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apan Medical Technology Arrangement (1994)

EMBASSY OF APAN

WASHINGTON, D.C.

November 1, 1994

Dear Secretary Brown:

With regard to the procurement of medical technology products and services in the apanese public sector market, I am pleased to state the following upon instructions from my Government.

The Government of apan reaffirms the Framework for a New Economic Partnership established by the " oint Statement on the apan-United States Framework for a New Economic Partnership" of the Heads of the Governments of apan and the United States on uly 10, 1993 (hereinafter referred to as the "Framework"). The goals of the Framework are to deal with structural and sectoral issues in order substantially to increase access and sales of competitive foreign goods and services through market-opening and macroeconomic measures; to increase investment; to promote international competitiveness; and to enhance bilateral economic cooperation between the United States and apan.

To accomplish these goals with respect to apanese public sector procurement of medical technology products and services, the Government of apan has adopted the "Measures Related to apanese Public Sector Procurement of Medical Technology Products and Services" (hereinafter referred to as the "Measures") and the "Operational Guidelines with Respect to Measures Related to apanese Public Sector Procurement of Medical Technology Products and Services" (hereinafter referred to as the "Guidelines"), attached as Appendices A and B respectively, with the aim of significantly increasing access and sales of competitive foreign medical technology J products and services in the apanese public sector procurement market.

Assessment of the implementation of the Measures and Guidelines, as well as the evaluation of progress achieved, will be based on the overall consideration of the following qualitative and quantitative criteria. These qualitative and quantitative criteria will be considered as a set, and no one criterion will be determinative of the assessment of the Measures and Guidelines, or the evaluation of progress achieved. These criteria do not constitute numerical targets, but rather are to be used for the purpose of evaluating progress achieved toward the goals of the Framework and the goals of this sector, as set forth above.

1. QUANTITATIVE CRITERIA

Annual evaluation of progress in the value and share of procurements of foreign medical technology products and services covered by the Measures and Guidelines to achieve, over the medium term, a significant increase in access and sales of competitive foreign medical technology products and services, by:

1.1 Annual value and share of procurements of foreign medical technology products and services covered by the Measures and Guidelines, evaluated by reference to recent trends in the value, rate of growth and share of procurements of foreign medical technology products and services, and the total value of procurements covered by the Measures and Guidelines;

NOTE In the initial years of consultations (before multiple years of data have been collected) it will be necessary to consider recent Kanpo data. J

1.2 Annua nu of ntiti s p ocu ing fo ign dica t chno ogy p oducts and s vic s cov d y th Meas u s and Guid in s, in ation to th tota nu of ntiti s p ocu ing dica t chno ogy p oducts and s vic s cov d y th Meas u s and Guid in s;

1.3 Annua nu and va u of cont acts awa d d as a su t of a d c as in sing t nd ing;

1. Annua nu of t nd s su mitt d y a supp i s and fo ign supp i s; and

1.5 R ativ co mp titiv n ss of fo ign dica t chno ogy p oducts and s vic s.

2. QUALITATIVE CRITERIA

2.1 Fu and non-disc imi nato y acc ss to p ocu nt info tion y fo ign supp i s at a stag s of th 4 p ocu nt p oc ss, as p ovid d in th Meas u s and Guid in s;

2.2 R su ts of th vi ws conduct d y th P ocu nt R vi w Boa d;

2.3 Fu i ntation of a qui nts of th Meas u sa Guid in s and tt s, in addition to thos ntion d a ov ;

2. Effo ts y fo ign supp i s to uti iz p ocu nt oppo tuniti s, inc uding co nts on d aft sp cifications; and

2.5 Ma k p t conditions, inc uding xchang at s.

Th Gov n nt of Japan wi k p th Meas u s and Guid in s und continua vi w. Th Gov n nts of Japan and th Unit d Stat s wi t in Jun 1995 and annua y th aft , o at any ti upon th qu st of ith Gov n nt, to discuss any tt s at d to th Meas u s and Guid in s, inc uding ass ss nt of imp ntation of th Meas u s and Guid in s and va uation of p og ss achi v d towa d th goa s of th F a wo k and th goa s of this s cto , as s t fo th a ov . Such consu tations wi h d unti th nd of FY2000, at which point, th two Gov n nts wi d cid wh th o not to continu th s consu tations.

In addition to th Meas u s which a ady hav n imp nt d, th Guid in s wi imp nt d as of Nov 4 1, 199 , xc pt fo p ocu nts in which a Notic of P ocu nt o a R qu st fo Co nts was pu ish d fo Nov 1, 199 . As it is consist nt with th F a wo k, it is confi d that th n fits of th Meas u s and Guid in s wi on a Most-Favo d-Nation asis.

Th Gov n nt of Japan wi co ct th data s t fo th in App ndix C fo us in th consu tations d sc i d a ov . Dep nding on th su ts of th consu tations, th Gov n nt of Japan wi , if n c ssa y, tak app op iat actions, and th Gov n nt of th Unit d Stat s wi , if n c ssa y, fu th ncou ag U.S. fi to tak advantag of oppo tuniti s c at d y th Gov n nt of Japan and, if app op iat , wi consid additiona ffo ts.

With sp ct to th dist i ution of dica t chno ogy p oducts and s vic s, in acco danc with its po icy of p o oting fai and f co mp tition to inc as ma k t nt y oppo tuniti s, inc uding thos of fo ign co mp ani s, th Gov n nt of Japan affi ms its co t nt to nfo c ff ctiv y th Anti-Monopo y Act and at d Guid in s to add ss antico mp titiv activiti s, if any, at d to th dist i ution of goods and s vic s, inc uding dica t chno ogy p oducts and s vic s. Th Gov n nt of Japan wi ncou ag th p ivat s cto , inc uding nufactu s and dist i uto s of dica t chno ogy p oducts and s vic s, to sta ish int na Anti-Monopo y Act co ianc p og a . mi

Th Gov n nt of Japan cogniz s that ad quat udg ts fo th p ocu nt of dica t chno ogy p oducts and s vic s a n c ssa y to nsu fai and co titiv p ocu nts. To this nd, Gov n nt wi qu st a and, as a tt of po icy, k ma xi mu ffo ts in th futu to o tain suffici nt funds to na pu ic p ocu p nt of dic s t chno ogy p oducts and s vic s as d on p ic s fo si mi a p oducts and s vic s in si mi a wo king nvi on nts in th p ivat s cto .

I und stand that it is th po icy of th Gov n p nt of th Unit d Stat s to p ovid non-disc imi nato y, t anspa nt, fai and op n a oppo tuniti s consist nt with its o igations und th GATT Ag nt on Gov n nt 4

Procuremen n f er en ry in o force for he Uni e S es he new Agreemen on Governmen Procuremen . I lso un ers n h he Governmen of he Uni e S es will consul he bove-men ione consul ions wi h my Governmen upon re ues concerning such policies n re s of p r icul r in eres in his sec or n will consi er he views of he Governmen of J p n. The Governmen of J p n welcomes hese policies of he Governmen of he Uni e S es n implemen s he Me sures n Gui elines n he con en s of his le er.

Sincerely

/s/

T k k zu Kuriy ma

Amb ss or of J p n

The Honor ble

Ron l H. Brown

Secre ry of Commerce

Washing on D.C. 20230

Appen ix A: Me sures Rel e o J p nese Public Sec or Procuremen of Me ic l Technology Pro uc s n Services

Appen ix B: Oper ion l Gui elines wi h Respec o Me sures Rel e o J p nese Public Sec or Procuremen of Me ic l Technology Pro uc s n Services

Appen ix C: D a Collec ion

APPENDIX A

MEASURES RELATED TO JAPANESE PUBLIC SECTOR PROCUREMENT

OF MEDICAL TECHNOLOGY PRODUCTS AND SERVICES

I. GENERAL POLICIES

1. The purpose of hese Me sures Rel e o J p nese Public Sec or Procuremen of Me ic l Technology Pro uc s n Services (herein f er referre o s he "Me sures") is o ensure non- iscrimin ory r nsp ren f ir compe i ive n open public sec or procuremen proce ures. Wi h he im of chieving his purpose n signific n ly incre sing ccess n s les of compe i ive foreign me ic l echnology pro uc s n me ic l echnology services (herein f er referre o s "me ic l echnology pro uc s n services") in he J p nese public sec or procuremen he Governmen of J p n (herein f er referre o s he "Governmen ") will implemen he Me sures se ou below.

2. The Governmen re ffirms i s oblig ions o observe he provisions of he exis ing Agreemen on Governmen Procuremen n s es i s suppor of he new Agreemen on Governmen Procuremen which is expec e o come in o effec on J nu ry 1 1996. Prior o en ry in o force for J p n of he new Agreemen on Governmen Procuremen he Me sures will be implemen e in i ion o he re uiremen s of he exis ing Agreemen on Governmen Procuremen while ensuring consis ency wi h i . Af er en ry in o force for J p n of he new Agreemen on Governmen Procuremen he Me sures will be implemen e in i ion o he re uiremen s of he exis ing n new Agreemen s while ensuring consis ency wi h hem. (The exis ing Agreemen n he new Agreemen re herein f er referre o collec ively s he "Co e".)

3. The Me sures will govern procuremen by he en i ies inclu ing ll of heir hospi ls specifie in Annexes 1 n 2 (herein f er referre o collec ively s he "en i ies") of ll me ic l echnology pro uc s n services of no less h n 100 000 SDRs or he Co e hreshol whichever is lower by ny con r c u l me ns such s purch se le se ren l n hire purch se.

II. NATIONAL TREATMENT AND NON-DISCRIMINATION

1. With r r t pr cur ment c v r by th M e sur s, th G ov rnment will cc r t f r i n pr ucts n s rvic s n f r i n suppli rs f such pr ucts n s rvic s, tr tment n l ss f v r bl th n it cc r s t :

(1) mestic pr ucts, s rvic s n suppli rs n

(2) pr ucts, s rvic s n suppli rs f ny th r f r i n c untry.

2 . With r r t pr cur ment c v r by th M e sur s, th G ov rnment will n t:

(1) tr t l c lly- st blish suppli r l ss f v r bly th n n th r l c lly- st blish suppli r n th b sis f r f f r i n ffili ti n r wn rship r

(2) iscrimin t inst l c lly- st blish suppli r n th b sis th t th pr ucts r s rvic s ff r by th t suppli r f r th p rticul r pr cur ment r f r i n pr ucts r s rvic s.

III. POLICIES AND PROCEDURES APPLICABLE TO ALL PROCUREMENTS COVERED BY THE MEASURES

1. Futur Pr cur ment Pl ns

Entiti s will invit suppli rs t submit c mments n th f ll win pr cur ment pl ns by publishin in th K np pr cur ment inf rmati n f me ic l t chn l y pr ucts n s rvic s (th n me n r ss f th ntity, subj ct matt r f th pr cur ment such s its n me n v lume, pl nn t f th n tic f pr cur ment), c v r by th M e sur s s rly in th fisc l y r s p ssibl , n will mak th inf rmati n v il bl f r public p rus l t c nt ct p int in th ntity, s pr vi f r in S cti n VI(l). In th c s th t th n tic f pr cur ment r th R qu st f r C mments s t ut in th sub-p r r ph 5 b l w h s b n publish , ntiti s n n t t k th pr c ur s t pr vi inf rmati n s t ut in this p r r ph.

2. G n r l R quir ments

2.1 Wh r n ntity h s r quir ment f r me ic l t chn l y pr uct r s rvic , it will un rt k pr cur ment pl nnin n c n uct mark t r s rch, s n c ss ry, in r r t pr mot c mp titi n t th maximum xt nt p ssibl , n t nsur th t th ntity me ts its n s with th most ppr pri t me ic l t chn l y pr uct r s rvic .

2.2 Inf rmatl n ma v il bl n bu t r qu st t ny suppli rs will b ma v il bl n n n- ; iscrimin t ry b sis. N ntity may pr vi v nc kn wl t ny suppli r, if such kn wl woul iv th t suppli r n v nt v r th r suppli rs, b ut pr -t n r inf rmati n, wh r v il bl , t ny st f pr cur ment, fr m th f rmul ti n f bu t r qu st n th b innin f sp cific ti n v l pment thr u h issu nc f t n r cument ti n t w ar f c ntr ct. Entiti s will cc r qu l cc ss t ll pr -t n r inf rmati n t ll f r i n n mestic suppli rs n pr vi th m with qu l pp rtuniti s t p rticip t in pr - t n r ctiviti s. N ntity may us inf rmati n th r urin th pr -t n r ph s t xclu ny suppli r.

2.3 Entiti s will nsur th t ll suppli rs r iv n th s me pp rtuniti s t p rticip t in t chnic l r f r nc c mmitt s, vis ry r ups, stu y c uncils, n ny such r ups, if st blish , th t iscuss th t chn l y, bu t, sp cific ti ns, functi ns r ny th r sp ct f pr cur ments f me ic l t chn l y pr ucts n s rvic s.

2.4 Qu lific ti n f Suppli rs

(1) Entiti s, in th pr c ss f qu lifyin suppli rs in t n rin pr c ur , will n t iscrimin t mon f r i n suppli rs r b tw e n mestic p; f r i n suppli rs.

(2);Entiti s will limit ny c n iti ns f r p rticip ti n t th s th t r ss nti l t nsur th suppli r's c p city t fulfill th c ntr ct in qu sti n.

(3) Entiti s will publish nnu lly in th K np n invit ti n t suppli rs t qu lify, which will s t f rth bj ctiv n sp cific qu lific ti n r quir ments f r p rticip ti n in t n rs.

(4) In t rminin wh th r suppli r is qu lifi , ntiti s will c nsi r n t w orth n busin ss ctiviti s utsi ; f J p n.

(5) Entiti rovid o ortuniti to u i r to qua ify at any time, inc uding aft r a Notic of Procur ment ha b n i u d for a articu ar rocur ment. h qua ification obtain d b ff ctiv unti th n xt r gu ar qua ification. If qua ffi d at a r gu ar qua ification, th qua ification b ff ctiv for at a t t y ar .

(6) Entiti notify u i r in iting of th r u t of th qua ification. If th ntity do not qua ify a u i r, th ntity notify th u i r of th r a on for th di qua ification and that it i ntit d to r qu t furth r x anation thin v n day of r c i t of th di qua ification notic .

2. 5 Entiti not a rd a contract for medica t chno ogy roduct or rvic to any u i r, or to it affi iat , if that u i r ha rovid d r arch or d ign rvic for that rocur ment, and uch invo v ment cou d r u t in an unfair comp titiv advantag , xc t to th xt nt uch rvic ar inc ud d in th contract for rocur ment r quiring th R qu t for Comment roc dur t out in th Mea ur .

2.6 Entiti tr at fo o on contract a arat rocur ment ubj ct to th roc dur t out in th Mea ur . Contract a rd d a th r u t of th x rci of o tion or r n rovi ion in a contract a rd d in accordanc th th roc dur t out in th Mea ur not b con id r d "fo o on" contract .

2.7 No ntity may:

(1) r ar , d ign or oth r tructur any rocur ment th th int ntion of avoiding th a ication of th Mea ur or favoring any articu ar u i r; or

(2) divid a rocur ment th th int ntion of r ducing th va u of any r u ting contract b o th thr ho d t out in S ction I.

2.8 Entiti :

(1) d t rmin th va u of contract con i t nt th th Cod and th Mea ur , in d t rmining th r a rocur ment i ubj ct to th Mea ur .

(2) not ct a va uation method for a ro o d rocur ment th th int ntion of avoiding th a ication of th Mea ur .

3. nd ring Proc dur

3.1 Entiti u o n t nd ring roc dur , to th maximum xt nt o ib , for th rocur ment of medica t chno ogy roduct and rvic .

3.2 h Gov rnment n ur that th t nd ring roc dur of it ntiti :

(1) ar a i d in a non-di criminatory mann r;

(2) do not rovid any u i r th information on a cific rocur ment in a mann r that u d hav th ff ct of dimini hing comp tition; and

(3) ar con i t nt th th rovi ion of th Mea ur .

4. Limitation on Sing nd ring

4.1 Entiti r duc th ir u of ing t nd ring.

4.2 B cau comp titiv rocur ment ar th foundation of th Gov rnment' rocur ment o ici and ractic , ing t nd ring b u d on y in xc tiona ca , ju tifi d in accordanc th Cod roc dur , and not b u d to favor or xc ud dome tic or for ign u i r of medica t chno ogy roduct or rvic , or to contrav n any rovi ion int nt or ur o of th Mea ur .

4.3 Exc t in th ca that no t nd r ar ubmitt d in comp titiv t nd ring or no ucc fu t nd r ar r ubmitt d in th cond t nd ring, or in ca of xtr me urg ncy, ntiti ub i h an announc ment of a ing t nd r rocur ment cov r d by th Mea ur in th Kan o at a t 40 day b for th contract i a rd d. T h notic contain:

(1) a des on of he o u emen , n lud ng volume o be o u ed;

(2). he lanned on a da e;

(3) he Code jus f a on fo he s ngle ende ; and

(4) he name of an n ended su l e , n he ase ha d s uss ons on he on a have begun w i h ha su l e

5 Reques fo Commen s

5 1 Reques fo submiss on of ma e als

Fo he o u emen s n wh h en es fa e d ff ul es n develo ng a o a e s e f a ons w i hou eques ng he submiss on of ma e als f om su l e s, and he on a awa ds of wh h a e ex e ed o be g ea e han 800,000 SDRs, en es w ll ake he follow ing a he beg nn ng of he f s al yea o as ea ly as oss ble befo e he beg nn ng of he f s al yea , ex e n he ase of u gen y o n he ase of s ngle ende ng ov ded fo n he Code:

(1) En es w ll ubl sh a no e n he Kan o of he eques fo ma e als and o he ne essa y nfo ma on on bas needs of he lanned o u emen , and ov de o es of he no e o su l e s u on eques

(2) The no e n he Kan o n ludes he follow ing:

(a) he name and add ess of he en y;

(b) subje ma e of he o u emen (s name

and volume, bas needs of he lanned o u emen);

( ) deadl ne of he submiss on of he ma e als; and

(d) no e of a onfe en e fo he lanned o u emen , f su h a onfe en e s held

(3) The deadl ne of ( ) above w ll be, ex e n he ase of u gen y, a leas 45 days af e ubl a on of he Reques fo submiss on of ma e als

(4) Whe e an en y amends o has add onal nfo ma on on e n ng an announ ed o u emen se ou n (2) above, w ll s mul aneously ov de he amendmen o add onal nfo ma on o all su l e s ha have es onded o he Reques fo submiss on of ma e als If he amendmen o add onal nfo ma on a e on e n ng he subje ma e of he o u emen se ou n (b) above, en es w ll allow a leas 30 days fo su l e s o ons de and es ond o he amendmen o nfo ma on

5 2 Reques fo Commen s on d af s e f a ons

Fo ( ) o u emen s of mod f ed odu s o se v es o s e ally develo ed odu s o se v es, ( ) o u emen s of all off- he-shelf odu s o se v es w i h a value g ea e han 800,000 SDRs, o ( ) o he o u emen s fo wh h en es a knowledge he need o use he Reques fo Commen s, en es w ll ake he follow ing measu es n o de o ensu e ha n e es ed su l e s submi he ommen s on d af s e f a ons e a ed by he en es In he ase of u gen y, howeve , he en es may sho en he e od o he ex en ha su l e s w ll be able o es ond, by announ ng s e f easons fo he e od edu on n he no e of he Reques fo Commen s n he Kan o In he ase of ex eme u gen y w i h wh h he en es w ll no be able o o e by he above e od edu on, he en es may omi a o whole of he o edu es se ou below, ov ded ha he en es announ e s e f easons fo he omiss on n he No e of P o u emen

(1) En es w ll ubl sh he no e of he omple on of develo ng d af s e f a ons n he Kan o a leas 45 days befo e he n ended da e of he No e of P o u emen , and w ll omp ly send a o y of he Reques fo Commen s o su l e s u on eques

(2) En es w ll announ e he follow ing n he no e of he omple on of develo ng d af s e f a ons:

(a) subje ma e of he o u emen (s name and volume); .

(b) the a e e m which the a t peci icati n may be btaine ;

(c) the ea line the ubmi i n c mment ;

( ) the name an a e the entity; an

(e) the ate an l cati n the c n e ence a t peci icati n i uch c n e ence i t be hel .

(3) The ea line the ubmi i n c mment et ut in (c) ab ve will be at lea t 30 ay a te the ay ll wing the publicati n the Reque t mment a t peci icati n .

(4) When entitie ec gnize the nee t imp ve thei a t peci icati n ann unce in the n tice the Reque t an amen them a a e ult the c mment ubmitte m inte e te upplie , the entitie will n ti y all the me tic an eign upplie that have exp e e inte e t in the p cu ement. In uch a ca e, the entitie will C all w u icient time the ea line the ubmi i n c mment in e upplie t c n i e an e p n t the amen ment in mati n p i t publicati n the N tice P cu ement.

6. Technical Speci icati n

6.1 Any technical peci icati n p e c ibe by an entity will be, whe e app p iate:

(1) peci ie in te ms pe mance athe than e ign e c iptive cha acte i tic ; an

(2) ba e n inte nati nal tan a , whe e uch exi t, an the wi e ba e n nati nal technical egulati n ec gnize nati nal tan a .

6.2 Entitie will p epa e technical peci icati n with the minimum etail nee e t e ine the pe mance c ite ia. Entitie will n t equi e eatu e n t e ential t the pe mance c ite ia.

6.3 Entitie will mulate peci icati n in an impa tial manne . Entitie will n t p epa e, a pt apply any technical peci icati n with the intent c eating b tacle t any upplie cla upplie , inclu ing eign upplie . I the p cu ement will eplace inte c nnect with an exi ting y tem, the peci icati n will n t be e igne t p eclu e c mpetiti n.

6.4 Entitie will n t all w any upplie i ectly inv lve in the evel pment peci icati n in a p cu ement t pa ticipate in the ten e ing p ce , except whe e:

(1) the upplie ha p vi e c mment in e p n e t a Reque t mment , a p vi e in Secti n III(5) an uch pa ticipati n w ul n t e ult in an un ai c mpetitive a vantage any upplie ;

(2) the upplie ha p vi e in mati n a i tance t an entity in p epa ing e ining peci icati n an the entity ha c nt lle the p ce an c n ucte it in a ai an impa tial manne an ha p vi e the ame pp tunitie t all upplie t p vi e in mati n an a i tance;

(3) the upplie ha p vi e , at the eque t an entity, p uct peci icati n ata ab ut a p uct it upplie an all upplie a e p vi e an equal an impa tial pp tunity t pa ticipate p vi e p uct peci icati n ata.

6.5 Entitie will n t p e c ibe a technical peci icati n that equi e e e t a pa ticula t a ema k b an name, patent, e ign type, peci ic igin p uce upplie unle the e i n the u iciently p eci e intelligible way e c ibing the p cu ement equi ement an p vi e that, in uch ca e , w o uch a " equivalent" a e inclu e in the ten e cumentati n.

7. N tice P cu ement

7.1 Entitie will invite all upplie t pa ticipate in the p cu ement by publi hing in the Kanp a N tice P cu ement at lea t 50 ay , in p inciple, but in n ca e le than 40 ay , p i t the ea line the ubmi i n ten e , unle ju ti ie by the e.

7.2 Each entity will, a te publi hing the N tice P cu ement in the Kanp , p mptly make uch N tice available C public pe u al at a c ntact p int in the entity, a p vi e in Secti n VI (1).

7.3 The N e Pr uremen w ill n lude su en n rma n r a suppl er make an n rmed de s n as whe her par pa e n he pr uremen , and w ill n a n he ll w ing n rma n:

(1) su je ma er he pr uremen ;

(2) me h d evalua n enders;

(3) he addresses r m wh h he ender d umen a n may e a ned; b

(4) a pre- ender n eren e s held, s da e and l a n; and

(5) he deadl ne and address r he su miss n enders.

7.4 I a er pu l a n he N e Pr uremen , u e re he deadl ne r su miss n enders, he en y amends he N e, w ill pu l sh he amendmen n he Kanp and make he n rma n ava la le r pu l perusal a a n a p n n he en y, as pr v ded r n Se n VI (1).

8. Tender D o umen a n

8.1 En es w ill use ender d umen a n mmun a e he r needs suppl ers and s l enders r m hem.

8.2 En es w ill prepare he ender d umen a n, n lud ng evalua n r er a when he verall grea es value me h d l gy s used, n an mpar al manner s as ensure ha equal pp r un es are pr v ded all suppl ers n a n n-d s r mina ry as s. b

8.3 In prepar ng ender d umen a n, n en y may a ep he pr v s n any ass s an e r m any suppl er, wh h uld g ve ha suppl er any advan age ver her suppl ers, her han n a rdan e w i h he pr edures se u n he Measures.

8.4 Tender d umen a n pr v ded suppl ers w ill n a n all n rma n ne essary permi hem su mi resp ns ve enders, n lud ng n rma n requ red e pu l shed n he N e Pr uremen , ex ep r he amoun and erms paymen any sum paya le r he ender d umen a n, and he ll w ing:

(1) he address he en y wh h enders sh uld e sen and he names ers resp ns le r he pr uremen ;

(2)b he address wh h reques s r supplemen ary n rma n sh uld e sen ;

(3) he language r languages n wh h enders and her ender ng d umen s mus e su mi ed;

(4) he l s ng da e and me r re e p enders and he leng h me dur ng wh h any ender sh uld e pen r a ep an e;

(5) he pers ns au h r zed e presen a he pen ng enders and he da e, me and pla e he pen ng;

(6) any e n mi and e hn al requ remen s, nan al guaran ees and her n rma n requ red r m suppl ers; b

(7) a mple e des r p n he pr du s r serv es e pr ured and requ remen s, n lud ng e hn al spe a ns, n rmi y er a n and ne essary plans, draw ings and ns ru nal ma er als;

(8) all r er a ha w ill e appl ed de ermine he su ess ul suppl er ha w ill e awarded he n ra , n lud ng all evalua n a rs and su - a rs, we gh ed n erms mp r an e he evalua n and n lud ng any a rs ha are e ns dered and he s elemen s e n luded n evalua ng pr es, su h as ransp r a n, nsuran e and nspe n s s;

(9) he erms paymen ;

(10) a pre- ender n eren e s held, s da e, me and l a n; and

(11) any her erms r nd ns. b

8.5 Entiti

(1) mak th t nd r documentation avai ab at th time of pub ication of th Notic of Procur ment

(2) nd th t nd r documentation prompt y to a upp i r upon it r qu t

(3) r p y prompt y to any r a onab r qu t for information r vant to th t nd r documentation mad by a upp i r participating in th t nd ring proc dur , on th condition that uch information do not giv that upp i r an advantag ov r it comp titor in th a rd of th contract

(4) prompt y put in iting communication th upp i r , xc pt n it impo an unn c ary burd n on th ntity, conc rning th pr paration of t nd r documentation, inc uding p cification , tandard and oth r t nd ring t rms.

9. Pr -T nd r Conf r nc

9.1 At a t 30 day prior to th d ad in t out in th Not c of Procur ment for th ubmi ion of t nd r , ntiti ho d a pr -t nd r conf r nc th r gard to any procur ment for ich R qu t for Comment proc dur ar to b tak n a t out in S ction III (5) and for any oth r procur ment, a n c ary. Such conf r nc inc ud th opportunity for dir ct di cu ion b t n upp i r and that ntity on t chnica , admini trativ and any oth r a p ct of th procur ment, and for a upp i r to obtain information on t nd ring on an qua ba i .

9.2 Entiti not mak att ndanc at a pr -t nd r conf r nc a pr r qui it for t nd r ubmi ion or con id r att ndanc in th va uation of t nd r .

10. Eva uation of T nd r

10.1 In va uating t nd r and cting th ucc fu upp i r, ntiti u a ction proc dur d ign d to

(1) maximiz comp tition

(2) minimiz th comp xity of th t nd r documentation, th va uation and th ction d ci ion and

(3) n ur impartia and compr h n iv va uation of t nd r ubmitt d by upp i r .

10.2 Entiti va uat t nd r in a tran par nt mann r that n ur qua tr atment of a upp i r ubmitting t nd r . Wh r an ntity conduct t chnica va uation , it conduct th m und r th ame condition for a upp i r in th t nd ring proc and app y th ame t ting crit ria, ich b mad imm diat y avai ab to upp i r on r qu t.

10.3 No ntity r fu to con id r a a r pon iv t nd r any off r by a upp i r to upp y a product that i u d, or acc pt d for u , in any Sp cia Function ho pita or oth r ho pita or aboratory a part of th High y-Advanc d Medica T chno ogy program, if th product me t th p cification t out in th t nd r documentation.

10.4 Entiti va uat t nd r a fo o

(1) Aft r a on y ar pr paration p riod fo o ng introduction of th Mea ur , ntiti va uat t nd r and a rd contract ba d on th ov ra gr at t va u for th ntiti , for (i) procur ment of modifi d product or rvic or p cia y d v op d product or rvic or (ii) procur ment of off-th - h if product or rvic a th a va u gr at r than 800,000 SDR . For oth r procur ment , ntiti may u th ov ra gr at t va u methodo ogy ba d on th ir o d ci ion.

(2) T nd r b va uat d on a pa /fai ba i ba d upon th p cific t chnica and oth r va uation crit ria tat d in th p cification , and contract b a rd d to th o t-pric d t nd r among tho t nd r ich ;

have met the eval at r ter a, less the e t ty h ses the verall greatest val e meth d l gy as set t s bparagraph (1) ab ve.

10.5 Where eval at f te ders s d ted based the verall greatest val e meth d l gy, the f ll w i g pr ed res w ll apply:

(1) t t es w ll eval ate te ders based verall greatest val e t the e t ty, wh h s determi ed by s der g f t al a d perf rma e fa t rs, pr e a d ther fa t rs spe f ed the te der d me tat . t t es w ll apply the relat ve we ghts set t the te der d me tat t the eval at r ter a. The pr e/ st eval at may be based the t tal l fe y le st f pr reme t.

(2) t t es may req re l al tr als f pr t types as part f the eval at pr ess lead g t the award f the tra t, pr v ded that th s req reme t s set t the te der d me tat a d the l al tr als are d ted a fa r a d mpart al ma er.

(3) Whe e t t es se the verall greatest val e meth d l gy, they may t ha ge the eval at fa t rs a d the r relat ve mp rta e f r a spe f pr reme t w th t f rmally ame d g the te der d me tat a d pr v d g the ame ded te der d me tat the same ma er t the same s ppl ers as the r g al te der d me tat .

(4)E t t es w ll make the award as s as pra t able after mplet f the eval at pr ess.

(5) t t es w ll p t wr t g pr mptly eval at f te ders a d the res lt g sele t de s , l d g the s r g f all fa t rs a d ame f pers s resp s ble f r sele t de s s.

10.6 N s ppl er w ll be all wed t mod fy the te ts f a te der e s bmitted.

11. C tra t Award I f rmat

11.1 The e t ty w ll make the award as s as pra t able after mplet f the eval at pr ess a d w ll p bl sh f rmat the tra t award the Ka p a d pr mptly t fy all s ppl ers that s bmitted te ders f ts sele t a d the award pr e, a d w ll als make the f rmat ava lable f r p bl per sal at a ta t p t the e t ty, as pr v ded f r Se t VI(l).

11.2 Up req est fr m a s essf l s ppl er, a e t ty w ll pr mptly pr v de s h s ppl er w th a expla at f the reas s f r t be g sele ted, the ame f the sele ted s ppl er a d the relat ve adva tages f that s ppl er's te der where the verall greatest val e meth d l gy s sed.

11.3 I l d g th se ases wh h e t t es pr v de f rmat a rda e w th paragraph 11.2, e t t es w ll t:

(1) d s l se t a y th rd party a s ppl er's trade se rets, ma fa t r g pr ess, telle t al pr perty r ther f de t al b s ess f rmat pr v ded by a s ppl er; r

(2) s pply t a y th rd party f rmat that w o ld prej d e the leg t mate mmer al terest f a s ppl er r fa r mpet t amo g s ppl ers.

12. P st-Award C tra t M od f at s

A y mod f at f the s pe f a tra t that w o ld rease the val e f the tra t by more tha 10 per e t f ts val e w ll be s bje t t the pr v s s f the Meas res as f t were a ew pr reme t.

IV. R GULATORY R QUIR M NTS

1. t t es w ll t mp se restr t s, ther tha th se based laws a d reg lat s, a s ppl er a pr reme t f med al te h l gy pr d ts a d serv es f r the reas that t s g ver me t pr reme t.

2. The Meas res are add t t , a d d t s persede, the meas res des r bed the Market-Or e ted, Se t r-Sele t ve Med al q pme t a d Pharma e t al Arra geme t r ts f ll w- p meas res (here after E

referred to co ect e s the "MOSS me sures"). In the e ent of conf ct between the Me sures nd the MOSS me sures, the MOSS me sures w i be fo owed.

V. SUPPO TING MEASU ES

1. Impro ement of Methods to Pro de Procurement Informat on

Ent t es w i make the max mum poss b e use of procedures descr bed n 6. of the Procedures for Go ernment Procurement on Products (Oper t on Gu de nes) to contr bute to con en ence for domest c nd fore gn supp ers th t h e expressed n nterest n go ernment procurement of med c techno og products nd ser ces.

2. Fo ow-up of the Me sures

To ensure effect e mp ement t on of the Me sures, the Go ernment w i set up forum for fo ow-up to ex mine concrete steps nc ud ng the fo ow ng.

2.1 The Go ernment w i est b sh committee to stud st nd rd zed manu to de e op non-d scr min tor nd s mp f ed spec f c t ons for procurements of med c techno og products nd ser ces procured b two or more ent t es.

2.2 The Go ernment w i est b sh committee to de e op st nd rd zed format, cons stent w th the Me sures, to be used b ent t es, to the extent pr ct c b e, for tender document t on of med c techno og products nd ser ces.

2.3 Tr n ng

The Go ernment w i est b sh progr m to pro de tr n ng for ent t procurement off c s reg rd ng the mp ement t on of the Me sures.

3. Procurement-re ted Groups

Where the Go ernment est b shes n committee or s mi r groups, whether forma or nforma , wh ch nc udes on pr te sector or both pub c nd pr te sector p rt c p t on, pr mar re ted to the pub c sector procurement of med c techno og products or ser ces, the Go ernment w i pub sh not ce n the K npo of nformat on re ted to the group's est b shment.

VI. P OVISION OF INFO MATION FO ALL P OCU EMENTS EGA DLESS OF VALUE

For procurements of med c techno og products nd ser ces b the ent t es, w thout reg rd to the ue of the procurement, the Go ernment w i t ke the fo ow ng ct ons:

1. E ch ent t w i est b sh centr cont ct po nt to pro de nformat on bout procurements of med c products nd ser ces. The ent t , n dd t on, w i pro de b e nformat on t other ppropr te cont ct po nts of nst tut ons of the ent t .

2. E ch ent t w i de e op nd pub sh st of procurement off c s respons b e for the procurement of med c techno og products nd ser ces nd make t b e for pub c perus t cont ct po nt n the ent t , s pro ded for n Sect on VI (1).

3. E ch hosp t co ered b the me sures w i , on n nnu b s s, pub sh the out ook for the o ume, or the ue where express on b o ume s not poss b e, of the top 10 c tegor es of med c techno og products nd ser ces, both b consumerb es nd non-consumerb es, th t t expects to procure for th t f sc e r, nd w i make the nformat on b e t ts cont ct po nt, s pro ded for n Sect on VI(1). The Go ernment w i de e op R gu de nes for c tegor c ss f c t ons to be used for th s out ook.

4. Meet ngs

4.1 E ch ent t w i conduct n nnu conference for ent t procurement of off c s nd domest c nd fore gn supp ers to d scuss nformat on bout the ent t es' major short-term procurement p ns nd, w th budget r R

reservatio s t eir o ger-term procureme t out ook. T is may be rep aced by t e e tity's participatio i a simi ar co fere ce estab is ed by t e Gover me t or t eir e tities.

4.2 Eac e tity co ducti g a procureme t co fere ce pub is otice of t e co fere ce i t e Ka po at east 30 days prior to t e co fere ce.

5. T e e tity :

(1) advise offi cia s i vo ved i t e imp eme tatio of procureme t to meet t domestic a d foreig supp iers o request a d to be respo sive to t eir questio s a d co cer s; a d

(2) e sure t at suc officia s do ot provide prefere tia access to domestic or foreig supp iers.

VII. UNFAIR TENDERS

1. Give t at it is t e po icy of t e Gover me t to procure medica tec o ogy products a d services based o te ders t at are co siste t t t e A ti-Mo opo y Act i c udi g t e pro ibitio agai st u just o priced sa es e tities take appropriate actio to address a ticompetitive practices.

2. W ere a supp ier submits a te der t at because of its price or ot er terms u a u y impedes fair competitio t e e tity deem t e te der void i its e tirety a d ot co sider t at te der i a rdi g t e co tract.

3. E tities deem a y supp ier t at submits a te der referred to i paragrap 2 to be i e igib e to resubmit a te der i t at medica tec o ogy product or service procureme t; a d t e e tities a ou ce t e ame of t at supp ier pub ic y.

4. W e e tities obtai i formatio i dicati g t e existe ce of practices t at may impede fair competitio i re atio to its procureme t i c udi g t e formu atio of t eir procureme t specificatio s t e e tities provide suc i formatio o a time y basis to t e Fair Trade Commissio so as to e ab e t e Commissio to take suc steps as it deems appropriate.

5. To t is e d E tities provide t e ames of t eir co tact perso s to t e Fair Trade Commissio to faci itate procedures for t e detectio of a d exc a ge of i formatio co cer i g practices t at may vio ate t e A ti-Mo opo y Act.

VIII. COMPLAINT MECHANISMS

Procedures of fair comp ai t mec a isms described i A ex 4 of Actio P a o Reform of Biddi g a d Co tracti g Procedures for Pub ic Works (erei after referred to as t e "Actio P a ") be app ied to provide equitab e time y tra spare t a d effective comp ai t procedures for supp iers of medica tec o ogy products a d services covered by t e Measures u ti t e e Agreeme t o Gover me t Procureme t e ters i to force a d Japa becomes a party to it. T e tit e "co structio procureme t revie board" be rep aced by "procureme t revie board". I ig t t t e ature of medica tec o ogy products a d services t e fo o g modificatio s be made. (For ease of refere ce A ex 4 of t e Actio P a as amended by t e fo o g is attac ed as A ex 3 of t e Measures.)

1. Rep ace 2 3 4-(4) a d 6-(2) of A ex 4 of t e Actio P a respective y by 3-1 3-8 3-4 a d 5-2 of A ex III of t e Measures re ated to Japa ese Pub ic Sector Procureme ts of Computer Products a d Services. "Pote tia supp iers" i A ex 4 of t e Actio P a be rep aced by "supp iers" ereas "commissio i g e tity" by "e tity".

2 . C a ge t e duratio for maki g a report (5-( ) of A ex 4 of t e Actio P a) to 90 days.

IX. ENCOURAGEMENT TO PREFECTURAL GOVERNMENT AND DESIGNATED CITIES

T e Gover me t e courage prefectura goverwme ts a d Desig ated Cities to take i pri cip e ecessary measures simi ar to t e Measures for t eir procureme t of ot ess t a 200 000 SDRs taki g i to accou t oca circumsta ces a d t e provisio s of re eva t a a d regu atio s. w

The Gover me ll e courage prefec ural gover me s a d Des g a ed C es o co s der es abl sh g a rev e me cha s m h respec o he r procure me of o less ha 200,000 SDRs.

. TIME TABLE FOR IMPLEMENTATION

The Measures ll be bas cally roduced o he ma x mum ex e for procure me u der he al budge of FY1994, a d a sys e m for procure me accorda ce h he Measures ll be es abl shed by he e d of FY1994.

I. REVIEW OF THE IMPLEMENTATION OF THE MEASURES

The Gover me ll hold a rev e o assess he ex e ha he Measures co r bu e o mp rove me of o - d scr a ory a ure, ra spare cy, ope ess, co e ve ess a d fa r ess of pro cure me of me d cal ech ology produc s a d serv ces covered by he Measures a d, add o , o address spec f c ssues mp le me g he Measures. The rev e ll be held a ually, a d as ecessary, u der he Co ee for Dra g up a d Pro mo g he Ac o Progra m. Ad s ra o rela g o he rev e ll be gover ed by he Cab e Cou c llors' Off ce o Ex er al Affa rs. A he rev e mp le me a o a d u l za o by suppl ers of he Measures ll be exa ed by us g s a s cs a d o her releva for ma o . Th s ll clude he oppor u y of l s e g o op o s of do me s c a d fore g co mp a es a d bus ess assoc a o s.

II. DEFINITIONS

For purposes of he Measures:

"Days" me a cale dar days, excep he case of A ex 3, ere refere ces o days me a s rk g days;

"Locally-es abl shed suppl er" me a s a suppl er ha s es abl shed Japa , hou regard o he source of s cap al;

"Med cal ech ology produc s" me a s me d cal s ru me s a d appara us, me d cal suppl es a d de al ma er als, exclud g hese for a ma l use, l s ed A ex 1 of he E force me Ord a ce of he Phar ma ceu cal Affa rs La

"Med cal ech ology serv ces" me a s des g serv ces of me d cal ech ology produc s, a d des g serv ces of sof re ch s solely used me d cal ech ology produc s;

"Suppl er" me a s a perso ha has prov ded or could prov de produc s or serv ces respo se o a No ce of Procure me ;

"Aff l a es" me a (a) co mp a es ch a suppl er o has prov ded research or des g serv ces co rols or are co rolled by, or (b) o her co mp a es ch are co rolled by a co mp a y co roll g a suppl er o has prov ded research or des g serv ces, ere co rol me a s o ersh p excess of 50% of he ssued s ock f he aff l a e s a s ock corpora o , a d o ersh p excess of 50% of he cap al f he aff l a e s a l ed co mp a y;

"Mod f ed produc s or serv ces" me a s me d cal ech ology produc s or serv ces ha ex s he er a o al ma rke place a he me he Reques for Co s s publ shed he Ka po bu requ re mo d f ca o o me e he leg ma e requ re me s of he e y for he procure me ha subs a ally ra sfor m he r fu c o or esse al phys cal charac er s c;

"Off- he-shelf produc s or serv ces" me a s me d cal ech ology produc s or serv ces ha ex s he er a o al X ma rke place a he me he Reques for Co s or he No ce of Procure me s publ shed he Ka po; a d

"Spec ally developed produc s or serv ces" me a s me d cal ech ology produc s or serv ces ha do o ex s a for ha me e s he perfor ma ce requ re me s he er a o al ma rke place a d mu s be developed espec ally o me e he leg ma e requ re me s of he e y for he procure me .

ANNEX IX

CENTRAL GOVERNMENT ENTITIES

House of Represe a ves

House of Cou c llors X

Supreme C ur

r f Au i

C bine

N i n l Pers nnel Au h ri y

Prime Minis er's Office

F ir Tr e C mmissi n

N i n l Public S fe y C mmissi n

(N i n l P lice A ency)

Envir nmen l Dispu es C - r in i n C mmissi n

Imperi l H ouseh l A ency

M an emen n C - r in i n A ency

H dkk i Devel pmen A ency

Defense A ency

Ec n mic Pl nnin A ency

Science n Techn l y A ency

Envir nmen A ency

Okin w a Devel pmen A ency

N i n l L n A ency

Minis ry f Jus ice

Minis ry f F rei n Aff irs

Minis ry f Fin nce

Minis ry f E uc i n

Minis ry f He l h n Welf re

Minis ry f A ricul ure, F res ry n Fisheries

Minis ry f In ern i n l Tr e n In us ry

Minis ry f Tr nsp r

Minis ry f P s s n Telec mmunic i ns

Minis ry f L b ur

Minis ry f C ns ruc i n

Minis ry f H ome Aff irs

ANNEX 2

OTHER ENTITIES COVERED Y THE MEASURES

H dkk i R ilw ay C mp ny

E s J p n R ilw ay C mp ny g

w a

Central a an w a a l y Company

West a an a l y Company

Sh koku a l y a Company

Kyushu a l y Company

a an Fre g ht a l y Company

a an Tobacco Inc a

N on Telegra h an Tele hone Cor orat on

Peo le's F nance Cor orat on

Houston Loan Cor orat on

Agr culture, Forestry an F sher es F nance Cor orat on

Small Bus ness F nance Cor orat on

F nance Cor orat on of Local Publ c Enter r se

Hokka o an Tohoku Develo ment Cor orat on

Soc al Welfare an Me cal Serv ces Cor orat on

Small Bus ness Cre t Insurance Cor orat on

Env ronmental San tat on Bus ness F nanc ng Cor orat on

Ok na Develo ment F nance Cor orat on

a an a Develo ment Bank

Ex ort-Import Bank of a an

Labour Welfare Cor orat on

ANNEX 3

Procurement ev e Boar

1. Boar

(1) The Boar ll have no substant al nterest n the outcome of a rocurement subject to ts rev e

(2) The Boar ll rece ve compla nts n t ng, con uct nvest gat ons of the facts an make recomm en at ons to a ent ty th res ect to any as ect of a rocurement by the ent ty. . d

(3) The Boar ll be compr se of ersons o have kno e ge an ex er ence relate to ubl c sector r rocurement. No member of the Boar ll art c ate n the rev e of a compla nt n ch that member has a confl ct of nterest. h l

(4) Where necessary, the Boar may hear o n ons from techn cal ex erts o have h n e th kno e ge an ex er ences relate to the rocurement subject to ts rev e None of those techn cal ex erts shoul have substant al nterest n the outcome of the rocurement. h l .

2. El g b l ty for Compla nt

A su l er may f le a compla nt th the Boar en t bel eves the rocurement has been carr e out n a manner ncons stent th the ntent or any rov s on of the Measures. It may also f le a compla nt base u on the allegat on that the contract s a r e to a su h l er that ha submitte a b n v olat on of the Ant mono oly d

a a

Act. Supp a ncou ag d to k o ut on n t a y w th th nt ty of any a g d ncon t ncy w th th Mea u .

3. Pa t c pant

Th nt ty and upp who d ct conomic nt t wou d b ff ct d by th awa d of, o th fa u to awa d, a cont act may pa t c pat n a comp a nt p oc d ng.

4. P ocu ment v w P oc

(1) A upp , that b v a p ocu ment cov d by th Mea u ha b n ca d out n a mann ncon t nt w th th nt nt o any p ov on of th Mea u , may f a comp a nt n w rt ng w th th Boa d, at any t me du ng th p ocu ment p oc , but no at than 10 day aft th ba of th comp a nt known o a onab y hou d hav b n known. Th upp w i ubmit a copy of th comp a nt to th nt ty w th n 1 wo k ng day of f ng t w th th Boa d. (Day w i b con d d ca nda day un oth w i p c f d.)

(2)RTh Boa d may c v and con d a comp a nt wh ch not t me y f d, f t f nd that good cau hown.

(3) Th Boa d w i v w a comp a nt w th n 7 day of t f ng, and may, n w rt ng and w th a on g v n, d m any comp a nt found to b :

(a)Rnot ubmitt d n a t me y mann ;

(b) not ubj ct to th Mea u ;

(c) f vo ou o t v a on t fac ;

(d) not ubmitt d by a upp ; o

( ) oth w i napp op at fo v w by th Boa d.

(4) Wh th Boa d d t min that a comp a nt ha b n f d p op y, t w i not fy n w rt ng a upp w th n on wo k ng day of th comp a nt.

(5) Su p n on of Awa d of Cont act o Cont act P fo manc

(a) With n 10 day of th f ng of a p -awa d comp a nt, th Boa d w i p ompt y u a w rtt n qu t fo u p n on of cont act awa d p nd ng o ut on of th comp a nt.

(b) In th ca of a po t-awa d comp a nt, f d w th n 10 day aft th awa d, th Boa d w i p ompt y qu t n w rt ng u p n on of th Cont act P fo manc p nd ng o ut on of th comp a nt.

(c) Th nt ty w i u p nd th awa d o th p fo manc of th cont act mmed at y aft t c v th Boa d' qu t, un th h ad of th nt ty d t min that u g nt and comp ng c cumstanc do not a ow th nt ty to fo ow th qu t, o that th awa d o th p fo manc of th cont act w i b n th b t nt t of Japan, n wh ch ca h w i mmed at y p ov d w rtt n not f cat on to th Boa d of h d t minat on and th factua c cumstanc on wh ch t ba d.

(6) Inv t gat on

(a) Th Boa d w i conduct an nv t gat on of th comp a nt, wh ch may nc ud th f ng of b f , p ad ng and oth documentat on by th comp a nant and nt ty.

(b) Th Boa d may, on th qu t of th comp a nant o th nt ty o on th Boa d' own n t at v , ho d a h a ng on th me t of comp a nt .

(7) po t by th Ent ty

(a) With n 14 day aft th day on wh ch a copy of th comp a nt wa nt to th nt ty, th nt ty w i f w th th Boa d a w rtt n po t on th comp a nt, conta n ng th fo ow ng:

) vant documentat on fo t nd , nc ud ng th p c f cat on o po t on th of vant to th comp a nt; R

ii) all oth o ments l vant to th omplaint;

iii) a stat ment that s ts o t all l vant fa ts, fin ings, a tions an ommen ations of th ntity an spon s f lly to all all gations of th omplaint;

iv) any a itional vi n o info mation that may b n ssa y in o to solv th omplaint.

(b) Th Boa will, fo thwith aft iving th po t f to in Pa ag aph (a) abov , s n a opy of th l vant mat ial to th omplainant an giv th omplainant an oppo t nity, within 7 ays aft it iv s th l vant mat ial, to fil with th Boa omments o st that th as b i on th xisting o . Th Boa will, fo thwith aft iving th omments, s n a opy to th ntity.

5. Fin ings an R ommen ations

(1) Th Boa will mak a po t of its fin ings an ommen ations to th ntity within 90 ays aft th ay on whi h th omplaint is fil . Its fin ings, in whi h th Boa will g ant o ny th omplaint in whol o in pa t, will sp ify wh th th p o ment p o ss o awa was in onsist nt with th int nt o sp ifi p ovisions of th M eas s.

(2) Wh n v th Boa fin s vi n of mis on t, a tions o b havio ont a y to law, it will f th matt to th app op iat nfo ment a tho iti s fo a tion.

(3) In making its fin ings an ommen ations, th Boa will onsi all th i mstan s s o n ing th p o ment p o ss o awa , in l ing th s io sn ss of any fi i n y in th p o ment p o ss, th g of p j i to any o all s ppli s, th g of imp iment to th int g ity an

ff tiv n ss of th M eas s, th goo faith of th pa ti ipants, th xt nt of p fo man of th ont a t to whi h th p o ment lat s, th ost of th

ommen ation to th Gov nment of Japan, th g n y of th p o ment, an th impa t of th ommen ation on th b sin ss of th ntity.

(4) Wh th Boa fin s that th int nt o any p ovision of th M eas s has not b n follow e , it will ommen an app op iat me y, in l ing on o mo of th following:

(a) that a n w t n o mentation b iss ;

(b) that n w off s fo th ont a t b so ght;

( ) that th off s b - val at ;

( ) that th ont a t b awa to anoth s ppli ;

( ) that th ont a t b t minat .

(5) Th Boa will s n its fin ings in w iting with its ommen ations to th omplainant, th ntity an any oth pa ti ipants, within 1 wo king ay aft iss an .

(6) Th ntity will, in p in ipl , an as its own ision, ly follow th fin ings of th Boa on any omplaint b o ght app op iat ly b fo th Boa . Th ntity must po t to th Boa within 60 ays of ipt of th Boa 's ommen ation, if it has i not to omply with th ommen ation with th asons fo its ision.

(7) Th Boa will spon to xt nal in i i s on ning its fin ings.

6. Exp ss Option

(1) Wh th omplainant o th ntity sts in w iting an xp itio s han ling of a omplaint, th Boa will q onsi th f asibility of sing th p o s t o t in this s tion, f to h in as th " xp ss option."

(2) The B ll ete mine ethe t pply the exp ess pti n thin t king ys fte eceiving equest the ef e n ll n tify the c mpl in nt n entity s t ethe the exp ess pti n is t be pplie .

( ) Whe e the exp ess pti n is pplie , the time limits n p ce u es ll be s set f th in this P g ph.

( ) The entity ll, thin six ys fte the y n ich it is n tifie by the B th t the exp ess pti n is t be pplie , file th the B itten ep t n the c mpl int, s specifie in p g ph 4.(7) b ve. The B ll, f th th fte eceiving the ep t, sen c py f the elev nt mate i l t the c mpl in nt n ny the p ticip nts. The B ll give the c mpl in nt n ny the p ticip nts 5 ys t file th the B c mments n such mate i l equest th t the c se be eci e n the existing ec . The B ll, f th th fte eceiving the c mments, sen c py t the entity.

(b) The B 3 ll issue its fin ings n ec mmen ti ns n the c mpl int in iting thin 25 ys fte the y n ich the c mpl int is file .

7. D cument Retenti n

T c nt ibute t the b ve p ce u es, e ch entity ll maint in c mplete cument ti n el te t ll p cu ement n t less th n the th esh l s set f th in I.2. f the Me su es, f five ye s f m the te f the c nt ct , t ll ve ific ti n th t the p cu ement p cess s c ie ut in cc nce th the Me su es.

(APPENDIX 1) MEDICAL TECHNOLOGY PROCUREMENT PROCEDURES

[The fl h t h s n t been inclu e in this elect nic ve si n. It is v il ble in h c py.]

Appen ix 2

List f Cent l C nt ct P ints set f th in Secti n VI f the Me su es

EntityC nt ct P intTel. Numbe Ext.F x Numbe

H ouse f Rep esent tives

H ouse f C ncil sP cu ement Secti n Acc unts

Div., Gene l Aff i s Dept.

Acc unts Div., Gene l Aff i s Dept.0 - 581-9111

0 - 581- 1112 2

25790 - 581-9214

0 - 581-1020

Sup eme C u t

B f Au it

C binet n P ime Ministe 's Office

F i T e C mmissi n Au iting Div., Acc unting Bu e u

Acc unts Div., Sec et i t

C nt cts Secti n, Acc unts Div., Ministe 's Sec et i t

Pe s nnel n Acc unts Div., Executive Office Sec et i t0 - 264-8111

0 - 581- 251

0 - 581-2 61 3

03-3581-5471344

8

3

43403-3 34-35

03-3581-807 A

03-3581- 7

03-3581-1 3

tion l Public S fety Commission (tion l Police gency) A

Environment l Disputes Coordin tion Commission

Imperi l Household gencyFin nce Div., Commissioner, Gener l's Secret ri t

ccounts Section, Gener l ff irs Div., Executive Office

Section in Ch rge of the cts to Incur Disbursement, cct. Div.03-3581-0141

03-3581- 3 1

03-3 13-1111 43

351 A

7 03-3581-0 33

03-3581- 488

03-3 8 -1541

Man gement nd Coordin tion gencyEx min tion Section, ccounts Div., Director Gener l's Secret ri t03-3581-3 1414803-350 -1 41

Hokk ido Development gencyFirst ccounting Section, Gener l ff irs Div.03-3581- 111 3 503-3581-1 08

Defence gencyHe lth & Medic l Division, Bure u of Educ tion & Tr ining03-3408-5 11 07103-374 -1413

Economic Pl nning gency

Science & Technology gency A

Environment gency ccounts & Budget Division

Fin nce Div., Minister's Secret ri t

ccounts Section, Budget & ccts. Div., Minister's Secret ri t03-3581-0 1

03-3581-5 71

03-3581-33 151

7 A

17003-3581- 404

03-3504- 84

03-35 3-8 3

Okin w a Development gency ccts. Div., Gener l ff irs Bure u03-3581- 3 140 303-5 51-7177 A

National an ncy ccts. S ction, Bu t & ccts. Div., Minist r's S cr tariat03 35 3 3311 15303 3501 534

Ministry of Justic u itin Offic , Financ Div., Minist r's S cr tariat03-3580-4111221203-35 2-7112

Ministry of For i n ffairsProcur ment Offic , Financial

ffairs Div., Minist r's S cr tariat03-3580-5257 ir ct03-3581- 444

EntityContact PointT l. Numb rExt.Fax Numb r

Ministry of Financ First ccount S ttl ment S ction, ccts. Div., Minist r's S cr tariat03-3581-4111212603- 9 5251-2162

Ministry of E ucation aw & R ulation Unit, G en ral ffairs S ction, Bu tin & ccountin Div., Minist r's S cr tariat03-3581-4211218503-35 1-8140

Ministry of H ealth & Welfar

Ministry of ricultur , For stry & Fish ri s ccounts Div., Minist r's S cr tariat

G en ral S ction on Sp cifi Procur ments, cct . Div., Minist r's S cr tariat03-3503-1711

03-3502-81112212

24 103-3508-1112

03-3506-1 35

Ministry of Int rnational Tra & In ustry Bu t & ccounts Div., Minist r's S cr tariat03-3501-1511223603- 9 3580-24 3

Ministry of TransportS nior Contract Coor inator Offic r, Financ Div., Minist r's S cr tariat03-3580-3111588503- 9 3580-7804

Ministry of Posts & T l communicationsInt rnational Procur ment Plannin Offic , Financ D ept., Minist r's S cr tariat03-3504-4241 ir ct03-3504-01 4

Ministry of abourFinanc Div., Minist r's S cr tariat03-35 3-1211511203-3502-2 50

Ministry of ConstructionProcur ment Information S ction, Financ D ept., Minist r's S cr tariat03-3580- 9 4311227703-5251-1 23

Ministry of Home ffairsS ction of Contract & Payment, Financial Div., Minist r's S cr tariat03-3581-531142203-35 7-0065

Hokkai o Railway Company

East Japan Railway Company

C ntral Japan Railway Company

West Japan Railway Company

Shikoku Railway Company

Kyushu Railway Company

Japan Fr i ht Railway CompanyPurchasin & Stor s Div., Financ D epartment

Purchasin & Stor s Div., Financ D epartment

Mat rials S ction, Financial D ept.

Purchasin & Stor s Div., Financ D epartment 9

Purchasi tores Div., Fi a ce Departme t

Purchasi tores Div., Fi a ce A d Accou ti Departme t

Purchasi tores Div., Fi a ce Departme t011-222-7131

03-3212-2 57

052-5 4-2538

0 -375-8991

0878-22-3990

093-331-3504

03-3212-8908direct

direct

direct 6

direct

direct

direct

direct011-2 1- 814 6

03-3712-2581

052-5 4-2535

0 -375-88 2

0878-22-3990

093-331-3504 6

03-3285-0070

Japa Tabacco I c.Ge eral Admi istratio Div., Ge eral Admi istratio Departme t03-3474-3111 232203-5479-0340

Nippo Tele raph Telepho e Co., Ltd.I ter atio al Procureme t Office03-3509-8044direct03-3593-1794

People's Fi a ce Corporatio

Housi Loa Corporatio

A riculture, Forestry Fisheries Fi a ce Corporatio

Japa Fi a ce Corporatio for mall Busi ess

Fi a ce Corporatio of Local Public E terprise

Hokkaido-Tohoku Developme t Corporatio

ocial Welfare Medical ervice Corporatio

mall Busi ess Credit I sura ce Corporatio

E viro me tal a itatio Busi ess Fi a ci Corporatio

Oki awa Developme t Fi a ce Corporatio 6

Japan Deve p^me^n ank

Exp r -I^mp^ r ank f Japan

Lab ur We fare C rp ra i n

Supp y Div., Genera ffairs Dep .

C n rac Sec i n, cc un ing Div., Finance & cc un ing Dep .

Genera ffairs Div., Genera ffairs Depar ^me^n

Genera Service Div., Genera Service Depar ^me^n

Sec nd Sec i n, Genera ffs. Div.

Genera Service Div., usiness C n r & cc un ing Dep .

cc An ing Sec i n, Genera cc un ing Dep .

cc un ing & Treasury Div., cc un ing & Treasury Dep .

cc un ing Div., cc un ing Dep .

Genera ffairs Div., Genera ffairs Dep .

Genera Services Div., Genera Services Dep .

P anning & C rdina i n Div., d^mi^nis ra i n Dep . A

C n rac Div., cc un ing Dep .03-3270-4111

03-3796-6111

03-3270-2261

03-3270-1261

03-3581-0311 A

03-3270-1657

03-3438-9929

03-3270-2361

03-3582-5416

03-3581-3241

03-3244-1860

03-3287-9445

03-3292-8871

726

296A

338

2511

30 A

281 A

direct

83 H

direct

direct

direct

direct

3 3 3 9 79

3 3796 6 76

3 3 7 35

3 3 7 7

3 35 6 969

3 3 6 776

3 3 38 9

3 3 3

3 358 73

3 35 8 33

3 3 7 8 97

3 3 87 95

H N

3 3 9 8836

H

APPENDIX B H N

[MEDICAL TEC OLOGY]

OPERATIONAL GUIDELINES WIT RESPECT TO MEASURES RELATED TO JAPANESE PUBLIC SECTOR PROCUREMENT OF MEDICAL TEC OLOGY PRODUCTS AND SERVICES

The Government of Japan has decided to issue and implement these Operational Guidelines to supplement and clarify the Measures Related to Japanese Public Sector Procurement of Medical Technology Products and Services (hereinafter referred to as "the Measures") which were decided by the Committee for Drawing Up and Promoting the Action Program on 8th March, 99 , as follows. In carrying out the Measures, the Guidelines will be fully implemented and respected.

I. NOTICE

In carrying out the measures, entities recognize that they should meet their needs with the most appropriate competitive medical technology products or services without regard to national origin. To this end, the head of each entity specified in Annexes and of the Measures will send a notice to all procurement officials within his or her authority, including those in hospitals, encouraging them to give fair, non discriminatory and positive consideration in all procurements without regard to the threshold to the procurement of competitive foreign medical technology products and services, with the understanding that such procurements constitute positive and beneficial steps in implementing the Measures. The notice will, in this regard, also ask the hospitals and other subordinate organizations within his or her entity to assist foreign suppliers, on request, in appointments and contacts with procurement officials in those organizations. H

2. SECTI III. UTURE PR UREME T PLA S

When an entity publi he in the Kanpo procurement information on medical technology product and ervice covered by the Mea ure a et forth in Section III. , the entity will invite upplier to ubmit material , comment and other nece ary information on the procurement. Entitie will give full con ideration to any information ubmitted by upplier .

3. SECTI III.5 REQUEST C MME TS

( ) In the ca e of Reque t for Submi ion of Material et forth in Section III.5. , upplier can ubmit material and comment on the entity' actual need with regard to the procurement for which a Reque t for Submi ion of Material ha been i ued.

(2) With re pect to Section III.5. , all procurement in which the contract award i expected to be greater than 800,000 SDR are deemed to be tho e in which entitie face difficultie in developing appropriate pecification without reque ting the ubmi ion of material from upplier .

(3) or procurement in which the contract award i expected to be 800,000 SDR or below, entitie may u e the Reque t for Submi ion of Material procedure when they determine that they face difficultie in developing appropriate pecification without reque ting the ubmi ion of material from upplier .

(4) The phra e in Section III.5.2 of the mea ure , which tate "entitie will take the following mea ure in order to en ure that intere ted upplier ubmit their comment on draft pecification prepared by the entitie " i not intended to limit comment ubmitted to tho e on draft pecification . Supplier can ubmit material and comment on, in addition to draft pecification , other technical information or any other a pect of the procurement, including the upplier' view on the e timated co t of the procurement.

4. THRESH CLD ERALL GREATEST VALUE EVALUATI A D REQUEST C MME TS

( ) With re pect to the thre hold that applie to overall greate t value evaluation and Reque t for Comment , a et out in Section III.5. , III.5.2 and III. 0.4 of the Mea ure and paragraph 3(2) and 3(3) of the e Guideline , the Government will lower the thre hold from 800,000 SDR to 600,000 SDR on April , 996, to 400,000 SDR on April , 997, and to 385,000 SDR on April , 998.

(2) f-the- helf product or ervice with a unit value of 500 SDR or below which are being procured in high volume may be exempted from the area to which overall greate t value evaluation and Reque t for Comment procedure apply.

5. SECTI VI.4 MEETI G

Entitie which procured in the previou fi cal year a total of two million SDR or more of medical technology product and ervice covered by the Mea ure will hold their own meeting .

6. SECTI XII DE I ITI S

"Medical technology product " include , in addition to tho e de cribed in Section XII of the Mea ure , in-vitro diagno tic reagent tipulated in Article 56-2 of the Enforcement Regulation of the Pharmaceutical Affair Law.

APPE DIX C

DATA C LECTI (MEDICAL TECH N Y)

I. The Government of Japan will repo t the following information and data annually, beginning with Calendar Year 994, for procurement ubject to the Mea ure

. The total number and value of contract awarded by all covered entitie and by each uch entity

( ) in the aggregate for each of the four product categorie pecified in the Annex and each ervice category; s

(2) in the aggregate for all product ; and

(3) in th A t o ll s vic s;

1.2 Th tot l numb nd v lu o cont cts w a d d o o i n p oducts nd s vic s by ll cov d ntiti s nd by ch such ntity:

(1) Ain th t o ch o th ou p oduct c t o i s sp ci i d in th nn x nd ch s vic c t o y;

(2) Ain th t o ll p oducts; nd

(3) in th A t o ll s vic s;

1.3 Th numb nd p c nt o cont cts th t w e sin l t nd cont cts, th v lu o such cont cts, nd th numb nd v lu o thos cont cts w a d d o o i n p oducts nd s vic s.

1.4 Th tot l numb nd v lu o cont cts w a d d by ll cov d ntiti s nd by ch such ntity:

(1) Ain th c s s th t only tA nd s o domestic p oducts o s vic s w e submitt d;

(2) Ain th c s s th t only tA nd s o o i n p oducts o s vic s w e submitt d; nd

(3) in th c s s th t both t nd s o domestic nd o i n p oducts o s vic s w e submitt d, b ok n down by cont cts w a d d o domestic p oducts o s vic s nd thos w a d d o o i n p oducts o s vic s.

NOTE Th bov - nc d d t by ch ntity cov d by th M e su s will most lik ly luctu t y by y .

II. Th Gov nment o J p n will po t th ollowin in o mation nd d t nnu lly, b innin with C l nd Y 1995, o Di nostic X- y pp tus (B2901), ti ici l c di c p c mak s (B2303), Nucl ma n tic son nc CT quipment (B2907), T stin pp tus o clinic l ch mist y (B2701), nd ti ici l joints nd bon s (0105) p ocu d by th ntiti s cov d by th M e su s by:

2.1 Th tot l v lu o cont cts w a d d by ll ntiti s nd by ch ntity; nd

2.2 Th tot l v lu o cont cts w a d d o o i n p oducts by ll ntiti s nd by ch ntity.

NOTE lph b t nd Numb in p nth s s th cod us d o c t o iz tion in th Su v y o Ph mac utic l Indust y P oductions. Sinc th bov - nc d d t o s v l s l ctiv c t o i s o medic l t chnolo y p oducts, it do s not n c ss ily l ct th n l situ tion o ll ov nment p ocu ment o medic l t chnolo y p oducts.

Th bov - nc d d t by ch c t o y will most lik ly luctu t y by y .

NNEX

C TEGORIZ TION OF MEDIC L TECHNOLOGY PRODUCTS

1. M dic l T chnolo y P oducts o Di nosls. which consists o th ollowin :

( ) p oducts und cod s B09, B11, B13, B15, B17, B27, B29, B31 nd B37 in th Su v y o Ph mac utic l indust y P oductions, nd

(b) in-vit o di nostic nts.

2. M dic l T chnolo y P oducts o T tments (xc pt o su y), which consists o th p oducts und cod s 01, 03, 05, B01, B05, B19, B23, B33 nd B35 in th Su v y o Ph mac utic l Indust y P oductions.

3. M dic l T chnolo y P oducts o Su y, which consists o th p oducts und cod s B03, B21 nd B25 in th Su v y o Ph mac utic l Indust y P oductions.

4. Misc ll n ous, which consists o th p oducts und cod s 07 (xc pt o S nit y Goods), 09 nd B07 in th Su v y o Ph mac utic l indust y P oductions.

THE SECRET RY OF COMMERCE A

Washingt n C 20230

N vember 1 1994

His Excellenc

Takakazu Kuri ama

Ambassad r f Japan

2520 Massachusetts Avenue N W.

Washingt n C y

ar Ambassad r Kuri ama:

e

I am pleased t receive ur letter f t da 's date c ncerning pr curement f medical techn l g pr ducts and services in the Japanese public sect r market and the "Measures Related t Japanese Public Sect r Pr curement f Medical Techn l g Pr ducts and Services" (hereinafter referred t as the "Measures") and "Operati nal Guidelines with Respect t Measures Related t Japanese Public Sect r Pr curement f Medical Techn l g Pr ducts and Services" (hereinafter referred t as the "Guidelines") attached theret

The G overnment f the United States reaffirms the Framew ork f r a New Ec n mic Partnership established b the "J int Statement n the Japan-United States Framew ork f r a New Ec n mic Partnership" f the Heads f the G overnments f Japan and the United States n Jul 10 1993 (hereinafter referred t as the "Framew ork") The g als f the Framew ork are t deal with structural and sect ral issues in rder substantiall t increase access and sales f c mpetitive f reign g ds and services thr ugh market- pening and macr ec n mic measures; t increase investment; t pr mote internati nal c mpetitiveness; and t enhance bilateral ec n mic c perati n between the United States and Japan

I am pleased t learn that t acc mplish these g als with respect t Japanese public sect r pr curement f medical techn l g pr ducts and services ur G overnment has ad pted the Measures and Guidelines with the aim f significantl increasing access and sales f c mpetitive f reign medical techn l g pr ducts and services in the Japanese public sect r pr curement market

I welc me ur G overnment's decisi n t implement the Measures and Guidelines and willingness t keep the Measures and Guidelines under c ntinual review . I w ould like t c nfirm that the G overnments f Japan and the United States will meet in June 1995 and annuall thereafter r at an time up n the request f either G overnment t discuss an matters related t the Measures and Guidelines including assessment f implementati n f the Measures and Guidelines and evaluati n f pr gress achieved t ward the g als f the Framew ork and the g als f this sect r as set f rth ab ve I w ould like t c nfirm that such c nsultati ns will be held until the end f FY2000 at which p int the tw o G overnments will decide whether r n t t c ntinue these c nsultati ns pending n the results f the c nsultati ns described ab ve the G overnment f the United States will if necessar further enc urage U S firms t take advantage f pp rtunities created b the G overnment f Japan and if appr priate c nsider additi nal eff rts

Assessment f the implementati n f the Measures and Guidelines as well as the evaluati n f pr gress achieved will be based n the verall c nsiderati n f the f ll wing qualitative and quantitative criteria These qualitative and quantitative criteria will be c nsidered as a set and n ne criteri n will be determinative f the assessment f the Measures and Guidelines r the evaluati n f pr gress achieved These criteria d n t c nstitute numerical targets but rather are t be used f r the purp se f evaluating pr gress achieved t ward the g als f the Framew ork and the g als f this sect r as set f rth ab ve

1 QUANTITATIVE CRITERIA

Annual evaluati n f pr gress in the value and share f pr curements f f reign medical techn l g pr ductt and services c vered b the Measures and Guidelines t achieve ver the medium term, a significant increase in access and sales f c mpetitive f reign medical techn l g pr ducts and services b :

1.1 Annual alu an ar of procur ment of for ign me ical t c nology pro uct an r ic co r by t Mea ur an Gui lin , aluat by r f r nc to r c nt tr n in t alu , rat of growt an ar of procur ment of for ign me ical t c nology pro uct an r ic , an t total alu of procur ment co r by t Mea ur an Gui lin ;

NO E In t initial y ar of con ultation (b for multipl y ar of ata a b n coll ct) it will b n c ary to con i r r c nt Kanpo ata.

1.2 Annual numb r of ntiti procuring for ign me ical t c nology pro uct an r ic co r by t Mea ur an Gui lin , in r lation to t total numb r of ntiti procuring me ical t c nology pro uct an r ic co r by t Mea ur an Gui lin ;

1.3 Annual numb r an alu of contract awar a a r ult of a cr a in ingl t n ring;

1.4 Annual numb r of t n r ubmitt by all uppli r an for ign uppli r ; an

1.5 R lati comp titi n of for ign me ical t c nology pro uct an r ic .

2. QUALI A IVE CRI ERIA

2.1 Full an non- i criminatory acc to procur ment information by for ign uppli r at all tag of t procur ment proc , a pro i in t Mea ur an Gui lin ;

2.2 R ult of t r i w s con uct by t Procur ment R i w Boar ;

2.3 Full impl mentation of all r quir ment of t Mea ur , Gui lin an l tt r , in a ition to t o mention abo ;

2.4 Effort by for ign uppli r to utiliz procur ment opportuniti , inclu ing comment on raft p cification ; an

2.5 Mark t con ition , inclu ing xc ang rat .

In a ition to t Mea ur w hic alr a y a b n impl ment , t Gui lin will b impl ment a of No mb r 1, 1994, xc pt for procur ment in w hic a Notic of Procur ment or a R qu t for Comment wa publi b for No mb r 1, 1994.

I al o w elcome your Go rnment' r affirmation wit r p ct to i tribution of me ical t c nology pro uct an r ic , an op t at t maint nanc of t Go rnment of Japan' policy of promoting fair an fr comp tition will furt r incr a mark t ntry opportuniti T, inclu ing t o of for ign compani . I al o w elcome your Go rnment' ci ion to ncourag t pri at ctor, inclu ing manufactur r an i tributor of me ical t c nology pro uct an r ic , to tabli int rnal Anti-Monopoly Act complianc programs.

I w elcome your Go rnment' int nt to r qu t an , a a matt r of policy, to mak maximum ffort in t futur to obtain uffici nt fun to nabl t public procur ment of me ical t c nology pro uct an r ic ba on pric for imilar pro uct an r ic in imilar working n ironment in t pri at ctor.

I am of t i w t at t Mea ur an Gui lin r pr nt ub tantial progr towar r ol ing probl ms r lat to procur ment by t Go rnment of Japan of me ical t c nology pro uct an r ic an ar a major ac i ment of t Framework. I xp ct t at t impl mentation of t Mea ur an Gui lin will gi for ign me ical t c nology uppli r an r ic pro i r full acc to t public ctor procur ment mark t in Japan. We will continu to monitor t i ituation an , combin wit ffort by U.S. firms, look forwar to incr a acc an al of comp titi me ical t c nology pro uct an r ic by U.S. an ot r for ign firm un r t Mea ur an Gui lin .

Go rnment of t Unit Stat will ncourag U.S. firms to tak a antag of opportuniti cr at by t Go rnment of Japan. Go rnment of t Unit Stat r confirms t at it i t policy of t Go rnment of t Unit Stat to pro i non- i criminatory, tran par nt, fair an op n opportuniti con i t nt wit it obligation un r t GA Agr ment on Go rnment Procur ment an , aft r ntry into forc for t Unit T

States, the e eeme t o Gove me t P ocu eme t. My Gove me t ll co sult th you Gove me t upo equest co ce i such policies, a d a eas of pa ticula i te ests. We a e also p epa ed to p ovide the Gove me t of Japa th ecessa y i fo matio as equested co ce i ou p ocu eme ts.

Si ce ely,

s

Ro ald H. B o
