

Japan Supercomputer Procurement Agreement (1990)

THE UNITED STATES TRADE REPRESENTATIVE

Executive Office of the President

Washington, D.C. 20506

June 15, 1990

His Excellency

Ryohei Murata

Ambassador of Japan

2520 Massachusetts Avenue, N.W.

Washington, D. C.

Dear Ambassador Murata:

I am pleased to receive your letter of today's date concerning the procurement of supercomputers in the public sector, and the revised "Procedures to Introduce Supercomputers" attached thereto. I understand that the revised procedures will govern all procurements of supercomputers by the entities covered by the GATT Agreement on Government Procurement and quasi-governmental agencies, listed in ANNEXES I and II of your letter, that are initiated or on or after May 1, 1990 .

I welcome your government's decision to review the procedures as events and technology develop, and to keep these procedures under continual review. In this regard, we are also prepared to review annually and discuss with your government the implementation of these procedures in order to assure their continued effectiveness in providing transparent and nondiscriminatory government procurement of supercomputers. We would like to plan on the first such review in June, 1991.

We welcome your government's request for funds in the JFY 1990 budget sufficient to enable public procurement of supercomputers at prices based on those for similar supercomputer systems in similar working environments in the private sector. We also appreciate your government's decision to, as a matter of policy, make maximum efforts to obtain such funds in accordance with the revised Procedures in JFY 1991 and in the future.

These procedures represent substantial progress toward successful resolution of a long-standing problem between our two countries. I hope that these developments will give United States supercomputer manufacturers full and effective access to the public procurement market in Japan. We will continue to monitor this situation, and look forward to the first sales by U.S. firms under the revised Procedures to Introduce Supercomputers.

In this regard, I am pleased to reconfirm that it is the policy of the Government of the United States to provide competitive and non-discriminatory market opportunities in the United States consistent with our obligations under the GATT Government Procurement Code. This policy maintains the openness and transparency of the U. S. market for government procurement of supercomputers without regard to the nationality of the manufacturers. We are also prepared to provide the Government of Japan with necessary information upon request concerning our procurements.

Sincerely,

[signature] g

Carla A. Hill

ASSY OF JAPAN

WASHINGTON, D. C.

June 15, 1980

Dear Ambassador Hill :

With regard to supercomputer procurement, I am pleased to inform you of the following.

The Government of Japan has decided to revise the "Procedure to Introduce Supercomputer ", implemented in August 1977, in order to provide further transparency and ensure non-discriminatory, competitive opportunities for the introduction of supercomputer in the public sector. The text of the revised procedure is attached. The revised procedure will govern all procurement of supercomputer by the entities covered by the GATT Agreement on Government Procurement and quasi-governmental agencies listed in ANNEX S I and II that are initiated or ongoing on or after July 1, 1980.

The Government of Japan also recognizes that adequate budget for supercomputer are necessary to ensure fair and competitive procurement. Therefore, my government has requested in the JFY 1980 budget sufficient 9 billion yen to enable public procurement of supercomputer based on price for similar supercomputer systems in similar working environment in the private sector, and will, as a matter of policy, make maximum effort to obtain such funds in accordance with the revised Procedure in JFY 1981 and in the future.

Because the supercomputer market is dynamic, it will be necessary to review the procedure as event and technology develop. Accordingly, my government will keep the procedure under continual review. In this regard, we are prepared to review and discuss with your government annually or at any time upon request the implementation of the procedure in order to ensure a non-discriminatory, transparent, and competitive marketplace for the introduction of supercomputer. If necessary to ensure such a marketplace, we will implement appropriate revision of the procedure.

Sincerely yours,

[Signature]

Ryohei Uehara

Ambassador of Japan

The Honorable Carla A. Hill

United States Trade Representative

Office of the U.S.T.R.

Washington, D.C. 20506

Attachment: Procedure to Introduce Supercomputer

ATTACHMENT

Procedure to Introduce Supercomputer

It is the policy of the Government to provide transparent, open and non-discriminatory competitive procedure for the introduction of supercomputer and to ensure that a procuring entity procure the supercomputer that be the best able to perform its mission. The following procedure are adopted in order to implement that policy fully and effectively. The procedure specified herein are intended to address the change in the procurement environment identified to date. 9

A competitive process will mean the efficiency, whether intentional or unintentional, for any company to be able to be faster, cheaper, or block competitors ability to supply a machine which meets the information processing needs of prospective users. It is not the policy of the Government to process special computer based on basis that contain the prohibition in the Anti-Monopoly Act against unjust low-price sales. These processes go into effect as from May 1, 1990.

These processes will be implemented while ensuring consistency with the requirements of the GA Government Procurement Code, as amended (hereinafter referred to as "the Code").

I. Scope and coverage

1. These processes go into effect on the conclusion (purchase, rental and lease) of special computers by the entities subject to the Code.
2. Each ministry/agency concerned will give guidance to quasi-governmental agencies with jurisdiction on which a plan is being made to purchase special computers to follow processes in line with the purpose of these processes.
3. These processes will apply to the conclusion of special computers with theoretical peak ratings of 300 million floating point operations per second (FLOPS) and over. This coverage will be determined as necessary¹. [Note: Coverage threshold set to 50 FLOPS on April 1, 2014]

II. Processes

Processes stipulated by the Code and the Act on Procurement Improvement of Market Access will be followed for all special computer procurements. Under the principles of free competition, all processes will be conducted in a manner which ensures national treatment and non-discrimination. From this viewpoint, an entity which hereafter plans to purchase a special computer (hereinafter referred to as "the entity") will follow the Processes outlined below with a view to supplementing the Code and processes and precisely implementing its principles.

1. Process for market research

1.1 Information to submit material

(1) When an entity has determined that it has needs which may be satisfied by the conclusion of a special computer, it will draw up its actual minimum needs, including particulars of forecasted workload based on anticipated use. These particulars will include minimally acceptable benchmarks for which it demonstrates the operational performance of the special computer required by the entity. The particulars may also include such requirements as maintenance and security size. Where a specific rate of operational performance is required with a fixed period of time, that rate may be included in actual needs; however, it will be set in such a manner as not to discourage potential suppliers.

(2) The entity will conduct market research for the purpose of ensuring the development of actual minimum needs. The entity will collect information on actual market prices for special computer systems in similar working environments in the private sector, unless impossible. This research will be conducted in a transparent manner and will serve as the basis for establishing the estimated contract price and requesting a budget for the conclusion of the system.

(3) In requesting information from a supplier, the entity will not provide any information in such a manner as to allow any supplier an discriminatory advantage. The entity will not provide advance knowledge concerning a future plan to purchase a special computer to any prospective supplier, except according to processes described below. Suppliers who are directly involved in the development of the actual needs shall be barred from participating in the tendering process.

(4) The entity will make an announcement in the Kanpo (hereinafter referred to as "the announcement") of its plan to purchase a special computer in accordance with the actual minimum needs set out in (1) above, and submit an information to suppliers for submission of general information material and comments on the basic requirements (including specific conditions and other technical information). Simultaneously, supplementing this, the entity will send an information letter (hereinafter referred to as "the letter") to those domestic and foreign suppliers. The

of which it has knowledge, including those that have expressed interest in applying supercomputer. Equally, the time shall be accorded to the supplier in proportion to the amount of the bid to the invitation letter.

(5) the amount of the invitation letter must be given or at least 40 calendar days prior to the end of the period set for receiving submission of the bid material from supplier.

(6) the amount of the invitation letter will constitute the following:

(a) the price to introduce supercomputer and minimum need thereof;

(b) the date for submission of material from supplier;

(c) notice that the introduction document will be sent, upon request, to supplier in proportion to the amount or the invitation letter where the place where the period when supplier can obtain the introduction document; and

(d) notice of expenditure for the introduction of supercomputer, if he has.

1.2 Introduction document

(1) Supplier in proportion to the amount or the invitation letter will be, upon request, provided with the relevant introduction document by the entity.

(2) the introduction document will constitute, inter alia, the following:

(a) the place where supplier's material must be submitted (contact point);

(b) the place where supplier's inquiry will be received or additional information can be obtained;

(c) the deadline for submission of material;

(d) detailed requirements of the supercomputer proposed to be introduced (required performance, type of operation and other);

(e) benchmark material covering representative forecasted workload of the entity;

(f) the detailed price of the expenditure for the introduction of supercomputer, if he has; and

(g) the objective criteria for evaluating the mandatory requirements for evaluating the technical excellence of the bid.

1.3 Expenditure for the introduction of supercomputer the entity will hold, necessarily, expenditure in relation to the introduction document. In case the detailed price is not constituted in the introduction document, it will be the invitation to supplier in proportion to the amount or the invitation letter, while allowing sufficient time for supplier to consider the information.

1.4 Inquiry

(1) the entity will promptly respond to inquiry made by supplier with respect to the content of the amount, invitation letter or introduction document.

(2) When the entity makes any commitment to or has any additional information concerning the introduction document, it will immediately provide the commitment or additional information to interested supplier in proportion to the amount or the invitation letter allowing sufficient time for supplier to submit additional material so that they can consider and respond to such commitment or information.

(3) the entity may request or make inquiry to supplier with regard to submitted material, but will not do so in a manner that provides discriminatory advantage to any supplier. the entity may, necessarily, contract research including performance and functional verification with respect to submitted material.

(4) The entity shall disclose or divulge material information provided by a supplier without the consent of an authorized person, including other suppliers.

1.5 Benchmarking

(1) Benchmarking definition: For the purposes of these Procedures, benchmarking is defined as 'The measurement of achieved performance of a supercomputer on a representative forecasted workload (set of codes), designed by the customer, and as measured by the elapsed time on the code, as utilized in the United States'.

(2) Benchmarking shall be conducted in every procurement in accordance with the following provisions:

(a) The procuring entity shall specify the operational performance of the supercomputer it needs, as specified in Section II 1.1(1), "Invitation to submit a proposal".

(b) The entity shall supply a necessary document for benchmarking as set forth in Section II 1.2 (e), "Introduction document".

(c) The selection of benchmarking shall be representative of the anticipated workload of the entity, as described in Section II 2.1 (2), "Preparation of specifications".

(d) 'The results of benchmarking shall be conducted in accordance with Section II. 3.S (2), "Technical examination", be submitted with the bid.

(e) The entity may conduct benchmarking subsequent to a request for a bid over previous submitted benchmarking results.

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2. Specifications

2.1 Preparation of specifications

(1) The entity shall prepare technical specifications based on the actual minimum needs identified during the market research phase. If the procurement representative or interconnects an existing system, these specifications shall be prepared in such a way that suppliers can compete effectively against the incumbent supplier. Features not essential to the assigned operational tasks shall not be required.

(2) Benchmarking shall be based on a representative forecasted workload of a procuring entity as specified in the form in the schedule so that functional performance is used as the basis of the supercomputer technical evaluation. The entity shall provide the information necessary for the supplier to prepare and execute the specific benchmarking tests. Operational system and other software capabilities shall be the system's performance based on the specifications.

(3) Overall system performance shall be emphasized over equipment specifications so that bidders can concentrate on satisfying actual user needs. Operational performance, as described in Section II 1.1(1), may be used in the specifications to describe the entity's general concept of the capability of the supercomputer to be procured.

(4) Specifications shall contain all the information necessary for the potential suppliers to understand the entity's actual minimum needs. Suppliers shall be directed in the actual development of specifications shall be barred from participating in the tendering process.

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2.2 Explanation of Specifications

(1) The entity shall send an invitation to all the suppliers responding to the announcement or invitation to enter and explain their specifications developed under Section 11.2.1. If the entity plans to use the tendering procedures based on comparable requirements, Code of specifications shall be included.

(2) If the entity requires interoperability with existing hardware and/or software, it shall accomplish its objective in a manner that does not entail an unreasonable or unauthorized disclosure of proprietary operating systems, interfaces or protocols.

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2.3 Inquiry and proposal

The entity will give uppl to the 50% of the day for the above explanation by providing opportunity for the entity and uppl to make inquiry, and for uppl to submit proposal and view the proposal concerning the procurement.

3. Tendering procedure

In the procurement of up computer the entity will follow the procedure for the following action.

3.1 Bidding procedure

(1) Purch

Procedure stipulated by the Code and the Act on Procurement for Improved Material Acquisition will be followed.

(2) Rental

Procedure stipulated by the Code covering rental will be followed.

3.2 Bidding and provision of information

(1) The entity will, when procuring up computer by competitive tendering procedure, notify the purchaser of the bid time 40% of the day from the date of issuance of the invitation to tender.

(2) The entity will, when procuring up computer by negotiated tendering procedure based on the competitive quotation, provide the Kopo information concerning the procurement plan together with the competitive quotation to the 40% of the day prior to the conclusion of the contract and for the procurement on the basis of Section II. 2.3. The entity will promptly provide the information to uppl who make inquiry to the bid on the information on the Kopo.

3.3 Finalization of procurement

After inquiry and/or proposal regarding the selection have been made, and after the above information has been changed, pursuant to Section II 1.4 and 2.3 above, the entity will finalize the procurement and provide the matter to the bidder.

3.4 Bidding procedure

(1) Bid will be evaluated based on overall quality to the entity which is determined by conducting technical and functional performance comparison well price. The price factor for evaluation of procurement price is as follows in Section II. 3.7.

(2) The procuring entity will treat the material contract price for the introduction of up computer based on the price for similar up computer systems in similar working environment as the price factor, unless impossible.

(3) When on a mobile office desktop computer is the material contract price is treated by the procuring entity and the minimum functional performance is held to be treated by the procuring entity, the total amount of bidding will be properly adjusted. The holding factor for functional performance is treated in Section II 2.1. The material contract price, which will fluctuate in the budget, will be decided in accordance with (2) above.

(4) The procuring entity will not quote the bidding amount when only on uppl participating, once the uppl meets functional performance is treated in Section II. 2.1 and the office price is the quality to the material contract price that the bid is not decided in accordance with (2) above for the introduction of up computer.

3.5 Explanation on

The entity shall, as necessary, explain in session with respect to the final specifications and requirements. In such a case, identical information shall be provided to all suppliers wishing to participate in the tendering.

3.6 Technical Examination

1) Benchmarking: The entity shall conduct the previously determine and specific benchmark testing of a representative market. For purposes of technical evaluation, entities shall use only those benchmarks described in the specifications. The selection of benchmarks shall be based on the anticipated market of the entity as stated in Section II 1.1. The entity shall give each bidder an adequate advance notice before benchmark tests are run in its system. The only criteria to be used in performance testing shall be those specified in Section II 2. The tests shall not be run under such conditions as to give any supplier an discriminatory advantage.

2) Benchmark testing shall be conducted on an existing system in every procurement except in procurements that do not meet the following conditions:

- a) a supplier offers the first of a new model machine that the supplier may not yet be able to benchmark;
 - b) if a supplier meets the requirements of a) above, the other suppliers in that procurement shall be allowed to offer a future model that the suppliers may not yet be able to benchmark.
 - c) the supplier with the winning bid must deliver the machine by the announced delivery date for the entire procurement, be subject to re-bidding; and
 - d) the winning system must before delivery satisfy the benchmark tests with results equal to or better than the first recorded results and the specifications.
- 3) The entity shall show the results of the benchmark testing and the verification upon request from any other bidder after the system is delivered.
- 4) The bidder may file a complaint with respect to the benchmark testing and its results with the Procurement Review Board.

3.7 Award Criteria

1) The technical evaluation factors shall be conducted in a manner that ensures equal treatment of all bidders and full transparency. In the technical evaluation factors, the procuring entity shall consider technical excellence, the overall system performance, being of functional importance and cost. To be eligible for contract award, the proposals must be within the estimated contract price determined in accordance with Section II 3.4.2) and meet the mandatory requirements set forth in the specifications in Sections II. 2 and 3.3.

2) The entity shall specify the mandatory and other requirements for the supercomputer system which it needs to procure. The criteria for evaluating each mandatory requirement shall be on a pass/fail basis and shall be specified in the introductory comment in Section II 1.2.2) g) and final specifications in Section 2.3.3. Only those proposals which pass all mandatory requirements shall be further considered.

3) The procuring entity shall also specify the objective criteria for evaluating the technical excellence of the bids in the introductory comment in Section II. 1.2.2) g) and in the final specifications in Section II 3.3. The objective criteria shall reflect the scoring system for each technical factor including those mandatory requirements which can be exceeded or exceeded. As an exception, if it is given under a particular technical factor for providing a non-mandatory requirement, this shall be included as part of the objective criteria. No credit shall be given for providing features not included in the final specifications. Bidders may propose changes to any part of the evaluation criteria during the inquiry stage. The technical evaluation of the technical proposals shall be measured by aggregating the score for each technical factor.

4) Staff availability shall be taken into consideration.

5) The entity shall determine the award of the contract by analyzing the technical aspects as the cost factors on the basis of the most favorable proposal to the procurer.

3.8 Final award

The final award will be decided in accordance with the award tiebreaker in Section II. 3.7.

3.9 Unfair bids

(1) If it is determined that the vendor's proposal is based on bids that are unavailable to the Anti-Monopoly Act, including the prohibition against unjustly awarded sales.

(2) When a bid is submitted that, because of its price, the terms, or an unfairly impeding factor, the bid will be deemed void in its entirety and the purchasing entity will not consider the bid in awarding the supercomputer award.

(3) Any bidder who submits a bid referred to in (2) above will, as a matter of principle, be deemed ineligible to submit a bid in the supercomputer procurement; and the name of such bidder will be announced publicly.

(4) If, after the award is made, a complaint is filed pursuant to Section III and the FTC or the Consumer Protection Agency finds that the award was based on an unfairly impeding factor, the purchasing entity will take the most appropriate action as set forth in Section II. III 4.4.

4. Pursuant to the award and debriefing of the procurement Committee with the equipment supplier, the Committee, the entity will publish information on the award and, upon request from any interested party, will provide such information to the entity. The entity will be required to provide the name of the selected system as well as the information regarding the advance stages. The information may, however, exclude such as would prejudice the equipment manufacturer's competitive position.

Complaint Mechanism for Supercomputer Procurement

1. Overview

In order to provide fair and open competition and achieve consistency with the provisions of these Procedures in procurement of supercomputers, the following complaint process will be effective 30 days after these Procedures go into effect.

2. Procurement Review Board

2.1 The vendor will establish a Procurement Review Board (Board), as an independent reviewing organ, review complaints by providing information on any aspect of a procurement or a supercomputer subject to these Procedures. The Board will have no substantial interest in the procurement or a supercomputer procurement subject to its review.

2.2 The Board will receive complaints in writing, conduct investigations of the facts and make recommendations with respect to any aspect of a procurement or a supercomputer by an entity.

2.3 The Board will be composed of persons who have knowledge and experience related to public procurement. No member of the Board will participate in the review of a complaint in which the member has a financial interest.

3. Procurement Review Process

3.1 A complainant may file a complaint with the Board when it believes the procurement has been awarded to a particular entity in violation of the provisions of these Procedures. It may also file a complaint based upon the allegation that the award was made to a supplier who had submitted a bid violation of the Anti-Monopoly Act. The complainant shall be encouraged to seek consultation with the entity of any alleged inconsistency with these Procedures.

3.2 Timing for Complaints

(1) A complaint may be filed at any time during the procurement process, but no later than 10 days after the basis of the complaint is known or reasonably should have been known. The object supplier will submit a copy of the complaint to the entity with a copy of the complaint to the order.

(2) The order may consider a complaint, even though not timely filed, if it finds that good cause is shown or that the complaint raises issues significant to the use of these procedures.

3.3 The order will review a complaint within seven days of its filing² and may, if warranted with good reasons, deny, dismiss or find a complaint to be:

(1) not submitted in a timely manner,

(2) not subject to these Procedures.

(3) frivolous or otherwise not in the best interest,

(4) not submitted by the object supplier, or

(5) otherwise not a proper basis for review by the order.

3.4 Where the order determines that a complaint has been filed properly, it will notify the object supplier and the order will work to resolve the complaint.

3.5 Suspension of award or procurement process

(1) Within 10 days of the filing of a pre-award complaint², the order will issue written requests for suspension of the procurement process and a resolution of the complaint. B

(2) Within 10 days of the filing of a post-award complaint the order will request written suspension of performance of the contract and a resolution of the complaint.

(3) The entity will, as a matter of course, suspend the procurement process or performance of the contract immediately after it receives the order's request, unless the head of the entity determines that urgent and compelling circumstances do not allow the entity to follow the request, in which case he will immediately inform the order of his determination.

3.6 Investigation

(1) The order will conduct an investigation of the complaint, which may include the filing of briefs, depositions and other documents by the complaint and the entity.

(2) The order may, on the request of the complaint or the entity or on the order's own initiative, hold a hearing on the merits of a complaint.

3.7 Entity Report

(1) Within 25 days after the day on which a copy of the complaint was sent to the entity, together with the order, the entity will submit a report on the complaint, containing the following:

(a) the facts of the complaint, including the facts and circumstances thereof relevant to the complaint;

(b) other documents relevant to the complaint;

(c) statements that set out the findings, conclusions and recommendations of the entity and responses to the findings of the complaint; and

(d) any other evidence or information that may be necessary in order to resolve the complaint.

(2) The order will forthwith after receiving the report referred to in (1) above, send a copy of the report to the complaint and the order will give the complaint an opportunity, within seven days after it receives the B

relevant material to the B and C mme
B and will rthwth a ter rece v ng the c nts r request that the case be dec ded n the ex st ng rec rd. The
B and will rthwth a ter rece v ng the c nts send a c py t the ent ty.

3.8 Part c pants The ent ty and p tent al suppl ers wh se d rect ec n c nterest w ould be a ected by the
award r the a lure t award a c ntract may part c pate n a c mp la nt pr ceed ng.

4. F nd ngs and rec ndat ns me

4.1 The B and will make a rep rt ts nd ngs and rec ndat ns with n 90 days a ter the day n wh ch the
c pla nt s led. Its nd ngs n wh ch the B and will grant r deny the c mp la nt n wh le r n part will spec y
whether the pr cure me nt pr cess r award was nc ns stent with the ntent r spec c pr v s ns these
Pr cedures.

4.2 (1) Where the B and nds that there s a s gn cant me
had sub tted a b d that c ntravened the pr h b t n n the Ant -Mon p ly Act aga nst unjust l w-pr ced sales t
will rep rt the case t and request that the Fa r Trade C : ss n (FTC) deter ne whether r n t the Ant -
Mon p ly Act has been v lated and take appr pr ate me asures.

(2) Pend ng the n t cat n by the FTC ts nal nd ngs the B and will request the ent ty t suspend
per r ma nce the c ntract. With th s request the ent ty as a tter pr nc ple will suspend per r ma nce
the c ntract. Up n rece pt the FTC's n t cat n the B and will c lete ts rev ew the c mp la nt and where
the FTC has und a v lat n the Ant -Mon p ly Act the B and will rec nd that the ent ty ad pt a re me dy
set rth n Sect n III. 4.4.

4.3 In mak ng ts nd ngs and rec ndat ns the B and will c ns der all the c rcu ms tances surr und ng the
pr cure me nt pr cess r award nclud ng the ser usness the de pency n the pr cure me nt pr cess the
degree prejud ce t all p tent al suppl ers r t the ntegr ty and e ect veness these Pr cedures the g d
a th the part c pants and the extent per r nce the c ntract t wh ch the pr cure nt relates.

4.4 Where the B and nds that the ntent r any pr v s n these Pr cedures has n t been realized t may
rec nd an appr pr ate re me dy nclud ng ne r re the ll wing

(1) that a new tender package be ssued a e

(2) that new b ds r the c ntract be s ught me

(3):that the b ds be re-evaluated

(4) that the c ntract be awarded t an ther suppl er r

(5) that the c ntract be ter nated.

4.5 The B and will send ts nd ngs n wr t ng with ts rec mme ndat ns t the c mp la nt the ent ty and any
ther p tent al suppl ers with n ne w rk ng day a ter ssuance. The M n stry F re gn A ars will resp nd t
external nqu res c ncern ng the nd ngs.

4.6 Where the ent ty d es n t ll w the B and's rec ndat ns the ent ty will send a c py ts dec s n and
the rat nale r t t the B and with n ne w rk ng day a ter ssuance. The M n stry F re gn A ars will
resp nd t external nqu res c ncern ng the dec s n.

4.7 Whenever the B and d sc vers ev dence sc nduct r behav r c ntrary t law r regulat n such
ev dence will be re erred t law en rce me nt auth r tes r appr pr ate act n.

5. Express Opt n

5.1 Where the c mp la nt r ent ty requests n wr t ng an expedit us handl ng a c la nt the B and will
c ns der the eas b l ty us ng the pr cedure set ut n th s sect n re erred t here n as the "express pt n".

5.2 The B and will deter ne whether t apply the express pt n with n tw o w rk ng days a ter rece v ng a
request there r and will n t y the c mp la nt and ent ty as t whether the express pt n s t be appld. :
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5.3 Where the receipt is initialled, the time limit and procedure will be as follows:

(1) The receipt will, within 1 day after the day on which it is initiated by the Board have the receipt initialled, filed with the Board and a complete return to the complainant, as specified in Section III. 3.7. The Board will, forthwith after receiving the return, send a copy of the relevant material to the complainant. The Board will give the complainant five days to file with the Board comments on such material requested. The case will be decided on the receipting record. The Board will forthwith after receiving the comments, send a copy to the receipting.

(2) The Board will issue its findings and recommendations on the complaint in writing 45 days after the day on which the complaint is filed.

EMBASSY OF JAPAN

252 MASSACHUSETTS AVENUE, N.W.

WASHINGTON, D.C. 20548

(202) 939 67

July 23, 1999

Ms. Hdly Hammond

Attorney General Counsel

Office of the U.S.T.R.

Washington, D. C. 20546

Dear Ms. Hammond :

Concerning the letter from Ambassador Mura to Ambassador Hill dated June 15, 1999 on Supercomputer Procurement, I would like to inform you, upon the instructions of my management, of the following:

1 With regard to Anne I and II of the Attachment the aid letter, the following corrections are now made:

(1) East Japan Railway Company now added to Anne I after Hokkaido Railway Company

(2) Japan Air Fund referred to in Anne II under the heading of Ministry of Education now deleted

(3) National Theater of Japan referred to in Anne II under the same heading, now incorporated to Japan Air Council

(4) University of the Air referred to in Anne II under the same heading, now changed to University of the Air Foundation

(5) National Stadium and School Health Center referred to in Anne II under the same heading, now changed to National Stadium and School Health Center of Japan

(6) School Welfare and Medical Service Corporation referred to in Anne II under the heading of Ministry of Health and Welfare, now changed to Social Welfare and Medical Service Corporation

(7) Mutual Aid Association of Agriculture, Forestry and Fisheries Corporation Personnel, now added after Japan Regional Public Racing Association to Anne II under the heading of Ministry of Agriculture, Forestry and Fisheries

(8) Forestry Credit Fund Corporation, referred to in Anne II under the heading of Ministry of Agriculture, Forestry and Fisheries now deleted

(9) University of the Air referred to in Anne II under the heading of Ministry of Post & Telecommunications, now changed to University of the Air Foundation

(10) Honshu-Shikoku Bridge Authority, now added after Hanjin Expressway Public Corporation under the heading of Ministry of Construction

2 Explain a e given with e pec change (apa f m yp g aph cal e) Annex II f m ha f he 1987 A ngemen :

(1) a nal Thea e f Japan n w dele ed becau e wa ub umed n Ma ch, 1990 n he apan A C unc l N wh ch l ed n he Annex

(2) Add n f F unda n Un ve y f he A made due he change f he f mal Engl h name

(3) L kew i e, add n f " f Japan" a nal S ad um and Sch l Heal h Cen e made due he change f he f mal Engl h name

(4) The dele n f F e y C ed Fund C p a n made becau e ha c p a n wa ub umed n Oc be , N 1987 n he Ag cul u e, F e y, F he y and F nance C p a n wh ch l ed n he Annex

(5) The dele n f Ok nawa Elec c P we C . L d. made becau e ha c mpany wa c mple ely p va zed n Oc be , 1988

(6) Add n f "and Indu al Techn l gy" ew Ene gy Devel pmen O rgan za n made due he change f he f mal Engl h name

(7) L kew i e, he add n f "and P even n" P llu n Rela ed Heal h Damage C mpen a n A c a n wa made due he change f he f mal Engl h name

(8) Add n f "The Env nmen al P llu n C n l Se v ce C p a n" unde he head ng Min y f In e na nal T ade and Indu y wa made becau e ha c p a n ha bec me ubjec he j n ju d c n f he Env nmen al Agency and he Min y f In e na nal T ade and Indu y nce Oc be , 1987

(9) Japan A lne C . L d. n w dele ed becau e ha c mpany wa c mple ely p va zed n vembe , 1987 f ll wing he ab l n f he Japan A L ne Ac . The G ove nmen ld h ld ng ck n Decembe , 1987 and h ld n ck I am a ach ng he c ec ed ve n f Annexe I and II h le e .

S nce ely y u , N

[gna u e]

Sh n uke J. Sug yama

F Sec e a y

Emba y f-Japan

Annex I

[ncluded. Th Annex Japan' anda d l f en e ubjec he GATT P cu emen C de.]

FOOT OTE

¹ In Ma ch 2000 and ub equen ly n Ma ch 2005 and n Ma ch 2014, he G ove nmen f Japan and he Un ed S a e - n de eflec echn l g cal advance n he upe c mpu e ma ke - a ed c ve age h e h ld f p cu emen f upe c mpu e n he publ c ec . N

[On March 31, 2000](#), he pa e ag eed a e he c ve age h e h ld 100 GFLOPS.

[On March 30, 2005](#), he pa e ag eed a e he c ve age h e h ld 1.5 TFLOPS.

[On March 26, 2014](#), he pa e ag eed a e he c ve age h e h ld 50 TFLOPS.

[On December 18, 2019](#), he pa e ag eed a e he c ve age h e h ld 2 PFLOPS.

[View March 2000 Exchange of Letters on Supercomputer Thresholds](#)

[View March 2005 Exchange of Letters on Supercomputer Thresholds](#)

[View March 2014 Exchange of Letters on Supercomputer Thresholds](#) N

In an April 16, 2014 exchange of letters, the United States and Japan described modifications to Section IV of Japan's Procedures for the Procurement of Non-R&D Satellites, Section III of Japan's Procedures to Introduce Supercomputers, and Annex III of Japan's Measures related to Japanese Public Sector Procurements of Computer Products and Services. For procurements of non-R&D satellites, supercomputers, and computer products and services subject to these Procedures and Measures, the amount of time given to the Procurement Review Board (Board) to review a complaint in paragraph 3.3 was expanded from "seven days" to "10 working days" of its filing. In addition, for procurements subject to these Procedures and Measures, the amount of time the Board may take to issue a written request for the suspension of the procurement process pending resolution of the complaint in paragraphs 3.5.1 or 3.5(1) respectively was expanded from "10 days" to "10 working days."

TANC offers these agreements electronically as a public service for general reference. Every effort has been made to ensure that the text presented is complete and accurate. However, copies needed for legal purposes should be obtained from official archives maintained by the appropriate agency.