

## **Chapter II Products and Services Covered by the Government Procurement Survey**

This survey covers government purchased products and services which fell under the following voluntary measures related to government procurement: "Procedures for Government Procurement on Products (Operational Guidelines)", "Measures on Japanese Public Sector Procurement of Telecommunications Products and Services", and the "Measures Related to Japan's Public Sector Procurement of Medical Technology Products and Services".

In other words, it covers in principle procurement contracts made by central government entities and public corporations given in the following Table A, and products and services of which value were above the threshold given below. \*

From 1 April 2004 to 31 March 2008: 100,000 SDR (16 million yen)

\*(Note) Procurement for public works (including architectural planning and consultancy) is excluded from this survey.

Table A

Central Government Entities	Public Corporations	Independent Administrative Institutions
House of Representatives; House of Councilors; Supreme Court; Board of Audit, Cabinet; National Personnel Authority; Cabinet Office; Imperial Household Agency; National Public Safety Commission; Defense Agency; Financial Services Agency; Ministry of Public Management, Home Affairs, Posts and Telecommunications; Ministry of Justice; Ministry of Foreign Affairs; Ministry of Finance; Ministry of Education, Culture, Sports, Science and Technology; Ministry of Health, Labor and Welfare; Ministry of Agriculture, Forestry and Fisheries; Ministry of Economy, Trade and Industry; Ministry of Land, Infrastructure and Transport; Ministry of the Environment	Hokkaido Railway Company; East Japan Railway Company; Central Japan Railway Company; West Japan Railway Company; Shikoku Railway Company; Kyusyu Railway Company; Japan Freight Railway Company; Japan Tobacco Inc.; Nippon Telegraph and Telephone CO.; National Life Finance Corporation; Agriculture, Forestry and Fisheries Finance Corporation; Japan Finance Corporation for Small Business; Japan Finance Corporation for Municipal Enterprises; Okinawa Development Finance Corporation; Development Bank of Japan; Japan Bank for International Corporation; The Promotion and Mutual Aid Corporation for Private Schools of Japan; The Open University of Japan Foundation; Social Insurance Medical Fee Payment Fund; Japan Racing Association; Mutual Aid Association of Agriculture, Forestry and Fishery Corporation Personnel; National Association of Racing; Japan Motorcycle Racing Organization; Mutual Aid Fund for Official Casualties and Retirement of Volunteer Firemen; Japan Post; Narita International Airport Corporation; Japan Environmental Safety Corporation; Tokyo Metro Co., Ltd; National University Corporation; Inter-University Research Institute Corporation; East Nippon Expressway Company Limited; Central Nippon Expressway Company Limited; West Nippon Expressway Company Limited; Metropolitan Expressway Company Limited; Hanshin Expressway Company Limited; Honshu-Shikoku Bridge Expressway Company Limited; Japan Alcohol Corporation; Keirin Promotion association	National Archives of Japan; National Research Institute of Brewing; National Center for University Entrance Examination; National Institute of Special Needs Education; National Women's Education Center; The National Institute for Japanese Language; National Museum of Nature and Science; National Institute for Materials Science; National Research Institute for Earth Science and Disaster Prevention; National Aerospace Laboratory of Japan; National Institute of Radiological Sciences; National Museum of Art; National Center for Teacher's Development; The National Institute of Health and Nutrition; National Center for Seeds and Seedlings; National Livestock Breeding Center; National Fisheries University; National Institute of Aerobiological Sciences; National Institute for Agro-Environmental Sciences; Japan International Research Center for Agricultural Sciences (JIRCAS); Forestry and Forest Products Research Institute; Fisheries Research Agency; Research Institute of Economy, Trade and Industry; National Center for Industrial Property Information and Training; Nippon Export and Investment Insurance; National Institute of Advanced Industrial Science and Technology; National Institute of Technology and Evaluation; Public Works Research Institute; Building Research Institute; National Traffic Safety and Environment Laboratory; National Maritime Research Institute; Port and Airport Research Institute; Electronic Navigator Research Institute; National Institute for Sea Training; Civil Aviation College; The National Institute for Environmental Studies; Labor Management Organization for USFJ Employee; National Agency of Vehicle Inspection; National Statistics Center; Japan Mint; National Printing Bureau; Japan Water Agency; Japan Green Resources Agency; Japan Railway Construction, Transport and Technology Agency; Japan Science and Technology Agency; Japan International Cooperation Agency; Welfare and Medical Service Agency; Agriculture and Livestock Industries Corporation; Northern Territories Issue Association; National Consumer Affairs Center of Japan; RIKEN; Japan Foundation; Japan Arts Council; Japan Society for the Promotion of Science; National Agency for the Advancement of Sports and Health; National Center for Persons with Severe Intellectual Disabilities, Nozominosono; Farmers' Pension Fund; Japan External Trade Organization; New Energy and Industrial Technology Development Organization; Japan National Tourist Organization; The Japan Institute for Labour Policy and Training; Organization for Workers' Retirement Allowance Mutual Aid; Japan Nuclear Energy Safety Organization; Japan Oil, Gas and Metals National Corporation; Employment and Human Resources Development Organization of Japan; Environmental Restoration and Conservation Agency; Japan Labour Health and Welfare Organization; Japan Student Services Organization; National Institute of Information and Communications Technology (NiCT); Institute of National Colleges of Technology, Japan; National Institution for Academic Degrees and University Evaluation; Center for National University Finance and Management; National Institute of Multimedia Education; National Hospital Organization; Organization for Small & Medium Enterprises and Regional Innovation, JAPAN; Urban Renaissance Agency; Fund for the Promotion and Development of the Amami Island; Japan Atomic Energy Agency; Japan Expressway Holding and Debt Repayment Agency; National Institution for Youth Education; Marine Technical Education Agency; Government Pension Investment Fund; National Institute of Occupational Safety and Health, Japan; National Agriculture and Food Research Organization; Japan Housing Finance Agency; National Institutes for Cultural Heritage; Food and Agricultural Materials Inspection Center

(Note) This table lists up entities that existed in 2006.

## 1. Total Value and Number of Government Procurement Contracts

The total value for government procurements of goods and services for 2006 was 1,283 billion yen, an increase of 40.5% from the previous year. The total number of contracts was 12,196, an increase of 5.6% from the previous year.

Table 1-1: Total value and number of government procurement contracts  
(100mil. Yen or Number of contracts)

	2001	2002	2003	2004	2005	2006
<b>Total value</b> (increase from the previous year, %)	<b>10, 146</b> (-2. 7)	<b>9, 690</b> (-4. 5)	<b>10, 023</b> (+3. 4)	<b>10, 585</b> (+5. 6)	<b>9, 130</b> (-13. 7)	<b>12, 825</b> (+40. 5)
<b>Total number of contracts</b> (increase from the previous year, %)	<b>14, 848</b> (-3. 3)	<b>15, 739</b> (+6. 0)	<b>15, 601</b> (-0. 9)	<b>13, 418</b> (-14. 0)	<b>11, 548</b> (-13. 9)	<b>12, 196</b> (+5. 6)

## 2. Breakdown of Procurements by Type of Goods or Service, and by Contract Type (2006)

The ratios of open tendering contracts to single tendering contracts vary significantly according to whether the items procured were goods or services. In 2006 about 83% of the number and 80% of the total value of goods procurement were contracted through open tendering procedures. In contrast, in terms of service, almost the half of the number and the total value of procurement were contracted through single tendering procedures.

Table 2: Breakdown of procurements by types of goods and services, and by contract type  
(Upper col.: Number of contracts, Lower col.: Value(100 mil. Yen))

	Total	Open tendering	Selective tendering	Single tendering
<b>Goods</b>	8,420	6,959 (82.6)	48 (0.6)	1,413 (16.8)
	7,865	6,255 (79.5)	158 (2.0)	1,453 (18.5)
<b>Services</b>	3,776	1,781 (47.2)	46 (1.2)	1,949 (51.6)
	4,960	2,199 (44.3)	24 (0.5)	2,737 (55.2)
<b>Total</b>	12,196	8,740 (71.7)	94 (0.8)	3,362 (27.6)
	12,825	8,454 (65.9)	181 (1.4)	3,473 (32.7)

(Note) Figures in parentheses: Ratio(%)

### 3. Trends in Procurement Breakdown by Type of Contract (5 year period)

In 2006, the share of open tendering was about 72% in terms of the number of contracts. In terms of value basis, it rose to about 66%.

Table 3-1: Change in the composition of tendering types  
(Number of contract basis)

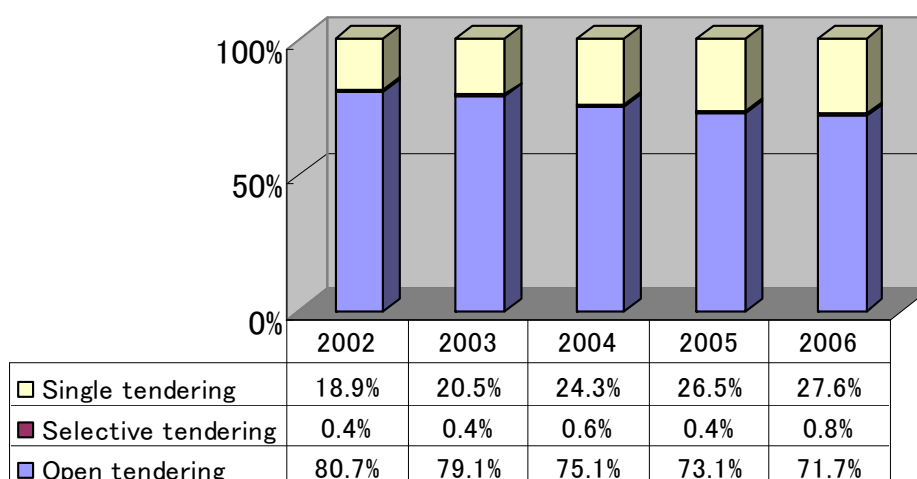
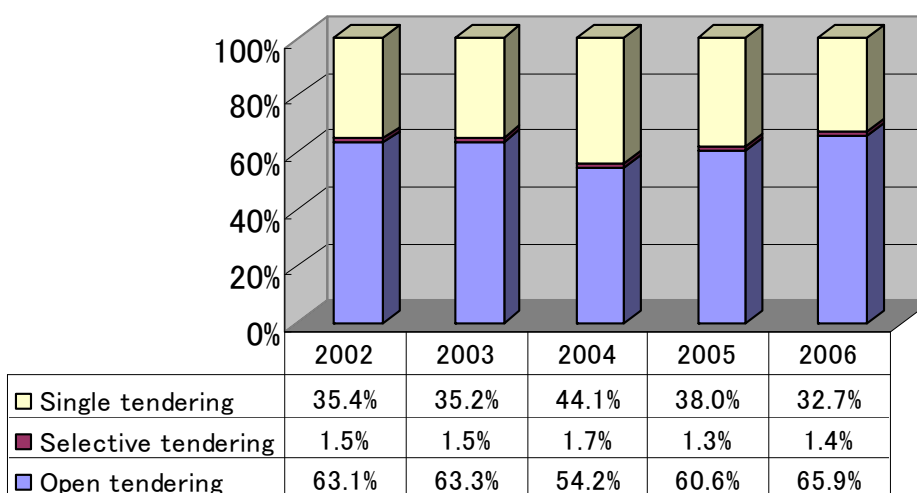


Table 3-2: Change in the composition of tendering types  
(Value basis)



#### 4. Grounds for Selective Tendering Procedures

The contracts through selective tendering procedures keep low level. In 2006, the contracts through selective tendering are less than 1% of the total.

Table 4-1 Total number of selective tendering procedures (Number of contracts)

	2004	2005	2006
Total	77 (0.6)	42 (0.4)	94 (0.8)

(Note) Figures in parentheses: Ratio(%)

Table 4-2 Reasons for selective tendering procedures (Number of contracts)

Reasons	2006
Only a small number of suppliers is expected to tender because of the nature or the purpose of the contract	89
Use of open tendering is expected to be disadvantageous for procuring entities	4
Others	1
Total	94

## 5. Breakdown of Grounds for Single Tendering Procedures

Of the reasons listed in the 15th Article of the WTO Agreement on Government Procurement as the conditions of single tendering procedure, the one most often cited for the adoption of single tendering procedures was "a change of supplier would harm interchangeability with already existing products or equipment" which accounted for about 44 percent of cases in 2006.

Table 5: Reasons for use of single tendering procedures

Reasons	2004	2005	2006
	Number of contracts	Number of contracts	Number of contracts
	Ratio(%)	Ratio(%)	Ratio(%)
In the absence of tenders in response to an open or selective tender	<b>1,001</b>	<b>818</b>	<b>826</b>
	30. 7	26. 7	24. 6
When, for works of art or for reasons connected with protection of exclusive rights, such as patents or copyrights, or in the absence of competition for technical reasons, the products or services can be supplied only by a particular supplier	<b>800</b>	<b>773</b>	<b>948</b>
	24. 5	25. 2	28. 2
When, for reasons of extreme urgency, the products could not be obtained in time by means of open or selective tendering procedures	<b>28</b>	<b>41</b>	<b>41</b>
	0. 9	1. 3	1. 2
A change of supplier would harm interchangeability with already existing products or equipment	<b>1,373</b>	<b>1, 417</b>	<b>1, 494</b>
	42. 1	46. 2	44. 4
When an entity procures prototypes or a first product which are developed at its request	<b>16</b>	<b>10</b>	<b>9</b>
	0. 5	0. 3	0. 3
Others	<b>42</b>	<b>5</b>	<b>44</b>
	1. 3	0. 2	1. 3
Total	<b>3,260</b>	<b>3, 064</b>	<b>3, 362</b>

## 6. Ratio of Foreign Supplier's Awards

The ratio of foreign supplier's awards accounted for about 3.0% on the number of contracts basis and 3.1% on the value basis in 2006.

Table6-1: Ratio of Procurement from Foreign Suppliers (%)

	2004		2005		2006	
	Procurement value	Number of contracts	Procurement value	Number of contracts	Procurement value	Number of contracts
Ratio	3. 7	2. 0	2. 8	1. 8	3. 1	3. 0

Table: 6-2: Nation's Origin in the Foreign Supplier's Award

	Number	Value (100 million yen)
USA	173	239.8
EU	123	130.9
Others	68	23.4
Total	364	394.1

## 7. Percentage of Foreign Suppliers' Tenders and Awards

In 2006, percentage of foreign suppliers' tenders and awards were still low in open tendering procedures. On the other hand, the percentage of foreign suppliers' awards was higher than that of tenders.

Table7: Percentage of Foreign Suppliers' Tenders and Awards in 2006 (%)

Method for Procurement Contract	Percentage of tenders (previous year)	Percentage of awards or Percentage of contracts (previous year)
Open tendering procedures	1. 1 (0.8)	1. 6 (1.1)
Single tendering procedures	—	4. 3 (3.6)

(Note 1) Percentage of tenders: The number of foreign tenders/The total number of tenders X 100

Percentage of awards: The number of contracts awarded to foreign tenders/The total number of contracts in open tendering procedures X 100

Percentage of contracts: The number of contracts made by foreign suppliers in single tendering procedures/The total number of contracts in single tendering procedures X 100

## 8. Ratio of Foreign Goods and Services

In 2006, foreign goods and services accounted for about 8.7 % of the total procurement value, and 17.8 % of the total number of contracts.

Table8: Ratio of Foreign Goods and Services (%)

	2004	2005	2006
Procurement value	9. 7 (13. 1)	10. 3(13. 5)	8. 7 (11. 0)
Number of contracts	18. 6(24. 0)	18. 1(24. 3)	17. 8(24. 3)

(Note 1) Figures in parentheses are for procurement of goods only.

## 9. Breakdown of Foreign Goods and Services by Place of Origin

In 2006, goods and services from the United States accounted for about 48% on the value basis and about 32% on the number of contracts basis.

Table9-1: Breakdown of Foreign Goods and Services by Place of Origin (value basis)  
(100 million yen, %)

Place of origin	2004	2005	2006
	Procurement Value	Procurement Value	Procurement Value
	Ratio	Ratio	Ratio
U S A	547. 6	453. 0	<b>528. 5</b>
	53. 6	48. 0	<b>47. 6</b>
E U	249. 0	275. 3	<b>336. 7</b>
	24. 4	29. 2	<b>30. 3</b>
Others	225. 4	214. 5	<b>245. 2</b>
	22. 1	22. 8	<b>22. 1</b>
Total	1, 022. 1	942. 8	<b>1, 110. 4</b>



Table9-2: Breakdown of Foreign Goods and Services by Place of Origin  
(number of contracts basis)

Place	(number of contracts, %)		
	2004	2005	2006
	Number of Contracts	Number of Contracts	Number of Contracts
	Ratio	Ratio	Ratio
U S A	999	727	701
	39. 9	34. 8	32. 3
E U	470	340	369
	18. 8	16. 3	17. 0
Others	1, 032	1, 020	1, 103
	41. 3	48. 9	50. 76
Total	2, 501	2, 087	2, 173

#### 10. Procurement Value by Product Categories and Foreign Ratios

Table 10 shows government procurement by product categories (value basis) and presents the ratio of foreign products.

The total value of procurement of goods amounted to about 786.5 billion yen. The item that has the largest shares was "office machines and automatic data processing equipment" (personal computers, typewriters, projection screens, etc.) which accounted for about 45% of total procurement value.

The categories with high ratio of foreign goods were "Aircraft and associated equipment" (aircraft, balloon, propeller, parachute, etc.) (about 78%), and "Mineral products" (soil and rocks, crude heavy oil, metal ores, etc.) (about 61%).

Table10: Procurement Value by Product Categories (2006)

(100 Million Yen, %)

Product Categories	Procurement Value (difference between 2005 and 2006)	Foreign Share (%)
Products from agriculture and from agricultural and food processing	2. 8(+1.7)	16. 6
Mineral products	325. 8(+93.6)	61. 4
Products of the chemical and allied industries	89. 2(+66.1)	6. 3
Medicinal and pharmaceutical products	412. 4(+146.3)	20. 7
Artificial resins; rubber, raw hides and skins; leather; and articles thereof.	19. 1(+8.2)	2. 6
Wood and articles of wood; paper making material; paper and paperboard and articles thereof.	110. 2(-26.6)	0. 2
Textiles and textile articles; thread for spinning and weaving; and articles thereof.	33. 9(-19.9)	0. 0
Articles of stone, of cement and similar materials; ceramic products; glass and glassware; and articles thereof.	5. 3(+4.1)	0. 0
Iron and steel and articles thereof	154. 4(+29.7)	1. 3
Non-ferrous metals and articles thereof	55. 8(+12.8)	4. 3
Power generating machinery and equipment	111. 4(+82.2)	21. 5
Machinery specialized for particular industries	94. 5(-16.5)	2. 4
General industrial machinery and equipment	36. 2(-20.7)	10. 4
Office machines and automatic data processing equipment	3, 504. 1 (+1,608.8)	1. 9
Telecommunications and sound recording and reproducing apparatus and equipment	476. 6(-106.0)	1. 0
Electrical machinery, apparatus and appliances, and electrical parts thereof	225. 4(+26.7)	4. 4
Road Vehicles	243. 5(-8.6)	3. 3
Railway vehicles and associated equipment	41. 2(-11.6)	6. 9
Aircraft and associated equipment	63. 7(-5.1)	77. 7
Ships, boats and floating structures	16. 4(-87.5)	0. 0
Sanitary, plumbing and heating equipment	2. 7(-0.7)	24. 7
Medical, dental, surgical and veterinary equipment	632. 1(+192.7)	38. 7
Furniture and parts thereof	28. 4(-27.6)	4. 5
Scientific and controlling instruments and apparatus	446. 9(-27.8)	21. 2
Photographic apparatus and equipment, optical goods, and clocks	145. 4(+80.3)	5. 1
Miscellaneous articles	587. 6(+85.0)	8. 6
Total	7, 865. 1 (+2,079.6)	11. 0

## 11. Procurement Value by Service Type and Foreign Ratios

Table 11 shows government procurement by service categories (value basis) and presents the ratio of foreign services.

The total value of procurement of services amounted to about 496.0 billion yen and about 66 % of the total (about 326.8 billion yen) was shared by "computer and related services" (computer programming, data processing, etc.).

Table11: Procurement Value by Type of Services(2006)

(100 million Yen, %)

Type of Services	Procurement value (difference between 2005 and 2006)	Foreign Share (%)
Maintenance and repair services of motor vehicles	1. 9(-118.1)	0. 0
Maintenance and repair services of motorcycles and snowmobiles	0. 0(0)	0. 0
Other land transport services (except Mail transportation by land)	118. 8(+17.8)	0. 0
Rental services of sea-going vessels with operator	9. 6(-0.3)	0. 0
Rental services of non-sea-going vessels with operator	0. 0(0)	0. 0
Air transport services ( except Mail transportation by air)	6. 4(-2.2)	16. 3
Freight transport agency services	3. 8(-4.2.)	0. 0
Courier services	0. 3(-0.7)	0. 0
Telecommunications services	39. 5(-1.7)	26. 5
Computer and related services	3, 268. 2 (+1,072.6)	7. 0
Market research and public opinion polling services	24. 9(-1.7)	0. 0
Advertising services	356. 5(+86.7)	0. 2
Armored car services	12. 2(-30.6)	0. 0
Building-cleaning services	200. 0(+43.4)	0. 0
Publishing and printing services	72. 6(+5.0)	0. 0
Repair services incidental to metal products, machinery and equipment	77. 6(-2.6)	0. 3
Sewage and refuse disposal, sanitation and other environmental protection	67. 2(-18.7)	0. 0
other	700. 9(+570.9)	0. 4
Total	4960. 2 (+1,615.6)	4. 9

## 12. Procurement Contracts by Product Categories and Foreign Ratios

Table 12 shows government procurement by product categories (number of contracts basis) and foreign product ratios.

The total number of procurement of goods amounted to 8,420, and items that have large shares were "photographic apparatus and equipment, optical goods, and clocks" (film, cameras, projectors, chronometers, etc.) and "Mineral products" (soil and rocks, crude heavy oil, metal ores, etc.).

The categories with high foreign ratio were "Aircraft and associated equipment" (about 94%) and "Mineral products" (about 82%).

Table12: Number of Procurement Contracts by Product Categories (2006) (number of contracts, %)

Product Categories	Number of Contracts (difference between 2005 and 2006)	Foreign Share (%)
Products from agriculture and from agricultural and food processing	12 (+8)	8. 3
Mineral products	1, 031 (-16)	82. 3
Products of the chemical and allied industries	279 (+173)	33. 3
Medicinal and pharmaceutical products	668 (-218)	36. 1
Artificial resins; rubber, raw hides and skins; leather; and articles thereof.	39 (+9)	5. 1
Wood and articles of wood; paper making material; paper and paperboard and articles thereof.	288 (-21)	0. 7
Textiles and textile articles; thread for spinning and weaving; and articles thereof.	124 (-7)	0. 0
Articles of stone, of cement and similar materials; ceramic products; glass and glassware; and articles thereof.	8 (+5)	0. 0
Iron and steel and articles thereof	76 (+6)	3. 9
Non-ferrous metals and articles thereof	92 (+29)	4. 3
Power generating machinery and equipment	104 (+35)	11. 5
Machinery specialized for particular industries	86 (-36)	9. 3
General industrial machinery and equipment	136 (-66)	2. 9
Office machines and automatic data processing equipment	1, 004 (+82)	5. 0
Telecommunications and sound recording and reproducing apparatus and equipment	336 (+9)	2. 7
Electrical machinery, apparatus and appliances, and electrical parts thereof	394 (+60)	18. 5
Road Vehicles	359 (+24)	0. 6
Railway vehicles and associated equipment	21 (-10)	9. 5
Aircraft and associated equipment	51 (+17)	94. 1
Ships, boats and floating structures	13 (-9)	0. 0
Sanitary, plumbing and heating equipment	8 (-8)	12. 5
Medical, dental, surgical and veterinary equipment	499 (+28)	37. 5
Furniture and parts thereof	143 (-17)	2. 1
Scientific and controlling instruments and apparatus	806 (+50)	24. 2
Photographic apparatus and equipment, optical goods, and clocks	1, 128 (-63)	19. 2
Miscellaneous articles	715 (+185)	5. 7
Total	8, 420 (+249)	24. 3

### 13. Procurement Contracts by Service Type and Foreign Ratios

Table 13 shows government procurement by service categories (number of contracts basis) and foreign service ratios.

The total number of procurement of services amounted to 3,776 and about 61% of the total (2,305) was shared by "computer and related services." (computer programming, data processing, etc.)

Table13 Number of Procurement Contracts by Type of Services(2006) (number of contracts, %)

Type of Services	Number of Contracts (difference between 2005 and 2006)	Foreign Share (%)
Maintenance and repair services of motor vehicles	3(-12)	0. 0
Maintenance and repair services of motorcycles and snowmobiles	0(0)	0. 0
Other land transport services (except Mail transportation by land)	119(-1)	0. 0
Rental services of sea-going vessels with operator	7(-2)	0. 0
Rental services of non-sea-going vessels with operator	0(0)	0. 0
Air transport services ( except Mail transportation by air)	10(+2)	0. 0
Freight transport agency services	8(+1)	0. 0
Courier services	1(-2)	0. 0
Telecommunications services	71(0)	21. 1
Computer and related services	2, 305(+337)	4. 6
Market research and public opinion polling services	36(+7)	0. 0
Advertising services	331(+164)	0. 3
Armored car services	40(-31)	0. 0
Building-cleaning services	363(-13)	0. 0
Publishing and printing services	165(+10)	0. 0
Repair services incidental to metal products, machinery and equipment	133(-5)	0. 8
Sewage and refuse disposal, sanitation and other environmental protection	105(-16)	0. 0
other	79(-40)	2. 5
Total	3, 776(+399)	3. 3

#### 14. Utilization of Overall-Greatest-Value Evaluation Method (OGV)

The voluntary measures (Procedures for Government Procurement of Products [Operational Guidelines]) encourage the adoption of the Overall-Greatest-Value evaluation method (OGV) where the lowest-price-award method is deemed inadequate. In addition, in the areas of computer products and services, telecommunication products and services, and medical technology products and services, when large procurement is conducted, it is obligatory in the voluntary measures to apply the OGV.

In 2006, the OGV was adopted in 527 procurements, representing about 4.3 % of the total number of procurements. Of these contracts, 102 were awarded to foreign products and services.

Table14: Implementation of Overall-Greatest-Value Evaluation Method

		Number of contracts		
		2004	2005	2006
Contracts on a domestic /foreign basis	Domestic products and services	435	406	<b>425</b>
	Foreign products and services	76	78	<b>102</b>
Total		511	484	<b>527</b>
Ratio (%)		3. 8	4. 2	<b>4. 3</b>

#### 15. Response to Requests for Comments

Responses to pre-bid requests for submission of materials and comments on draft specifications are illustrated in Table 15-1 and Table 15-2.

Table15-1: Response to Requests for Submission of Materials

(Number of responses)

	2004	2005	2006
Only Japanese suppliers answered	152	153	<b>177</b>
Only foreign suppliers answered	5	1	<b>2</b>
Both sides answered	42	54	<b>43</b>
Neither sides answered	1	1	<b>3</b>
Total	200	209	<b>225</b>

Table15-2: Response to Requests for Comments on Draft Specifications

(Number of responses)

	2004	2005	2006
Only Japanese suppliers answered	290	342	334
Only foreign suppliers answered	10	8	2
Both sides answered	72	81	101
Neither sides answered	38	69	77
Total	410	500	514

## 16. Average Period for the Receipt of Tenders

Under the current WTO Agreement on Government Procurement, the period for the receipt of tenders from the date of publication of the Notice of Invitation to Tender is set at a minimum of 40 days. In addition, the Japanese Government voluntary measure, "Understanding on Government Procurement" issued in November 1991, stipulates that the period should be no less than 50 days.

Table 16 shows that the period of 50 days has been secured.

Table16: Average Period for the Receipt of Tenders

(days)

	2004	2005	2006
Average period for the receipt of tenders	62. 7	68. 9	<b>68. 8</b>



## 17. Government Procurement Seminars

In order to explain the planned procurement published in the official gazette (kanpo) in details, the Ministry of Foreign Affairs and other procurement entities hold government procurement seminars at the beginning of, or as early as possible in, the fiscal year. (The seminar hosted by the Ministry of Foreign Affairs was held on April 27, 2006.)

Table17; Attendance at Government Procurement Seminars

Classification		2004	2005	2006
Hosted by the Ministry of Foreign Affairs	Number of domestic attendants	62	50	<b>66</b>
	Number of foreign attendants	32	37	<b>32</b>
Hosted by other entities	Number of domestic attendants	417	547	<b>520</b>
	Number of Foreign attendants	40	47	<b>51</b>
Total		551	681	<b>669</b>

## 18. Entities with Large Ratios in Procurement Values and the Number of Contracts

Table18: Entities with large procurement (number of contracts and value basis) (2006)

Rank	Number of contracts	Value
1	National University Corporation (15.8)	Japan Post (15.5)
2	Ministry of Land, Infrastructure and Transport (11.1)	Ministry of Health, Labour and Welfare (11.1)
3	National Hospital Organization (11.1)	National University Corporation (11.0)
4	Ministry of Finance (8.3)	Ministry of Land, Infrastructure and Transport (9.1)
5	Defense Agency (6.6)	Ministry of Justice (8.8)
6	Ministry of Health, Labour and Welfare (6.5)	Ministry of Finance (8.7)
7	Japan Post (4.6)	Japan Racing Association (3.7)
8	Japan Racing Association (2.8)	National Police Agency (3.1)
9	Ministry of Agriculture, Forestry and Fisheries (2.5)	Ministry of Economy, Trade and Industry (2.2)
10	Ministry of Justice (2.0)	Inter-University Research Institute Corporation (1.7)

(Note) Figures in parentheses: Ratio(%)