Market Alert #2: The Government of Japan Seeks New Decontamination Technologies

1. Summary

The Government of Japan (GOJ) is seeking new, promising nuclear decontamination technologies to restore the contaminated areas outside the Fukushima Daiichi Nuclear Power Plant. These new technologies will be added to the list of technologies already approved for this work in Japan. The GOJ is looking for expertise in the following six categories: 1) more efficient decontamination, 2) contaminated waste volume reduction, 3) contaminated waste treatment, 4) collection and treatment of contaminated water, 5) transportation and temporary/interim storage, and 6) other technologies. The due date is May 24, 2013 and new proposals must contain, among other items, plans for a demonstration project, "Common Qualification" verification, and a list of qualified engineers. An experts' committee, set up by the Ministry of Environment (MOE), will review the proposals and use the results of the demonstration projects to select the new technologies beginning in December 2013. Commercial Service Japan (CS Japan) stands ready to assist U.S. firms interested in submitting proposals (please see below for the types of assistance available).

2. A Call for New Technologies

The GOJ announced on February 14, 2013 that it is soliciting new, promising decontamination technologies for the ongoing work to restore the contaminated area outside of the Fukushima Daiichi Nuclear Power Plant. Under this new solicitation, the MOE, under the oversight of the Reconstruction Agency, is calling for new technologies to be introduced in Fiscal Year 2013, which begins in April 2013 and runs through March 2014, with a goal of further developing the efficiency and effectiveness of Japan's decontamination methods. These new technologies will be added to the list of technologies that are already approved by the GOJ for decontamination work in Japan (see Market Alert #1: Fukushima Decontamination Schedule, Tender Process, and Technologies). An MOE experts' committee will screen each applicant technology and choose 10 for further evaluation via demonstration projects in the contaminated area. Based on the results of the demonstration projects, the MOE will select new technologies to be used in decontamination work going forward. There is no plan to approve a particular set number of technologies, but past reviews have approved from three to five new methods.

3. Technologies Being Sought

The MOE is looking for new technologies in the following six categories:

1) More Efficient Decontamination

Technologies to shorten working hours, reduce costs, and simplify work
(e.g. effective decontamination methods for artificial turf; decontamination of grass other than mowing or re-sodding, and which produce less waste; decontamination of wooden or rubber playground equipment; decontamination of roofs and fore-slopes)

2) Contaminated Waste Volume Reduction

Technologies to efficiently and effectively reduce the volume of radioactive soil, vegetation, and rubble

3) Contaminated Waste Treatment

Technologies to efficiently treat radioactive waste (related to such activities as collection, transportation, intermediate storage and final disposal)

4) Collection and Treatment of Contaminated Water

Technologies to collect water used for and discharged after decontamination work

5) Transportation and Temporary/Interim Storage

Technologies to transport and store radioactive waste that has been removed (e.g. soil, vegetation, rubble)

6) Other Decontamination Technologies

Other decontamination technologies not covered in categories 1) to 5) that more effectively and efficiently decontaminate or treat radioactive waste (e.g. "flexible container bags" that can monitor levels of radioactivity in each bag separately)

4. Proposal Requirements

The due date to submit new technology proposals to the MOE is May 24, 2013 by 5:00 pm. Proposals should be submitted to the following address:

Ministry of the Environment
Budget Accounting Group of the Reconstruction Agency
Sankaido Bldg. 1F
1-9-13 Akasaka, Minato-ku, Tokyo 107-0052

More specific information on the proposal process can be found here.

Please note the following important requirements when preparing proposals:

Demonstration Project. Applications must include plans to conduct a demonstration of the technology. These plans must provide details on how the applicant will conduct the demonstration, including the location of the project, types of facilities and machinery which will be deployed, outline of the demonstration, innovativeness of the offered technology (the applicant firm must clarify how its offered technology differs from existing ones), and practicality of how the decontamination is carried out, so that it could be readily applied for upcoming projects. Applicant firms will need to gain the agreement of the localities in which they plan to conduct their demonstration projects prior to submitting their proposals. The MOE experts' committee will examine the demonstration project plans as part of its review prior to selecting 10 technologies to proceed to the demonstration project stage. Each demonstration model project will have a budget of 21 million yen.

"Common Qualification". Applicant firms must already hold or obtain a GOJ "Common Qualification" designation in "Research and Study" in order to be eligible for this procurement. This designation can be obtained from any GOJ ministry or agency and works across the GOJ, allowing companies to bid on "Research and Study" projects ranked from A to D (A - 30 million yen and above, B - 20 to 30 million yen, C - 4 to 20 million yen, D - under 4 million yen). Any ranking from A to D qualifies an applicant firm for this procurement. A copy of this "Common Qualification" must be included in the application package.

Details on the "Common Qualification" and how to apply can be found here. "Common Qualification" applicants will be notified within approximately one week to one month of submission.

List of Qualified Engineers. Applicant firms must provide a chief engineer who will work for the firm under the proposal. If the offered project requires more than one engineer, all engineers need to be listed and submitted. The chief engineer can be hired on a contract basis and does not need to be a permanent employee of the proposal firm. He/she must have at least one year experience and be qualified by Japan's Nuclear Safety Technology Center as a "type 1" or "type 2" chief engineer in radiation or have passed equivalent training courses by other nuclear energy bodies in Japan like the Japan Atomic Energy Agency and the National Institute of Radiological Science.

5. Overall Schedule

Date	Action / Comments
May 24, 2013 5:00 pm	Application deadline. All required documents must be submitted by mail to the MOE Budget Accounting Group of the Reconstruction Agency.
June 2013	First Screening. The MOE experts' committee begins to screen the applications and interview applicants. Second Screening. The MOE experts' committee conducts interviews in Tokyo.
June 2013	Technologies for Further Evaluation. The MOE experts' committee decides on 10 technologies for further evaluation via demonstration projects in the contaminated areas.
July 2013	The demonstration projects begin.
November 29, 2013	Evaluation of Results. The MOE experts' committee begins to evaluate the results of the demonstration projects, assessing the effectiveness, cost benefit, and safety of the associated technology.
December 2013	New Technologies Selected. Based on the results of the demonstration projects, the MOE selects new, effective technologies to be used for decontamination work in Japan

6. Commercial Service Japan (CS Japan) Comment and Support

The MOE has indicated an openness to consider all new technologies, especially those that might come from sources outside of Japan. Obviously, firms already operating in Japan that hold a "Common Qualification" and employ qualified engineers, or U.S. firms that have Japanese partners that maintain these capabilities, are well positioned to submit proposals and arrange with local governments for demonstration projects. That said, a firm does not need to be registered in Japan to submit a proposal for consideration.

CS Japan sees a four-fold challenge for firms that want to submit proposals from inside or outside Japan:

1) Obtaining a "Common Qualification"
2) Locating and contracting with qualified engineers
3) Arranging a demonstration project
4) Submitting the proposal, which must be done in Japanese

CS Japan is ready to assist U.S. firms manage these challenges by offering counseling on the proposal process and providing assistance in finding appropriate partners, locating necessary language support and engineering expertise, and contacting local government officials in the contaminated areas.

For further information or assistance, please contact: Takahiko Suzuki, Commercial Specialist, U.S. Commercial Service Japan, U.S. Embassy Tokyo at takahiko.suzuki@trade.gov