

(tentative translation)

Initiatives for Utilization of Public Procurement and Subsidies Toward the Promotion of
Women's Empowerment

March 22, 2016
Decided by the Headquarters for Creating
a Society in which All Women Shine
Revised on July 1, 2020

The Initiatives for Utilization of Public Procurement and Subsidies Toward the
Promotion of Women's Empowerment are as specified in the attached document.

Initiatives for Utilization of Public Procurement and Subsidies Toward the Promotion of Women's Empowerment

Article 1. Basic Approach

Empowering women—who represent Japan's greatest potential—is essential for achieving sustainable growth for the country and maintaining the vitality of society while curbing population decline. The national government must take feasible, multifaceted measures, including positive action, to ensure the active engagement of women is fully utilized to achieve its target of having 30% of leadership positions filled by women by 2020 (hereinafter referred to as the “30% by 2020 Target”).

Most importantly, to ensure that women who want to work are able to balance work with childcare, nursing care, and other activities and to fully demonstrate their potential, it is crucial to reform working conditions such as reducing long working hours. Efficient work methods to reduce long working hours and improve productivity, as well as diverse and flexible work styles that accommodate life events, must be promoted to achieve work-life balance.

So far efforts such as positive action have been advanced in the fields of public procurement and subsidies (meaning subsidies, etc. covered under the Act on Regulation of Execution of Budget Pertaining to Subsidies, etc. [Act No. 179 of 1955] and other relevant laws; the same applies below) based on the Initiatives for Utilization of Public Procurement and Subsidies Toward the Promotion of Women's Empowerment (decided by the Headquarters for the Promotion of Gender Equality on August 5, 2014).

Furthermore, in regard to public procurement, the Intensive Policy to Accelerate the Empowerment of Women of 2015 (decided by the Headquarters for Creating a Society in which All Women Shine on June 26, 2015) specifies that, “as an incentive to encourage efforts by companies, the government aims to increase opportunities for them to receive orders in public procurements by implementing a framework to more broadly evaluate companies that promote measures such as work-life balance, which drive high productivity, sustainability, and other goals.”

In addition, Article 24 of the Act on the Promotion of Women's Active Engagement in Professional Life (Act No. 64 of 2015) states that the national government is to increase opportunities and implement other necessary measures for employers, etc. that have fulfilled the standards specified in the Act on the Promotion of Women's Active Engagement in Professional Life to receive orders in procurements by the national government or public finance corporations, while paying special attention to the proper

use of the budget, and that local governments are also to endeavor to implement measures in accordance with the measures of the national government.

When implementing said measures, consideration must be taken to ensure that the original objectives of the applicable public procurement and subsidy systems are not hindered, through means such as by ensuring impartiality and economic efficiency, while taking into account the relationship with equality under the law in the Constitution of Japan.

Considering the above, the objective of these Initiatives is to encourage positive actions and other efforts by companies that are granted incentives through said measures in the field of public procurement and subsidies in order to achieve work-life balance, a prerequisite for promoting women's empowerment.

Article 2. Public Procurement

1. Evaluations when Making Procurements Related to Work-Life Balance

(1) Details of Initiative

Criteria shall be set to recognize companies that have received legal certification or the equivalent as companies that promote work-life balance (hereinafter referred to as "Companies that Promote Measures Such as Work-Life Balance") in accordance with the contents of the contract when making procurements in which factors other than price are evaluated.

Foreign companies participating in procurement related to the WTO Agreement on Government Procurement (hereinafter referred to as "GPA") shall be handled in the same manner as Companies that Promote Measures Such as Work-Life Balance by verifying that they have fulfilled the standards equivalent to the requirements of the relevant certification or other standards specified in the Implementation Guidelines.

In the implementation of the initiative, appropriate standards shall be set and companies shall be evaluated and treated fairly and objectively to ensure companies using fraudulent means are not selected.

(2) Implementation Period

In principle, criteria to evaluate Companies that Promote Measures Such as Work-Life Balance in procurements in which factors other than price are evaluated shall be set in fiscal 2016.

However, in the event that it is difficult for a ministry or agency to fully implement the abovementioned initiative in fiscal 2016 due to reasons such as the

circumstances of the companies eligible to participate in the tender, said ministry or agency shall publish a schedule and implement the initiative in stages.

In addition, for procurements for which the GPA applies, the initiative shall commence after the Cabinet Office has deliberated on the specific methods, systems, and other means to conduct verification specified in (1).

2. Increasing Opportunities to Become a Candidate Supplier

In addition to the initiative mentioned in 1 above, other possible initiatives to increase opportunities for becoming a candidate supplier are as follows.

- (a) Conduct awareness-raising activities to inform Companies that Promote Measures Such as Work-Life Balance, companies engaging in gender equality and work-life balance efforts (hereinafter referred to as “Gender Equality, etc.”) and companies that have women participating in corporate management (hereinafter referred to as “Companies that Promote Measures Such as Work-Life Balance, etc.”) how to learn about procurement projects.
- (b) Include Companies that Promote Measures Such as Work-Life Balance, etc. that meet the selection standards when making procurements based on selective tendering.
- (c) In the case of small-amount discretionary contracts, include Companies that Promote Measures Such as Work-Life Balance, etc. in the estimate providers.

In the implementation of the initiative, Companies that Promote Measures Such as Work-Life Balance, etc. must be accurately verified to ensure companies using fraudulent means are not selected.

3. Important Reminders when Setting Deadlines

Because setting deadlines for orders that are significantly short in consideration of the quantity and level of the requested work is not preferable in terms of economic efficiency, it is appropriate for the ordering party to take care to set a sufficient lead time by carrying out planned ordering.

4. Accelerating Corporate Efforts on Promoting Women’s Empowerment

The understanding of companies regarding the promotion of women’s empowerment could be sought by leveraging opportunities such as bidding, based on the premise that it will not influence the selection of suppliers.

1. Subsidies Aimed Directly at Promoting Women's Empowerment

In the event there is a substantial gap between men and women in a field, such as the percentage of women in leadership positions being far below the 30% by 2020 Target, it may be deemed reasonable to establish a subsidy with the direct objective of eliminating said gap.

2. Subsidies for Creating Environments that Contribute to Promoting Women's Empowerment by Supporting Work-Life Balance and Other Means

To the extent that they would be useful for achieving the original objective of the applicable subsidies, it is possible to carry out measures such as making efforts to promote women's empowerment a condition or prioritizing companies that work to promote women's empowerment.

3. Measures in Subsidies for which the Main Objective is a Policy Objective that Differs from Promoting Women's Empowerment

In the event that women's empowerment contributes to achieving the policy objective of the subsidy or promoting women's empowerment is a secondary objective, the following measures are possible.

(a) Preferential treatment such as setting a priority category or increasing the amount of the subsidy

Offer preferential treatment to companies working to promote women's empowerment in the same manner as 2.

(b) Creating a list of projects related to promoting women's empowerment to choose from

Establish a list of projects that address issues unique to women as a means to achieve the policy objective of the subsidy from which the subsidy applicant can choose.

(c) Combination of measures

Combine measures in (a) and (b).

Note: It will be necessary to objectively demonstrate the necessity of promoting women's empowerment in fields covered by the subsidy and that the policy objective of the subsidy can be achieved by preferential treatment or other measures (via specifying in relevant laws and regulations or basic plans, discussions by council or other entity, etc.)

4. Accelerating Corporate Efforts on Promoting Women's Empowerment

The understanding of companies regarding the promotion of women's empowerment and other measures could be sought by taking advantage of opportunities to apply for subsidies related to promoting women's empowerment and other measures, as in the case of public procurement, base on the premise that it will not influence the decision to grant subsidies.

5. Support for Awareness-raising Activities for Women

To substantially increase opportunities to enable women to utilize subsidies, methods such as awareness-raising activities targeting women are acceptable as long as they are not contrary to the objective of the subsidy or do not impair its efficient execution.

Article 4. Other

1. Publishing and Verifying the State of Initiatives by Ministries and Agencies

Each fiscal year, the Cabinet Office shall compile and publish the state of initiatives by ministries and agencies, and verify them after reviewing the methods of the initiatives stated in Article 2.

2. Matters to Consider Going Forward

The items in Article 2 and 3 above list initiatives regarding public procurement and subsidies that are possible at the present time, but in the event said items do not apply, it is possible to actively tackle cases that have been deemed appropriate upon coordination with relevant ministries and agencies including the Ministry of Finance.

3. Other

The Minister of State for Gender Equality shall establish Implementation Guidelines for these Initiatives and present them to each ministry and agency to ensure the smooth implementation of the Initiatives.

4. Important Reminders

The following are possible examples of projects that should be actively evaluated by scoring auction or other method even before the initiative stated in Article 2.1 above is fully implemented.

In the implementation of the initiative, appropriate standards must be set and companies must be evaluated fairly and objectively to ensure companies using fraudulent means are not selected.

(a) When procuring survey, R&D, or PR services related Gender Equality, etc. by

(tentative translation)

scoring auction or proposal competition, set the state of initiatives on Gender Equality, etc. as evaluation criteria.

- (b) When procuring PR and other services in which women are the key target by scoring auction or proposal competition, evaluate companies that have women participating in corporate management or engage in Gender Equality, etc.