

TOKYO 2020 OLYMPICS UPDATE SUSTAINABLE PROCUREMENT TOP 10 TIPS FOR A WINNING BID

This article was authored by Lance Miller (Managing Partner, Tokyo), Celeste Koravos (Associate, Melbourne), Kelsey Ippolito (Associate, Melbourne) and Keitaro Uzawa (Associate, Tokyo).

Tokyo is set to host the Games of the XXXII Olympiad from 25 July – 9 August 2020, and the Paralympic Games from 25 August – 6 September 2020. With procurement well underway, we have summarized our top ten tips for how your business can make a winning bid for procurement opportunities, across industries such as construction, agriculture and security services.

- Ensure that your products, services and supply chains comply with the Tokyo Organizing Committee of the Olympic and Paralympic Games (TOCOG) Fundamental Principles for the Sustainable Sourcing Code (Sourcing Code)¹. The Sourcing Code calls for suppliers and licensees to reduce, reuse, recycle, lease or rent where possible in order to minimize the environmental impact of procurement.
- 2. Ensure that your supply complies with basic requirements in relation to human rights, labor management practices, working conditions, fair business practices as well as environmental conservation. The Sourcing Code provides guidelines in relation to (i) how products and services are supplied (e.g. no discrimination, no harassments, no forced labor, no child labor, no bribery, no dumping, etc.); (ii) the origins of products and services and the resources they are made of (e.g. eco-friendly fishery, no conflict minerals, no illegal logging, less packaging, etc.); (iii) compliance to the Sourcing Code throughout the supply chains; and (iv) effective use of resources.
- Strive to attain Japanese values and aesthetics to celebrate the unique features of Japan, such as worldclass urban infrastructure and safety. TOCOG's High Level Sustainability Plan (Sustainability Plan)² reminds

bidders that their offers should emphasize Japanese beauty or traditional values such as *omotenashi* (the spirit of selfless hospitality), *mottainai* (sense of avoiding waste), *wa wo motte toutoshi to nasu* (harmony is the ultimate view) and *edomae* (traditional Tokyo style). Technology should be cutting-edge. The Games will take place in Japan's hot and muggy summer, so measures such as pavements that mitigate rises in surface temperatures, dry mist cooling systems and greenery will be a bonus.

- 4. Go green. Reduce CO₂ and other greenhouse gas emissions, and properly deal with any unavoidable emissions (for example, through carbon offsetting).³ All venues and facilities need to comply with the Tokyo Metropolitan Government's (TMG) Green Building Program⁴ and the Ministry of Land, Infrastructure and Transport's Comprehensive Assessment System for Buildings. "ZEB's" ('zero energy buildings', achieved through energy efficiency and the use of renewable energy) would be considered favorably.
- 5. If you are involved in procurement for Olympic infrastructure, consider the fate of any infrastructure post 2020, highlighting any potential for re-use. For example, the TMG plans to convert the Athletes' Village in Harumi into an eco-friendly residential district for 12,000 people with hydro-powered facilities. Some

- ² Available at https://tokyo2020.jp/en/games/sustainability/data/sus-plan-EN.pdf.
- ³ Sustainability Plan, page 4.

¹ Available at https://tokyo2020.jp/en/games/sustainability/data/sus-principles-EN.pdf.

⁴ Available at https://www.kankyo.metro.tokyo.jp/en/climate/build.html.

infrastructure may even be completely removed, with plans for small temporary facilities including venues for beach volleyball, archery and BMX.

and and

- 6. Think broadly about how your contribution to the Games will complement TMG's long term development vision for a Sustainable City.⁵ This vision aims to create an urban space in harmony with the environment and a city where people of all generations can live with a sense of security. Further, it includes the development of high-quality, reliable urban infrastructure through the use of new technology, systematic renewal processes and existing function upgrades. Other focus areas are disaster-resistance, smart grid societies and the development of water networks and rich green environments.
- 7. Comply with Japanese environmental laws, including the Air Pollution Control Act (Japan) Act No 97 of 1968, Water Pollution Control Act (Japan) Act No 138 of 1970, Noise Regulation Act (Japan) Act No 98 of 1968, Vibration Regulation Act (Japan) Act No 98 of 1968, Vibration Regulation Act (Japan) Act No 64 of 1976, Offensive Odour Control Act (Japan) Act No 91 of 1971 and the Act on the Promotion of Effective Utilization of Resources (Japan) Act No 48 of 1991.⁶ Meet Japan's natural environment and biodiversity requirements; 2020 is the deadline to meet the Aichi Targets adopted at the COP10 Convention on Biological Diversity which focus on "living in harmony with nature" and "taking effective and urgent action to halt the loss of biodiversity". Projects should take into

account biodiversity, water and greenery related issues, especially to mitigate Tokyo's urban heat island phenomenon.⁷

- 8. Comply with the ISO 20121 Standard for Sustainable Events Management. London 2012 catalyzed the creation of this Standard, with the ISO 20400 Standard for Sustainable Procurement, currently being developed by a committee of over 40 countries. The current Standard provides best practices in managing the economic, social and environmental impact of an event.⁸
- 9. Submit a bid in accordance with the WTO Agreement on Procurement,⁹ if applicable. TOCOG and the TMG will run the bidding process for open tenders in accordance with this agreement. A sustainable procurement work program for the agreement is also under negotiation.¹⁰ Three construction tenders recently announced by the TMG require compliance with the WTO Agreement on Procurement, the Olympic Aquatics Centre (JPY53 billion), Ariake Arena (for indoor volleyball, JPY36 billion) and the Sea Forest Waterway (for rowing and canoe-kayaking, JPY24 billion). Depending on the progress of the Trans-Pacific Partnership Agreement (**TPP**), TMG procurements may also be run in accordance with Article 15 (Government Procurement) of the TPP.
- 10. Partner with a Japanese company. If you are bidding for Tokyo 2020 Sponsor status (Gold Partner, Official Partner or Official Supporter), the region of sponsorship is limited to Japan. You are more likely to succeed if you collaborate with a local player.

KEY CONTACTS

For more information, please contact one of the following DLA Piper contacts:



Lance Miller

Partner **T** +81 3 4550 2812 lance.miller@ dlapiper.com



Celeste Koravos

Associate **T** +61 3 9274 5860 celeste.koravos@ dlapiper.com



Keitaro Uzawa Associate T +8I 3 4550 2833 keitaro.uzawa@ dlapiper.com

www.dlapiper.com

⁵ Available at http://www.metro.tokyo.jp/ENGLISH/ABOUT/VISION/FILES/pr_I I strategy7-en.pdf.

⁶ English translations of Japanese laws are available at http://www.env.go.jp/en/laws/ and http://www.japaneselawtranslation.go.jp/law/.

⁷ High Level Sustainability Plan, 5-6.

⁸ Coca-Cola was the first London 2012 Olympic Sponsor to achieve ISO 20121 third party certification. Coca-Cola has since published a guide to applying the standards at https://www.coca-cola.co.uk/content/dam/journey/gb/en/hidden/PDFs/iso-workbook.pdf.

⁹ Available at https://www.wto.org/english/tratop_e/gproc_e/gp_gpa_e.htm.

¹⁰ See Clause 8 of Article XXII, available at https://www.wto.org/english/docs_e/legal_e/rev-gpr-94_01_e.htm.