

# Innovating Public Procurement through Korea ON-line E-Procurement System

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# Functions of KONEPS

## Single Window for Public Procurement

- All public tender notices and related information are available at a single website
- Bidders can participate in all public biddings after one-time registration

## Integration of Entire Procurement Procedures

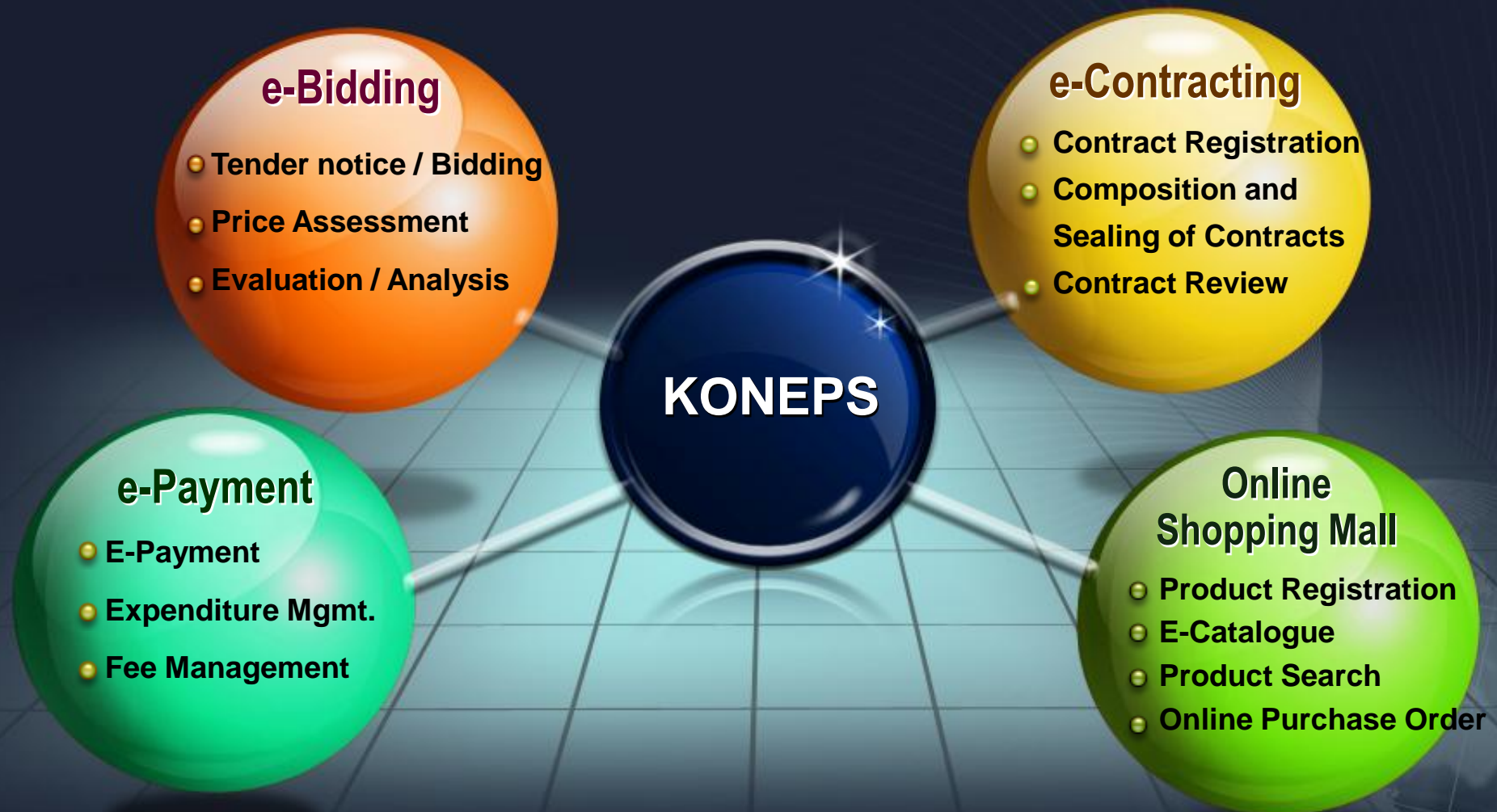
- Entire process ranging from vendor registration, tender notice, bidding, contract awarding through payment
- Easily issue purchase order at the Online Shopping Mall

## One-stop Service

- 166 types of documents are handled online thru the data exchange linkage with 100 other information systems

# Sub-systems of KONEPS

- KONEPS processes the entire procurement procedures through the 4 major sub-systems: e-bidding, e-contracting, e-payment & the online shopping mall



# Impacts of KONEPS

## Enhanced efficiency and transparency

### Saves \$8.1 bil. of transaction costs annually

- \$6.6 bil. on the suppliers' side & \$1.5 bil. in the public sector
- Reduction of physical contacts, contract-related documents, and etc
- Savings of labor time for searching for tender information
- Additionally, budget savings from increased competition

### Creates transparent doing-business environments

- Minimizes face-to-face contacts
- All the information are gathered on a real time basis
- The number of bid participants has increased by 300%

# Impacts of KONEPS

## Extended coverage & increased productivity

### Covers public procurement more broadly

- More than 70% of total public procurement is conducted thru KONEPS
- \$122 bil. (Total PP) > \$86 bil. (KONEPS) > \$42.7 bil.(PPS)

### Increases productivity by 500%

- Barometer of productivity = No. of contracts / No. of employees
- Contracts per employee : 179 (yr. 1997) → 890 (yr. 2008)