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Date: 3/29/2017

GAIN Report Number: JA7042

Japan

Post: Tokyo

Procurement Tender Procedures Established for 2020 Tokyo Olympics

Report Categories:

Policy and Program Announcements

Trade Policy Monitoring

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Report Highlights:

The Tokyo Organizing Committee of the Olympic and Paralympic Games (TOC) has released guidelines for all procurement for the Tokyo Olympics. Given budget limitations, the TOC will aim to demonstrate maximum cost efficiency and procure only necessary items. The initial focus will reportedly be on infrastructural procurements in 2017 and early 2018, followed by supplies in late 2018, and, potentially, foodservices thereafter.

General Information:

The Tokyo Organizing Committee of the Olympic and Paralympic Games (TOC) has released procurement procedures for the Tokyo Olympic and Paralympic Games in 2020 (Tokyo Olympics). The TOC Planning and Finance Bureau's Procurement Department is in charge of all procurements for "construction, facilities, items, and services" for the Tokyo Olympics.

The following is a list of venues envisioned for the Tokyo Olympics:

Tokyo Area:



Source: <https://tokyo2020.jp/en/games/venue/olympic/>

Football/Baseball/Softball:



Source: <https://tokyo2020.jp/en/games/venue/olympic/>

Heritage Zone (10)	Tokyo Bay Zone (16)	Others (13)
1-Olympic Stadium	8-Ariake Arena	25-Saitama Super Arena
2-Tokyo Metropolitan Gymnasium	9-Olympic Gymnastic Center	26-Asaka Shooting Range
3-Yoyogi National Stadium	10-Olympic BMX Course	27-Kasumigaseki Country Club
4-Nippon Budokan	11-Ariake Tennis Park	30-Tsurigasaki Beach Surfing Venue
5-Imperial Palace Garden	12-Odaiba Marine Park	31-Yokohama Stadium
6-Tokyo International Forum	13-Shiozake Park	32-Enoshima Yacht Harbor
7-Kokugikan Arena	14-Aomi Urban Sports Venue	33-Izu Velodrome
22-Equestrian Park	15-Seaside Park Hockey Stadium	34-Izu Mountain Bike Course
23-Musashino Forest Sport Centre	16-Sea Forest Cross-Country Course	35-Fukushima Azuma Baseball Stadium
24 Tokyo Stadium	17-Sea Forest Waterway	36- Sapporo Dome
	18-Canoe Slalom Course	37- Miyagi Stadium
	19-Dream Island Archery Field	38- Saitama Stadium

	20-Olympic Aquatics Centre	39- International Stadium Yokohama
	21-Tatsumi International Swimming Centre	
	28/29-Makuhari Messe	
Olympic Village	IBC/MPC (Tokyo Big Sight)	

Note: Additional venues for soccer competitions are under consideration

Procurement Tendering Parameters:

The Procurement Department's goal, given budget limitations, is to demonstrate maximum cost efficiency. Accordingly, the TOC intends to only procure items that are necessary. Specifically, the Procurement Department will tender for:

- temporary equipment (tents, seats, fences, etc.), devices, furnishings, and services used at each venue;
- equipment, devices, furnishings, and services used in each event and the Olympic Village;
- devices, furnishings, and services:
 - for security and technology services;
 - used in transportation and logistics;
 - used in broadcasting facilities;
 - used in ceremonies (opening and closing ceremonies, torch relay, medal ceremonies); and,
 - used in various Tokyo 2020 offices.

The TOC intends to conduct five designated types of procurement tenders:

Procurement Methods		Remarks
1.	Competitive tenders	
a.	Open competitive tenders	Open to all
b.	Designated competitive tenders	Open to selected contractors only
c.	Comprehensively evaluated competitive tenders	Additional factors (e.g., technological capability) are examined in addition to price
2.	Estimate-based	Mainly for low-value contracts*
3.	Proposal-based	
4.	Special contracts	
5.	Contracts with Tokyo Olympic partner(s)	

*Note: The definition of "low-value" contracts is yet to be defined by the TOC.

Procurement Tendering Process:

The procurement information and details will be placed on two different websites depending on who issues the tenders:

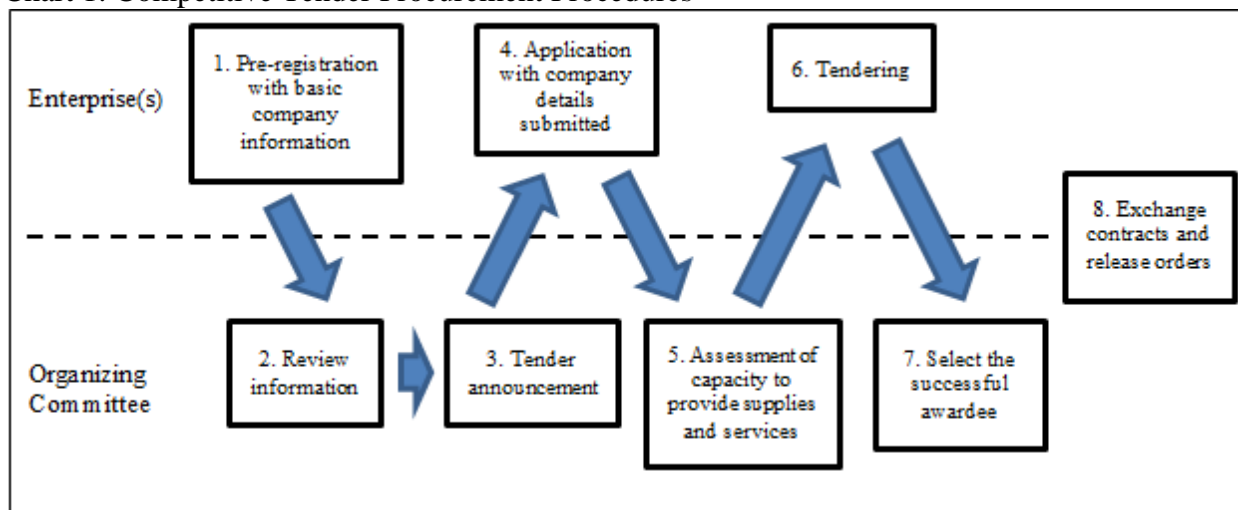
1. TOC-exclusive tenders: <https://tokyo2020.jp/jp/organising-committee/procurement/>

- Envisioned for large-scale contracts (e.g., building construction, supplies and services for TOC, etc.); and,
 - May publish basic information in English (such as a tender title and bid due date), but, in general, detailed information will predominantly be published in Japanese.
2. Tenders open to all via a website run by the “Secretariat of Small Business Global Promotion Project Promotion Council” (the Council) -- <https://www.sekai2020.tokyo/bcn/>
- Envisioned for small to medium-scale contracts (e.g., services and supplies for specific events); and,
 - Only available in Japanese.

The TOC plans to begin announcing procurement tenders through the websites in April 2017. The number of tenders is expected to increase over the course of 2017. The initial focus will reportedly be on infrastructure in late 2017 and early 2018, followed by supplies in late 2018, and, potentially, foodservices thereafter.

The flow chart below describes the general procurement procedures for a competitive tender.

Chart 1: Competitive Tender Procurement Procedures



Source: TOC

As seen in the flow chart above, participation in the tendering process requires pre-registration as well as an application prior to submitting a bid. The pre-registration requirement need only be met once (not for each individual bid), but separate pre-registration applications must be submitted to the TOC and to the Council in order to participate in both tendering systems.

For TOC tenders, and only for the first application made by a bidder, an interested party needs to submit the required information listed in the procurement notice (e.g., company name and address) directly to the e-mail address provided in the same notice (that information will then remain on file for future bids). Whereas for tenders announced on the Council’s website, an interested party needs to register through its website.

While pre-registration is not particularly onerous, applications will require more company details in order for the TOC to assess an applicant's capacity for providing supplies or services. The format of the applications is still not yet determined, but all applications must be submitted in Japanese. Only successful applicants, that the TOC determines to be qualified, will be able to bid on the tenders.

Procurement Bid Selection Criteria

The TOC will select awardees based on seven criteria:

1. Safety;
2. Quality – at a level to satisfy the tender requirement;
3. Delivery – the capability to deliver on time (flexibility will be considered where appropriate);
4. Price;
5. Technology;
6. Social Responsibility – including sustainable procurement; and,
7. Marketing rights – including privileges provided to [Worldwide Olympic Partners](#).

The TOC is preparing “sustainable sourcing codes” for agriculture, livestock, and fishery products. Currently, a sustainable sourcing code has only been issued for [wood materials](#). These sustainable sourcing codes will be available on the TOC website (initially in Japanese, and later in English) at <https://tokyo2020.jp/jp/games/sustainability/sus-code/>.

The TOC has also suggested that a basic understanding of Japanese may prove necessary to facilitate awardee business interaction with Japanese counterparts.