

The background is a blue wireframe grid. In the center, there is a large, 3D-rendered number '5' in a bright yellow color with a metallic sheen and a slight shadow.

5

Contributions to Public Procurement

Transactions through KONEPS

41,000 Public Entities

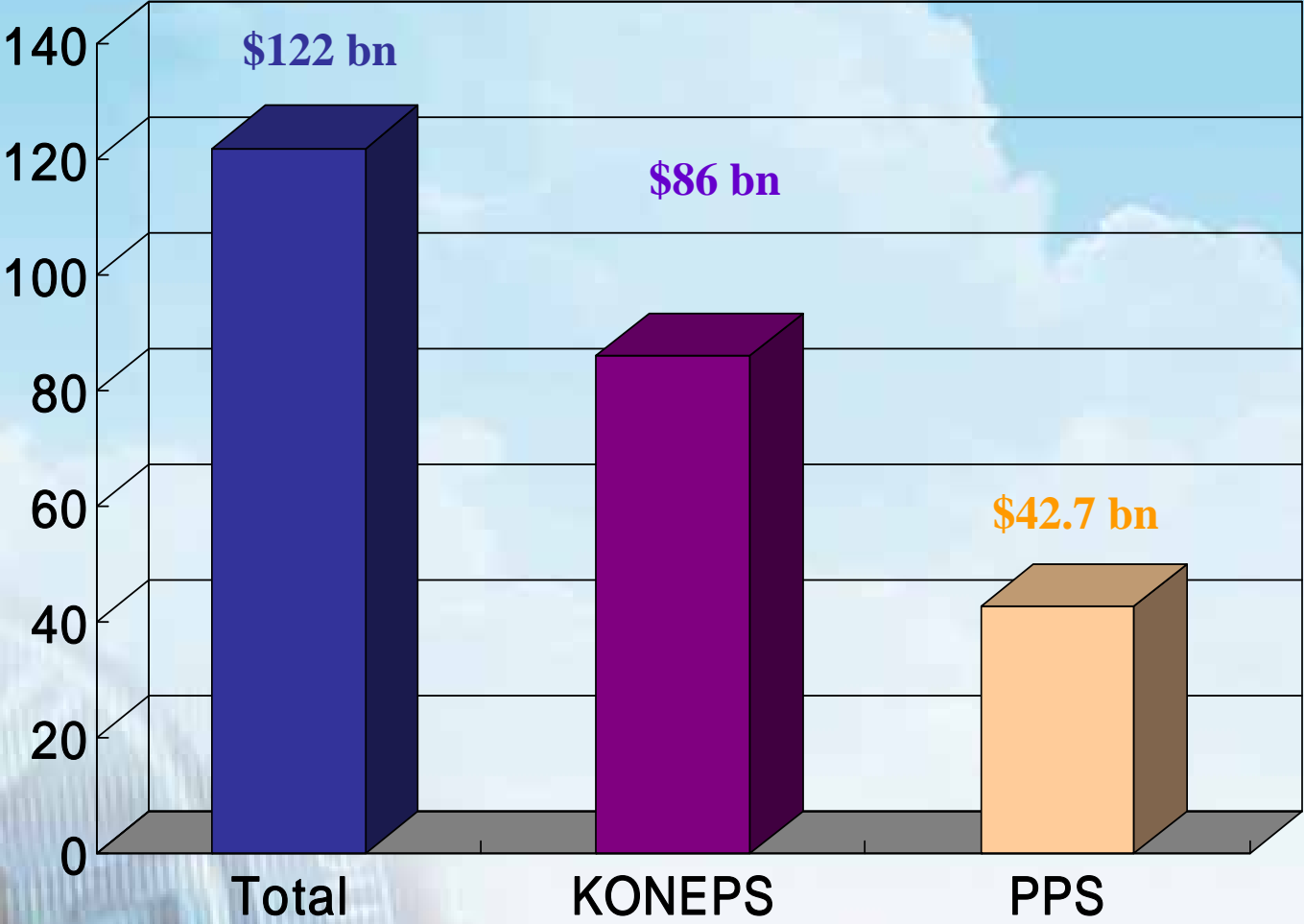
191,000 Registered Suppliers

In 2009, over 70% of Korea's total public procurement (122 billion USD) was conducted through KONEPS

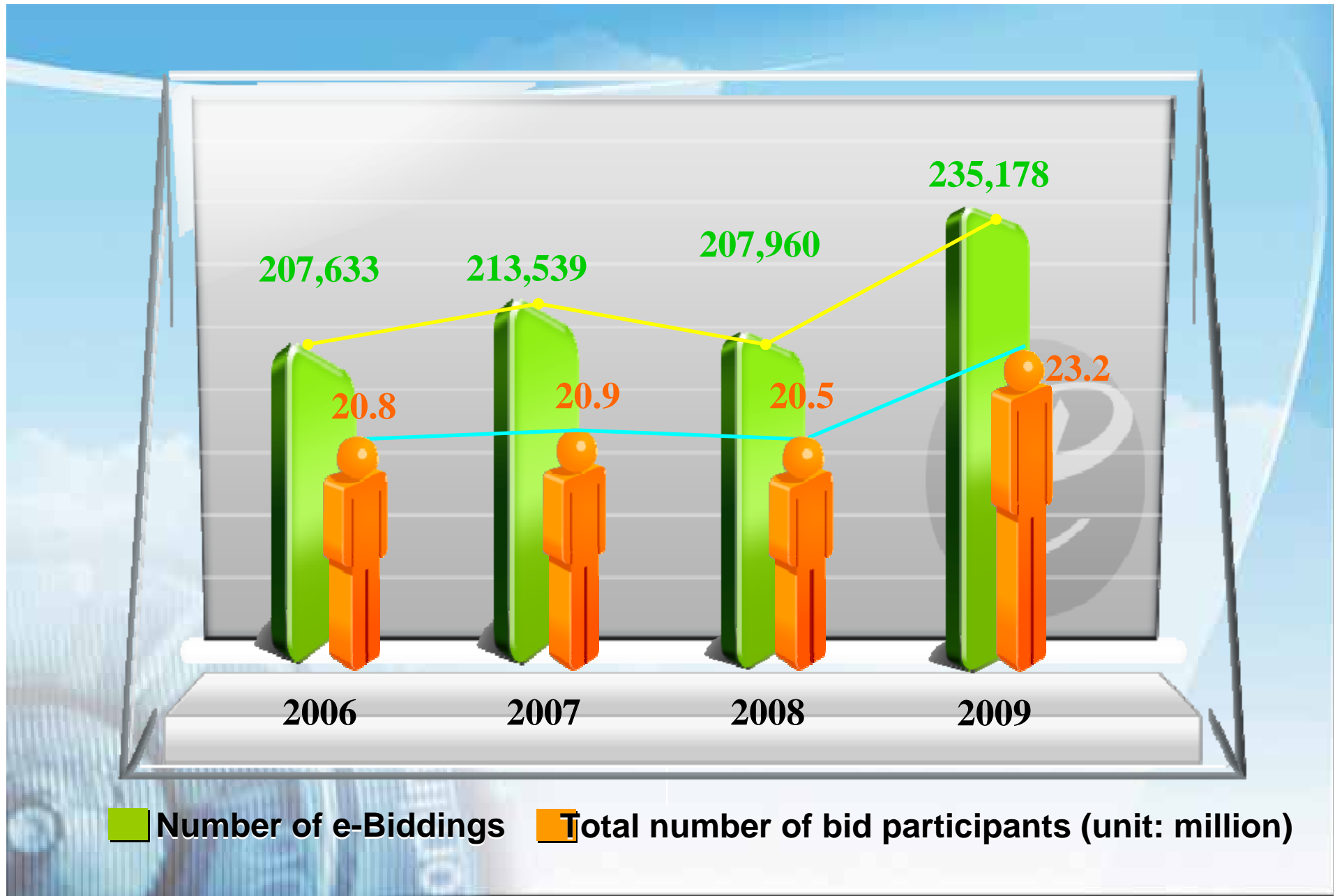


**Total Volume of Transactions
Conducted via KONEPS**

Transactions through KONEPS



e-Biddings through KONEPS



Enhancing Efficiency and Transparency

Saves US\$8.1B worth of transaction costs annually

- Reduction of manual work & contract-related papers, time-saving, etc

Improves transparency in doing business with the government

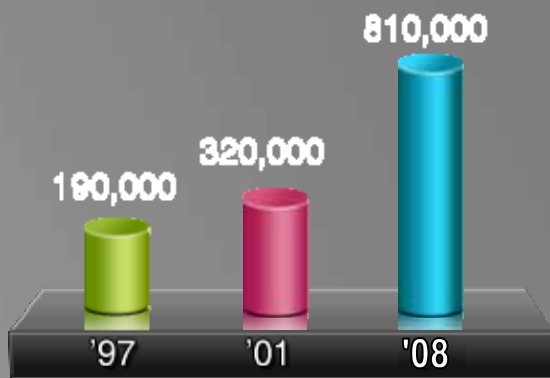
- Minimized face-to-face contacts
- All the information is published on-line on a real time basis



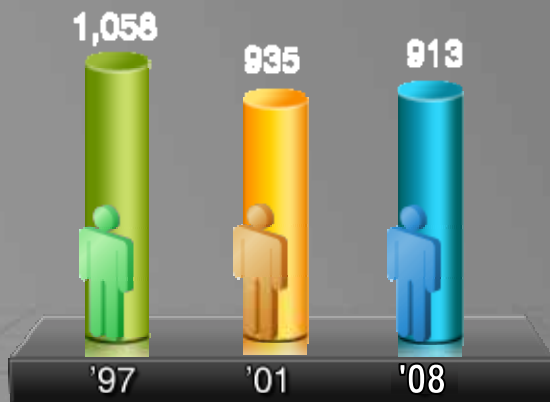
Highly Enhanced Productivity

5 fold work productivity since the introduction of KONEPS

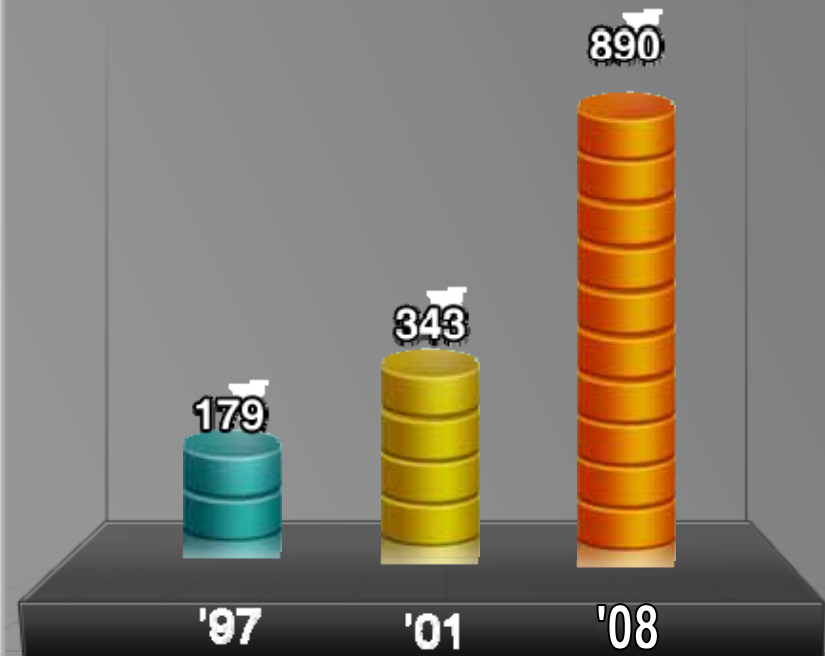
Total No. of Contracts



Total No. of Employees



Productivity: 5 Fold
No. of Contracts per Employee



Transparent Public Procurement Accomplished

- Real-time Information
- Extended open release of contract details

Transparent Procurement

- Reduced direct contacts from online process

Real time disclosure of entire contract process

- Bidders can have real time info on the progress of bidding and contract
- Eligibility test for successful bidder thru KONEPS

Inspection/payment thru internet

- No need to visit procurement offices



Promotion of Private e-Commerce Development

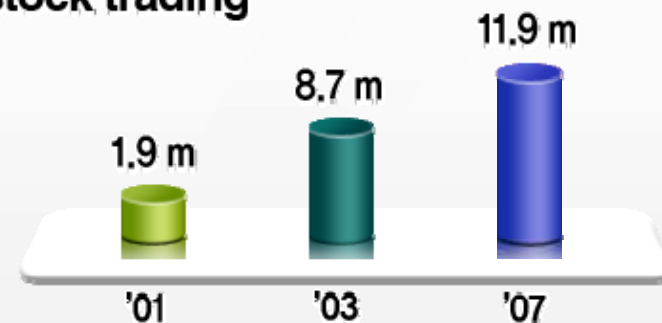
Contributing to expansion of e-Commerce base

e-Procurement by KONEPS

- Application of digital signature authentication in e-Bidding
- Certified authentication for enterprises mainly for e-Procurement
- Gov't & enterprises jointly used certified authentication electronically
 - ➔ Expanding e-Commerce base

Development of e-Authentication industry

- Promoting technological base for e-Procurement including digital signature and security
- Encouraging firm establishment of certified authentication market including internet banking and online stock trading



Contributions to Development of SMEs

SMEs

SMEs registration

- 169,000 SMEs registered with KONEPS, 99.5% of the total 170,000
- 1,996 registered with online shopping mall, 97% of the total 2,057

SMEs e-Bidding & contract award

- 20.78m, 99.8 % of total 21 mln
- award results 207,000, 99% of total 210,000 awards

SMEs share

- awarded contract amount \$ 9 bn out of total 29 bn

Enhancing Procurement Capabilities

Upgrading Public Procurement Expertise



Future Plans

Expansion of Ubiquitous Services

- **Wireless e-bidding**
- **Mobile information services**
- **Property management through RFID**

Development of High Value-Added Contents

- **Expansion of shopping mall**
- **Data Warehouse (D/W) services**
- **Cost analysis**
- **Evaluation of contractors**
- **Consulting service**

Advancement Of e-Cataloguing Services Based on ontology

- **Central Repository Service**
- **Catalogue Building Service**
- **Mapping Services**

Success Factors

Strong will of the government for reform

- Establishment of 'special committee for e-government'

The world-class Internet infrastructure already in place

- 93% of Korean households use broadband Internet network

Application of systematic BPR/ISP and new technologies

- Improvement of purchasing procedures prior to system development
- Adoption of new technologies (e-signature, encryption, e-documents) into KONEPS system

Training and education of users

- PPS Training Center, On-line customer support and CBT Program

Employees' professionalism and their aspiration for change

Recommendations

- Integrate and share all information about public procurement
- Make a single e-procurement system for all public organizations
- Standardize procurement process and electronic document (XML) with digital signature
- Take the step-by-step approach from integrated bid information and e-bidding
- Need to make more clear rules and regulations according to the reforming the process

The background is a deep blue color with a subtle grid pattern. A dark blue, glossy, ribbon-like shape curves across the center of the image, creating a sense of depth and movement. The text is centered over this shape.

International Recognition

International Recognition for KONEPS

2003

1st UN Public Service Award

**evaluated KONEPS as
exemplary case in public
service innovation**



“No further action required” OECD

**“A strong pull-through effect on ICT
use in the private sector and
no further actions are required”**

2004

International Recognition for KONEPS

2005

KONEPS procedures reflected in international standards

- leading UN/CEFACT activities
- KONEPS procedures reflected in global standards

2006

Received the Global IT Excellence Award from WITSA



International Recognition for KONEPS

2007

Honoured with E-ASIA AWARD

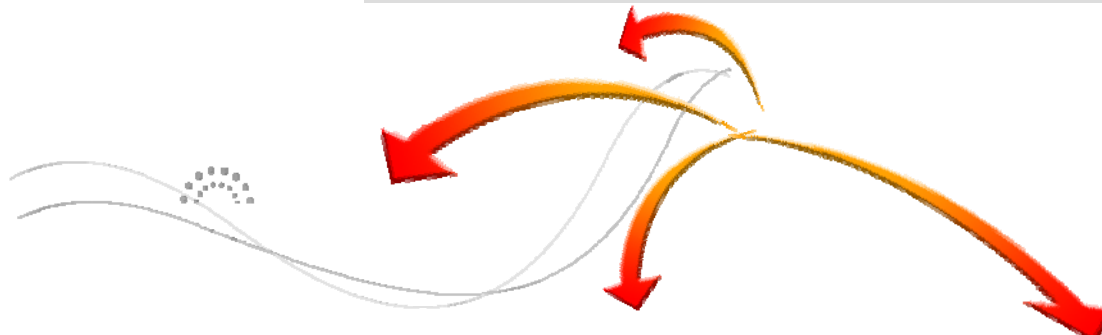


Electronic Business in Public Sector

International Cooperation

Support for System Implementation

- Support for system implementation in Vietnam (pilot system) and Costa Rica (full implementation) using KONEPS modules



Feasibility Studies for e-Procurement Implementation

- Vietnam, Pakistan (2005)
- Mongol, Georgia (2007)
- Costa Rica, Uzbekistan, Tunisia (2008,2009)

e-Procurement Workshops

- E-Procurement Workshops with ADB, UN, the World Bank
- Training Program for countries interested in e-Procurement implementation

Competition

Means the procurement process allows easy entry of potential suppliers and encourages competition between suppliers.

Competition is important in providing value-for-money in public money expenditure. Any impediments are likely to decrease the number of potential suppliers that a procuring government may choose from, thereby depriving them of potentially better quality goods and services at a lower price.

Proactive Technical Schemes Preventing Bid Rigging

Bio-Fingerprint Recognition System

- to deter illegal use of other bidders' authentication certificates

PC Remote Control Use Blocking System

- to prevent illegal use of other non-owner certificates via any PCs

Collusion Detection System

- to analyze the bidding pattern and results to detect any evidence of collusion

Thank You

