



Tokyo 2020 Olympic Games

Tokyo 2020 Olympic Games

- Friday, 24 July – Sunday 9 August 2020
- Number of Sports: 33

Tokyo 2020 Paralympic Games

- Tuesday, 25 August – Sunday 6 September 2020
- Number of Sports: 22

I. Introduction

In 2020, Tokyo will host the Summer Olympics for the second time in history; the first time was in 1964, when massive infrastructure investment in bullet trains, highways and ports helped underpin Japan's "economic miracle." The 2020 Tokyo Olympics and Paralympics are projected to generate economic effects worth ¥32.3 trillion (CHF 275 billion) across Japan, according to the Tokyo Metropolitan Government. The total includes ¥20.4 trillion (CHF 173.6 billion) in Tokyo. The Tokyo government has reflected so-called legacy effects, such as the use of competition facilities and the Olympic village after the games, in its estimates on the economic effects. The metropolitan government also expects the Olympics to help create 1.94 million jobs¹.

The concept of legacy is taken very seriously. The legacy of an Olympics refers to the benefits that a host city and country gains once the event is over. That can take the form of new stadiums, redeveloped urban areas and updated transport networks — the so-called hard legacy — or a boost to the nation's image and an inspiration for its people — the soft legacy. In July 2016, the organizing committee drew up its Action and Legacy Plan 2016, which it will revise and update every year until 2020. The plan established five specialist commissions to examine what action can be taken toward Tokyo 2020, in the fields of sports and health, urban planning and sustainability, culture and education, economy and technology, and recovery from the Great East Japan Earthquake in 2011. Organizers expect the plan to produce a wide range of practical benefits, taking in everything from equipping Tokyo to deal with an aging society, to using materials recycled from discarded smartphones to make the medals.²

Japan also plans to establish a council by the end of the year 2017 to discuss ways to spread expected economic benefits nationwide, sources have said. The central government and the ruling Liberal Democratic Party hope to use the council, to comprise the central and local governments and private sector, to support municipalities and local businesses trying to revive regional economies by taking advantage of the 2020 Games.³

Besides the necessary infrastructure investments, the Tokyo Olympics thus acts as a catalyst for numerous other projects and opportunities. Some examples can be seen in section **V. Opportunities for Swiss firms**.

This report gives some information to Swiss exporters in which areas the Tokyo 2020 Olympic & Paralympic Games might offer opportunities and where information on the official tendering procedures can be found.

¹ <http://www.japantimes.co.jp/news/2017/03/06/business/economy-business/olympics-generate-%C2%A532-trillion-japan-tokyo-metropolitan-government-claims/>

² <http://www.japantimes.co.jp/news/2017/01/02/national/tokyo-2020-olympics-will-come-quickly-go-legacy-important/>

³ <http://www.japantimes.co.jp/news/2017/05/08/business/economy-business/council-help-spread-olympic-economic-benefits-across-nation/>



II. Organizations involved in the purchasing for the Olympics

Three organizations concern themselves with projects surrounding the Olympics: the Tokyo Metropolitan Government, the Tokyo Organizing Committee for the Olympic Games (TOCOG) as well as the Central Government. TOCOG mainly takes charge of temporary buildings that are erected solely for the Olympics. The city (Tokyo Metropolitan Government, TMG) handles projects that should leave a permanent legacy after the games, like the Olympic village, later turned into housing. Bigger infrastructure projects like the Olympic stadium fall to the central government.

The Metropolitan Government has earmarked around ¥48.3 billion (CHF 411 million) of funding for the Tokyo 2020 Olympic and Paralympic Games. The amount, disclosed in the city authority's first budget under new Governor Yuriko Koike, represents a 27 per cent reduction on the figure from last year. Tokyo 2020 unveiled a budget of between ¥1.6 trillion (CHF 13.6 billion) and ¥1.8 trillion (CHF 15.3 billion) in spring 2017. It included ¥590 billion (CHF 5 billion) to construct facilities and other infrastructure. Organisers estimate more than ¥40 billion (CHF 340 million) is needed for Tokyo 2020 venues outside the host city.⁴ ¥410 billion (CHF 3.5 billion) are needed for costs like transportation, security and other operational expenses, and a contingency of between ¥100 billion (CHF 851 million) and ¥300 billion (CHF 2.6 billion) was reserved. Revenue from sponsorship, ticket sales, licensing and International Olympic Committee contributions, totalling ¥500 billion (CHF 4.3 billion) was also factored in.

However, the budget is constantly evolving and there are concerns over the rising costs, as the labor shortage in construction is causing upward pressure on wages, while the weaker yen has lifted the cost of importing raw materials.

III. Infrastructure Investments

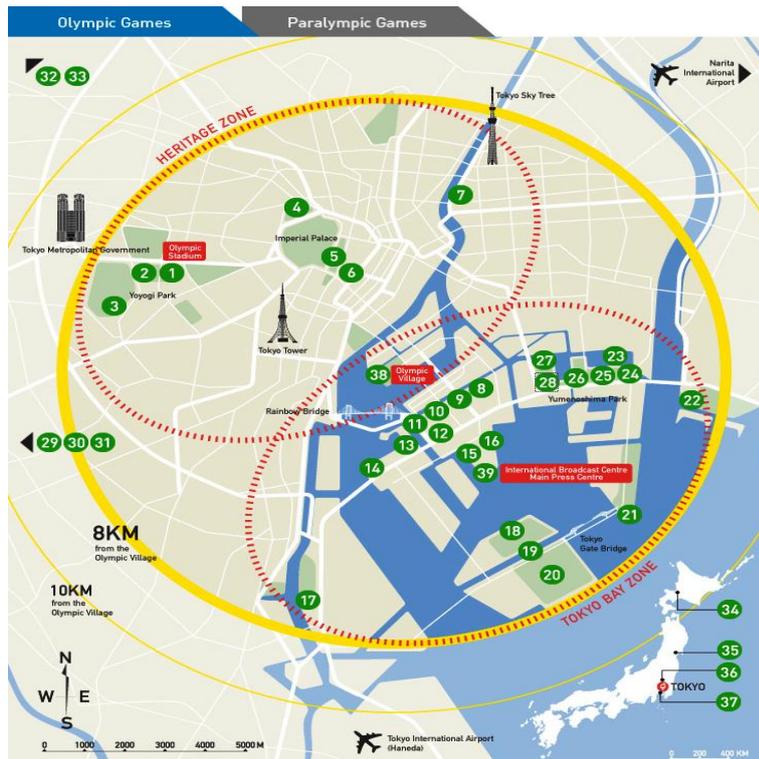
Old venues such as the Olympic Stadium will be rebuilt at the heart of a Heritage Zone, where most of the sporting events for the 1964 Olympics were held. This mostly developed area surrounding the Imperial Palace includes venues already completed; most of the expenses will involve day-to-day running of events and refurbishments. Ten new facilities will be built in the Tokyo Bay Zone, an area centered on the reclaimed land of Odaiba that will include temporary facilities and a new venue for swimming competitions. The Olympic Village will be in the nearby Harumi area of Tokyo Bay between the two Olympic zones. To reinforce transportation efficiency, airport, rail, and port infrastructure will be bolstered. 20 km of major urban arterial routes will be widened, one train station will be expanded and approximately 28 km of new motorways and major urban arterial routes will be constructed. The cost of the improvements is estimated at USD 5 – 6 billion. However, the continuous upgrading of infrastructure is part of Tokyo's governmental urban development plans and to be done regardless of the Olympics. There are no plans to finance any additional major transport infrastructure specifically for the 2020 Games. Because of the present scale of Tokyo's transport system and the improvements already planned under "Tokyo Vision 2020", the emphasis will be on specific Games arrangements and improvements to existing infrastructure.

The infrastructure plans for the Olympics, have been subject to change, especially as there have been concerns that the Games might cost four times the originally estimated amount. Tokyo Governor Yuriko Koike for example decided to use the Ariake Arena for volleyball instead of the existing Yokohama Arena. Recommendations for switching rowing, swimming and volleyball to different venues in a bid to cut costs, however, have been rejected.⁵

Olympic Games Venues

⁴ <http://www.insidethegames.biz/articles/1047189/organisers-estimate-more-than-40-billion-is-needed-for-tokyo-2020-venues-outside-host-city>

⁵ <http://www.insidethegames.biz/articles/1047341/governor-still-concerned-about-rising-tokyo-2020-budget>



1. Olympic Stadium (Opening and Closing Ceremonies, Athletics, Football, Rugby)
2. Tokyo Metropolitan Gymnasium (Table Tennis)
3. Yoyogi National Stadium (Handball)
4. Nippon Budokan (Judo)
5. Imperial Palace Garden (Cycling)
6. Tokyo International Forum (Weightlifting)
7. Kokugikan Arena (Boxing)
8. Ariake Arena (Volleyball indoor)
9. Olympic BMX Course (Cycling BMX)
10. Olympic Velodrome (Cycling track)
11. Olympic Gymnastic Centre (Gymnastics artistic, Gymnastics rhythmic, Gymnastics trampoline)
12. Ariake Tennis Park (Tennis)
13. Odaiba Marine Park (Triathlon, Marathon Swimming)
14. Shiokaze Park (Volleyball beach)
15. Tokyo Big Sight Hall A (Wrestling)
16. Tokyo Big Sight Hall B (Fencing, Taekwondo)
17. Seaside Park Hockey Stadium (Hockey)
18. Sea Forest Cross-Country Course (Equestrian cross-country)
19. Sea Forest Waterway (Rowing, Canoe-Kayak sprint)
20. Sea Forest Mountain Bike Course (Cycling mountain bike)
21. Wakasu Olympic Marina (Sailing)
22. Kasai Slalom Course (Canoe-Kayak slalom)
23. Youth Plaza Arena A (Badminton)
24. Youth Plaza Arena B (Basketball)
25. Dream Island Archery Field (Archery)
26. Dream Island Stadium (Equestrian jumping, dressage, eventing)
27. Olympic Aquatics Centre (Aquatics swimming, Aquatics diving, Aquatics synchronized swimming)
28. Waterpolo Arena (Aquatics waterpolo)
29. Musashino Forest Sport Centre (Modern Pentathlon fencing)
30. Tokyo Stadium (Modern Pentathlon swimming, riding, running, shooting, Football)
31. Musashino Forest Park (Cycling)
32. Asaka shooting Range (Shooting)
33. Kasumigaseki Country Club (Golf)
34. Sapporo Dome (Football)
35. Miyagi Stadium (Football)
36. Saitama Stadium (Football)
37. International Stadkum Yokohama (Football)
38. Olympic Village / Paralympic Village
39. IBC / MPC

IV. Procurement Process for the Olympics



The Tokyo Organizing Committee of the Olympic and Paralympic Games (TOC) has released guidelines for all procurement for the Tokyo Olympics.⁶ Given budget limitations, the TOC will aim to demonstrate maximum cost efficiency and procure only necessary items. The initial focus will reportedly be on infrastructural procurements in 2017 and early 2018, followed by supplies in late 2018, and, potentially, foodservices thereafter.

Specifically, the Procurement Department will tender for:

- temporary equipment (tents, seats, fences, etc.), devices, furnishings, and services used at each venue;
- equipment, devices, furnishings, and services used in each event and the Olympic Village;
- devices, furnishings, and services:
 - o for security and technology services;
 - o used in transportation and logistics;
 - o used in broadcasting facilities;
 - o used in ceremonies (opening and closing ceremonies, torch relay, medal ceremonies); and,
 - o used in various Tokyo 2020 offices.

TOC intends to conduct five designated types of procurement tenders:

Procurement Methods	Remarks
1. Competitive tenders	
a. Open competitive tenders	Open to all
b. Designated competitive tenders	Open to selected contractors only
c. Comprehensively evaluated competitive tenders	Additional factors (e.g., technological capability) are examined in addition to price
2. Estimate-based	Mainly for low-value contracts
3. Proposal-based	
4. Special contracts	
5. Contracts with Tokyo Olympic partner(s)	

Procurement Tendering Process:

The procurement information and details will be placed on two different websites depending on who issues the tenders:

1. **TOC-exclusive tenders:** <https://tokyo2020.jp/en/organising-committee/procurement/>

Guideline and application: <https://tokyo2020.jp/en/organising-committee/procurement/guide/>

- Envisioned for large-scale contracts (e.g., building construction, supplies and services for TOC, etc.)
- May publish basic information in English (such as a tender title and bid due date), but, in general, detailed information will predominantly be published in Japanese.

⁶ <https://tokyo2020.jp/en/organising-committee/procurement/>



2. Tenders open to all via a website run by the “Secretariat of Small Business Global Promotion Project Promotion Council” (The Council) - <https://www.sekai2020.tokyo/bcn/>

- Envisioned for small to medium-scale contracts (e.g., services and supplies for specific events); and,
- Only available in Japanese.

The site lists tender notices issued by Tokyo Metropolitan Government (TMG), the Tokyo 2020 Organizing committee and national public organizations and agencies. Beside public organisations, contract notices by private entities are also included. Here the platform also allows users to contact the issuing companies. It is also possible to set email alerts for the various categories by entering keywords. The portal also has a matching function and allows registered users to search among the registered companies. There are no concrete plans to offer the service in other languages. Foreign SMEs can however register to the site to monitor tender opportunities and create a company profile to market their products and services.

Participation in the tendering process requires pre-registration as well as an application prior to submitting a bid. The pre-registration requirement need only be met once (not for each individual bid), but separate pre-registration applications must be submitted to the TOC and to the Council in order to participate in both tendering systems.

Procurement Bid Selection Criteria

The TOC will select awardees based on seven criteria:

1. Safety;
2. Quality – at a level to satisfy the tender requirement;
3. Delivery – the capability to deliver on time (flexibility will be considered where appropriate);
4. Price;
5. Technology;
6. Social Responsibility – including sustainable procurement; ([see Sustainable Sourcing code](#))
7. Marketing rights – including privileges provided to Worldwide Olympic Partners.

The TOC has also suggested that a basic understanding of Japanese may prove necessary to facilitate awardee business interaction with Japanese counterparts.

Notes for potential Swiss suppliers

- The windows for submitting tender documents for TOC tenders are extremely short. It is helpful if relationships with the responsible procurement team can be built prior to the publication of the tender to learn about their needs. (see comments of former Rio procurement team member [here](#)).
- The chances for foreign suppliers are probably biggest with the temporary buildings / furnishings and services, as these tenders will be issued closer to the Olympics.
- Because of language barriers, it is strongly advised for Swiss SMEs without their own subsidiary to work together with Japanese partners. Market knowledge, reputation and lobbying play a big role. Because regulations require staff to be present in Japan to clear all the requirements for participating in the tender process, access to Japanese speaking staff seems nearly essential for successful participation.



- There is also the chance to participate in bigger projects where the tendering is already over, to support the tender winner with the necessary expertise. Here the partner could help to get in contact with the Japanese companies.
- As the Games are to a large extent a prestige project, companies that are market leaders in their sector or product(s) or have recent experience with executing projects for the Olympics or other large sport events, would have a clear advantage.

If your company has a subsidiary in the EU, it might be helpful to register for the [Newsletter of the JTTP Helpdesk](#). They publish a weekly digest with English summaries of WTO tenders deemed interesting for SMEs, also including tenders by Tokyo Metropolitan Government ("Specified Procurement"), Japan Sport Council and Tokyo Olympics Organization Committee⁷. Your EU subsidiary can also contact JTTP Helpdesk if you need assistance with registering for the aforementioned tender portal (<https://www.sekai2020.tokyo/bcn/>.)

V. Opportunities for Swiss firms

1. Direct Opportunities

Infrastructure and other projects directly related to the Olympic and Paralympic Games --> see V. Procurement Process

2. Indirect Opportunities

There are numerous developments and opportunities surrounding the Olympics. As construction/infrastructure projects are practically closed to foreign companies, Swiss SMEs will have easier access to the areas such as hospitality business, language services, handicap care business or these combined with IT.

- **Tourism and hospitality business:** refurbishing of hotels, event management, food and beverage services, etc

Example: The government stated early 2017 that it will help finance the building of hotels in large cities as part of its efforts to meet demand amid a boom in foreign visitors. The government aims to attract 40 million foreign visitors in 2020.⁸ Japan appears headed for an increase of over 60,000 hotel rooms by 2020 as business lodgings and foreign chains launch new locations. ⁹Prince Hotels Inc. plans to renovate eight Tokyo properties by 2020. In fiscal 2019, it plans to open a more reasonably priced chain under the Prince Smart Inn brand. ¹⁰

Through the tourism boom there are not only opportunities in infrastructure, but also in sectors like retail, luxury goods, cosmetics or outdoor clothing. Those industries might also profit from a positive effect in the tourists home countries.

- **Security and safety business:** stadium security, public safety and security, people flow management, cyber security etc.

⁷ <http://www.eubusinessinjapan.eu/weekly-tender-digest-mailing-list>

⁸ <http://www.japantimes.co.jp/news/2017/03/28/business/government-help-finance-building-hotels-amid-tourism-boom/>

⁹ <http://asia.nikkei.com/Markets/Property/Hotels-to-add-60-000-rooms-in-Japan-by-2020>

¹⁰ <http://www.japantimes.co.jp/news/2017/07/23/business/corporate-business/boom-convenience-seen-firms-gear-olympic-profits/>



Example: The Japanese government said in July 2017 it will create a new body to oversee the protection of crucial infrastructure from cyberattacks during the Tokyo Olympics and Paralympics in 2020. The cybersecurity response center will compile and share information with government agencies and companies that operate crucial infrastructure such as transportation and power networks to guard against cyber-attacks and manage responses to attacks in order to minimize the damage when they do occur.¹¹ Japan has already entered an agreement with Israel regarding their military-linked expertise in cybersecurity to protect its networks ahead of the 2020 Tokyo Olympics.¹²

- **IT:** tourism software and applications, mobile payment solutions, etc.

Example: Solutions are needed that help overcome language barriers, as many people in Japan are not fluent in English. Japan so far sees [volunteers](#) and [Automatic voice translators](#) as potential solutions.

Example: Japan aims to double digital payments to 40% in the next decade by helping metropolitan-area businesses afford cashless services to better attract foreign visitors and open their wallets. The goal is part of a plan to promote fintech and is a step toward better accommodating foreign tourists, with an eye toward the 2020 Tokyo Olympics. Fintech businesses will also be able to develop payment services more easily. By 2020, around 80 Japanese banks -- roughly 60% of the country's total -- will allow developers into their systems to access users' account information through open APIs, or application programming interfaces.¹³

Example: Japan's three leading mobile service providers will begin offering 5G wireless communications to customers in 2020, with at least one planning to go nationwide in 2023, fueling a potential boon for self-driving technology and the "internet of things." They first will commercialize 5G connections in parts of Tokyo and other limited areas in time for the 2020 Tokyo Olympics and Paralympics.¹⁴

- **Mobility:** renewal of public transportation infrastructure and vehicles, traffic management solutions, eco-friendly transportation services, etc.

Example: Tokyo Metropolitan Government (TMG) pursues plans to establish a "hydrogen society." Japan hopes to see widespread use of hydrogen power in the Olympics. The government will consider relaxing rules on hydrogen refueling stations and other steps to promote the clean energy source. Metropolitan authorities aim to increase the number of such stations, currently 8, to 35 by 2020. This will make it possible to reach a station within 15 minutes from most places in the metropolis. TMG is also aiming to have 6,000 fuel cell cars on the roads and increase the number of fuel cell buses operating in Tokyo to over 100 in advance of the Olympics and Paralympics^{15,16}

¹¹ <https://www.japantimes.co.jp/news/2017/07/14/national/tokyo-plans-cybersecurity-hub-protect-infrastructure-2020-olympics/>

¹² <http://asia.nikkei.com/Politics-Economy/Policy-Politics/Japan-taking-cues-from-Israel-on-cybersecurity?page=2>

¹³ <http://asia.nikkei.com/Politics-Economy/Policy-Politics/Japan-looks-to-double-cashless-payments-in-10-years>

¹⁴ <http://asia.nikkei.com/Business/Companies/Nationwide-5G-mobile-coverage-coming-to-Japan-in-2023?page=1>

¹⁵ http://www.japan.go.jp/tomodachi/2016/spring2016/tokyo_realize_hydrogen_by_2020.html

¹⁶ <http://asia.nikkei.com/Politics-Economy/Policy-Politics/Japan-to-push-for-hydrogen-society>



Example: Tokyo plans to transform itself into a hub of self-driving vehicles over the next four years. The effort is part of a Japanese government campaign to introduce autonomous vehicles to the nation's roads before Tokyo hosts the 2020 Summer Olympics. According to the *Nikkei Asian Review*, Tokyo-based Dynamic Map Planning will create precise high-definition, three-dimensional maps for self-driving cars. Japanese innovators and planning authorities have also begun pursuing options for autonomous public transit. ¹⁷

- **Building industry:** upgrading of existing buildings, i.e. isolation, energy management, weatherproof exteriors, eco-friendly interiors, etc.

Example: The Tokyo government wants to remove hundreds of thousands of utility poles across Tokyo so visitors to the 2020 Olympics can enjoy uninterrupted views. They plan to start or complete works to bury 916 kilometers of currently-overhead cables over five years through the end of the fiscal year ending March 2019 before eventually laying 1,442 kilometers of wires underground across the city. ¹⁸

VI. Next step

Switzerland Global Enterprise (S-GE) offers customized solutions to support Swiss companies, especially small and medium-sized businesses hoping to expand their exports to Japan. S-GE works in cooperation with industry specialists to help Swiss exporters throughout the entire exporting process step-by-step.

Services include:

- Gaining initial assessment from local opinion leaders of a product's chances in Japan
- Gaining regulatory, legal and cultural knowledge about the product's market requirements
- Gaining knowledge of potential customer groups, their purchasing behavior, purchasing channels and expectations
- Gaining knowledge of national and international competitors and their market activities for the successful positioning of the product in Japan
- Supporting your specific sales activities
- Searching for possible distribution partners
- Setting up meetings with potential distribution partners as well as providing logistical support for traveling in Japan
- Assisting in the search for qualified staff
- Assisting in setting up business in Japan

To discuss your needs and identify the service(s) you will need to succeed in the complex Japanese market, please contact:

Jacqueline Tschumi
Consultant Japan + South Korea
Switzerland Global Enterprise
www.s-ge.com
jtschumi@s-ge.com
+41 44 365 54 82

¹⁷ <https://www.forbes.com/sites/janetwburns/2016/09/08/japanese-leaders-aim-to-make-tokyo-a-self-driving-city-for-2020-olympics/#7efd47421090>

¹⁸ <https://www.bloomberg.com/news/articles/2017-04-02/turning-tokyo-pretty-for-6-8-billion-is-olympian-task-for-tepc>



VII. Useful Links

TOCOG:

<http://tokyo2020.jp/en>

TMG Procurement:

<https://www.sekai2020.tokyo/bcn/> (Japanese only)

EU-JP Industrial Cooperation:

<http://www.eubusinessinjapan.eu/issues/entry-strategy/government-procurement/procurement-news/tmg%E2%80%99s-tokyo-olympics-tender-portal-for-smes-kicks-off>

Germany Trade & Invest:

<https://www.gtai.de/GTAI/Navigation/DE/Trade/Maerkte/suche,t=tokios-olympiaprojekte-bieten-chancen-in-nischenbereichen,did=1683514.html%09>