

Reference Material III-7: Overview of the Thresholds Applied under the WTO Agreement on Government Procurement

1. Thresholds

(1) Thresholds for the WTO Agreement on Government Procurement

| Classification | Central Government Entities | Sub-Central Government Entities | All Other Entities |
|--|--------------------------------------|--------------------------------------|---|
| 1. Products | 15 million yen (SDR 100,000) | 30 million yen (SDR 200,000) | 19 million yen (SDR 130,000) |
| 2. Services other than 3. & 4. | 15 million yen (SDR 100,000) | 30 million yen (SDR 200,000) | 19 million yen (SDR 130,000) |
| 3. Construction services | 680 million yen (SDR 4.5 million) | 2.29 billion yen (SDR 15 million) | Entities in Group A (Except Japan Post): 2.29 billion yen (SDR 15 million) Japan Post and entities in Group B: 680 million yen (SDR 4.5 million) |
| 4. Architectural, Engineering & Other Technical Services related to 3. | 68 million yen (SDR 450,000) | 220 million yen (SDR 1.5 million) | 68 million yen (SDR 450,000) |

(Note) The above values converted to Japanese currency are applicable from 1 April 2018 to 31 March 2020.

(2) Threshold for Voluntary Measures

In the voluntary measures on government procurement, the threshold for procurement of products and services (except procurement by local government) is lowered from SDR 130,000 to SDR 100,000 (15 million yen).

(3) Threshold in the Japan-Singapore Economic Agreement for a New Age Partnership and Japan-Chile Economic Partnership Agreement

Since the Japan-Singapore Economic Agreement for a new Age Partnership lowers the threshold for the procurement of goods and services by the central government and its related entities institutions from SDR 130,000 to SDR 100,000, the threshold for relevant domestic Japanese laws was also lowered to SDR 100,000 at the time of the entry into force of the Agreement (November 2002). Thereafter, the threshold in the Japan-Chile Economic Partnership Agreement which entered into force in September 2007 was also lowered to the same level as that of the Japan-Singapore Economic Agreement.

2. International comparison of thresholds

(Units: thousands of SDR)

| Classification | Japan | United States | European Communities | Canada | Republic of Korea |
|--|--|--|------------------------------------|--------------------------------|----------------------------------|
| Central Government Entities: | | | | | |
| 1. Products | 100 | 130 | 130 | 130 | 130 |
| 2. Services other than 3. & 4. | 100 | 130 | 130 | 130 | 130 |
| 3. Construction services | 4,500 | 5,000 | 5,000 | 5,000 | 5,000 |
| 4. Architectural, Engineering & Other Technical Services related to 3. | 450 | 130 | 130 | 130 | 130 |
| Sub-Central Government Entities: | Prefectures and 19 designated cities | 37 states | All regional self-governing bodies | 10 provinces and 3 territories | 9 provinces, Seoul, and 6 cities |
| 1. Products | 200 | 355 | 200 | 355 | 200 |
| 2. Services other than 3. & 4. | 200 | 355 | 200 | 355 | 200 |
| 3. Construction services | 15,000 | 5,000 | 5,000 | 5,000 | 15,000 |
| 4. Architectural, Engineering & Other Technical Services related to 3. | 1,500 | 355 | 200 | 355 | 200 |
| All Other Entities: | 126 entities | | waterways, transport, energy | 10 entities | 25 organizations |
| 1. Products | 130 | US\$250,000 (7 entities) 400 (3 entities) | 400 | 355 | 400 |
| 2. Services other than 3. & 4. | 130 | US\$250,000 (7 entities) 400 (3 entities) | 400 | 355 | 400 |
| 3. Construction services | 15,000 (Entities in Group A (Except Japan Post)) 4,500 (Japan Post and entities in Group B) | 5,000 | 5,000 | 5,000 | 15,000 |
| 4. Architectural, Engineering & Other Technical Services related to 3. | 450 | US\$250,000 (7 entities) 400 (3 entities) | 400 | 355 | 400 |

(Note) The above thresholds are based on the appendices to the Protocol Amending the Agreement on Government Procurement (Treaty No.4 of 2014).