

## Country case: Preventing big-rigging in Japan

### Description

Fighting bid rigging is a high priority for the Japan Fair Trade Commission (JFTC). Accordingly JFTC has taken proactive measures against bid rigging by sanctioning conspirators if it finds bid rigging has occurred.

For the purpose of preventing bid rigging, the Act on Elimination and Prevention of Involvement in bid rigging came into force in January 2003. The Act provides that the head of procurement institutions shall take action to eliminate bid rigging if requested by the JFTC.

More generally, in order to promote competition and prevent cartels in public procurement, the JFTC made the following recommendations:

- For contracts open to competition, open bidding is appropriate.
- The names of designated bidders should be announced after the submission of bids.
- The estimated price should only be announced after the submission of bids.

The following table presents the number of JFTC's legal actions in recent years against antitrust violations as a whole and against bid rigging, the amount of penalties against antitrust violations as a whole and against bid rigging, and the number of the JFTC's requests to the head of procurement institutions under the Act on Elimination and Prevention of Involvement in Bid Rigging.

Fiscal year	2008	2009	2010	2011	2012
Number of legal actions against Anti-trust	17	26	12	22	20
Of which bid rigging of public procurement	2	10	3	7	4
Amount of penalty(billion yen) against Anti-trust	25.8	24.2	36.3	44.3	23.4
Of which bid rigging of public procurement	0.6	3.0	1.9	1.7	1.8
Number of the JFTC's request to the head of procurement institutions under the Act on Elimination and Prevention of Involvement in Bid Rigging	1	2	1	1	1

Public Procurement  
Principle: **Access, Integrity**

Procurement Stage:  
**Tendering**

Audience: **Policy Maker,**  
**Procuring Entity**

The JFTC organises training sessions for procurement officials in central government agencies and local governments, and provides them with training materials. In 2012, the JFTC sent trainers to central government, local public bodies and specified enterprises on 214 occasions and held 21 training sessions throughout Japan.

Fiscal year	2010	2011	2012
Number of trainers	142	158	214
Number of training sessions	23	20	21
Total number of participants at training sessions	12,495	12,682	18,620

Source: OECD (2014), [“Compendium of Good Practices for Integrity in Public Procurement: Meeting of the Leading Practitioners in Procurement”](#), OECD, Paris.