

GENERAL HEADQUARTERS
SUPREME COMMANDER FOR THE ALLIED POWERS
APO 500

AG 400.12 (8 Nov 48)CTS-R
SCAPIN 1953

30 December 1948

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MEMORANDUM FOR: JAPANESE GOVERNMENT

SUBJECT: Establishment of an Adequate Procurement Policy for
the Japanese Government Railways

✓ 1. Reference SCAPIN 29, 15 September 1945, file AG 091, subject,
"Production in Non-War Plants".

2. This directive does not modify or supersede reference in para-
graph 1 and shall be interpreted as implementing the policy therein
contained.

amend 3. The Japanese Government will within thirty days submit to the
Supreme Commander for the Allied Powers for approval a comprehensive
plan for revising the present procurement policy and procedures employed
by the Japanese Government Railways to insure:

a. That materials and services are procured at the lowest
possible cost, under predetermined specifications and in the best inter-
ests of the Japanese economy.

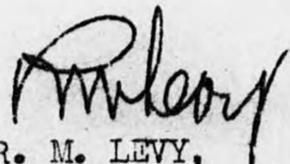
b. That the procurement responsibilities of the various offices
and bureaus of the Japanese Government Railways are clearly defined.

c. That all contracts for the procurement of materials, supplies
and services shall be awarded to the lowest qualified bidder or on the
basis of fair negotiation with competitive bidders.

d. That all bidding, advertising, canvassing and awarding of
contracts are conducted publicly at all times.

4. The Japanese Government is authorized direct communication with
Civil Transportation Section, General Headquarters, Supreme Commander for
the Allied Powers, in preparing the required plan.

FOR THE SUPREME COMMANDER:


R. M. LEVY,
Colonel, AGD,
Adjutant General.

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