 3-10-17 UJINAKAIGAN, MINAMI-KU, HIROSHIMA-CITY, HIROSHIMA 734-8560 JAPAN TEL082-251-5111 EXT. 2224 Email: keiri6-u7bi7@kaiho.mlit.go.jp http://www.kaiho.mlit.go.jp/06kanku/keirihokuyuu/index.html
Contract Notice	Apparel	Purchase of Gloves 6,214 pairs	6/27/17	TMG Qualifications, A, B	Contract Branch, Audit and Contract Section, Administration Division, TokyoFire DepartmentTelephone : +81(3)3212-2111 Ext. 5385 (In charge: Sawada/Tomisawa) https://www.e-procurement.metro.tokyo.jp/documents/con201705172519a4dcf547.pdf
Contract Notice	Apparel	Purchase of Gloves 6,351 pairs	6/27/17	TMG Qualifications, A, B	Contract Branch, Audit and Contract Section, Administration Division, TokyoFire DepartmentTelephone : +81(3)3212-2111 Ext. 5385 (In charge: Sawada/Tomisawa) https://www.e-procurement.metro.tokyo.jp/documents/con201705172519a4dcf547.pdf#page=2
Contract Notice	Apparel	Purchase of Gloves 6,682 pairs	6/27/17	TMG Qualifications, A, B	Contract Branch, Audit and Contract Section, Administration Division, TokyoFire DepartmentTelephone : +81(3)3212-2111 Ext. 5385 (In charge: Sawada/Tomisawa) https://www.e-procurement.metro.tokyo.jp/documents/con201705172519a4dcf547.pdf#page=2

JTPP Helpdesk services



Tender notice

- Or first Prior information notice or Request for comments

Explanatory meeting

- specifications

Expression of interest

- Submission of Supplier Qualification/licenses etc.

Preparation and submission of bidding documents

Announcement of bidding results (*Lowest price usually wins*)

↳ Bidding room / Online

Contracting

- Little room for negotiation

Delivery/execution of contract

- deadlines strict

Market information

- Weekly Tender Digest
- PP Market Quick Scan
- Custom-made monitoring

Provisional translation of specifications

Supplier Qualification Service

Assistance with licenses' applications

Arranging of translators

Assistance during contracting



JTPP Helpdesk services



Tender notice

- Or first Prior information notice or Request for comments

Explanatory meeting

- specifications

Expression of interest

- Submission of Supplier Qualification/licenses etc.

Preparation and submission of bidding documents

Announcement of bidding results (*Lowest price usually wins*)

↳ Bidding room / Online

Contracting

- Little room for negotiation

Delivery/execution of contract

- deadlines strict

Market information

- Weekly Tender Digest
- PP Market Quick Scan
- Custom-made monitoring

Provisional translation of specifications

Supplier Qualification Service

Assistance with licenses' applications

Arranging of translators

Assistance during contracting



Your questions

<http://www.eubusinessinjapan.eu/issues/entry-strategy/government-procurement>