

KONEPS

Korea's world-class
e-Procurement system

Korea ON-line
E-Procurement System

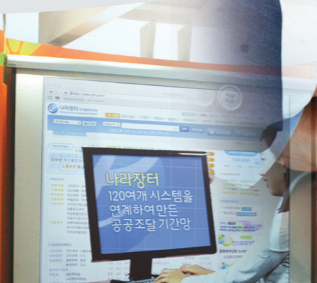
Your Best Service Provider

KONEPS strives to create a sound business environment through delivering efficient and transparent procurement administration.

Your Best Service Provider Korea ON-line E-Procurement System



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World-Renowned e-Procurement System

KONEPS enhances transparency in procurement administration.

Since the introduction of KONEPS, the public and private sectors have experienced a dramatic reduction in time and costs spent on public procurement and their effectiveness, economic efficiency, and transparency have improved.

Korea ON-line E-Procurement System

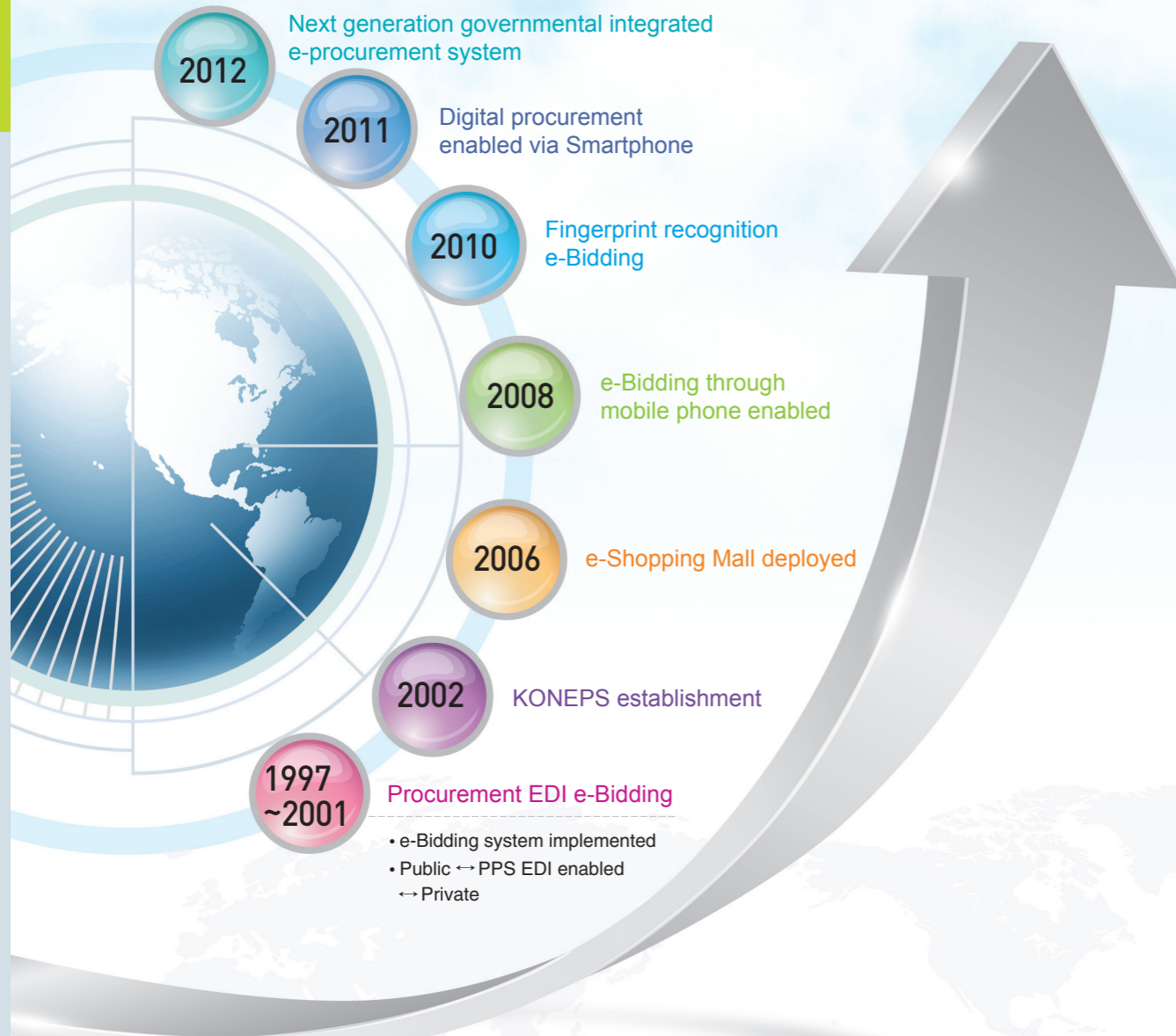
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KONEPS Optimization Process



History of KONEPS

- ❖ Korea's e-Procurement began with Public Procurement Service (PPS) of Korea.
 - Procurement EDI (Electronic Data Interchange) system established, enabling e-Document distribution among public bodies, PPS and suppliers (1997)
 - e-Bidding System implemented (2000)
 - e-Guarantee and e-Payment incorporated into the national digital procurement service (2001)
- ❖ KONEPS deployed to disseminate PPS's e-Procurement system across the entire public sector (2002).
 - ※ To avert the proliferation of other similar e-Procurement systems, KONEPS was designed to function as the comprehensive nationwide system.
- ❖ Through unceasing innovation KONEPS has evolved into the e-Government Procurement System of Korea.
 - CRM-based customized information service delivered (2004)
 - Intelligent Product Information Search Service provided (2006)
 - e-Shopping Mall deployed (2006)
 - e-Bidding through mobile phone enabled (2008)
 - RFID-based property management system expanded to all the government agencies (2009)
 - Fingerprint authentication introduced to e-Bidding (2010)
 - Digital procurement enabled via Smartphone (2011)
 - Next generation governmental integrated e-procurement system (2012)





More transparent and fair bidding using the Fingerprint Recognition e-Bidding System!



Fair bidding practices ensured

- ❖ Signs & symptoms of illegal bidding practices are monitored through employing a corrupt activity analysis system and an informant reward policy.
 - Any companies suspected to have engaged in corrupt or fraudulent practices are referred to the Fair Trading Committee for investigation. When a suspicion is confirmed to be true a formal report is made and a sanction is put in place.
 - Illegal e-Procurement informants receive a reward of up to USD10,000.
- ❖ Through external linkage* with central government bodies and local governments, supplier information is instantly updated. Disqualified bidders are automatically rejected from participating in bidding.

* such as the Certificate of Original Manufacturer Issuance System of Small & Medium Business Administration and the databanks of local governments
- ❖ The "Fingerprint Recognition e-Bidding System" terminates unlawful bid participation using borrowed e-Certificates.

※ According to internal and external studies on technological feasibility and effectiveness, the Fingerprint Recognition e-Bidding System is recognized as the best solution to stave off unlawful biddings.



Convenience & Transparency ▼

Entire procurement process is posted online on a real time basis **to realize more transparent environment for procurement administration.**



Transparent and impartial procurement process enforced

- ❖ All public bid information is published on KONEPS simultaneously, eliminating the need for checking other websites or official journals.
- ❖ Linkage with over 120 external systems enables information sharing, and removing paper-based administration.
- ❖ Thanks to the digitalization of the entire procurement process from supplier registration, bid participation, contract closure through to delivery confirmation and payment request, suppliers do not need to visit the ordering organizations.

Transparency in the procurement administration is ensured.
From bidding through to contract award all information is updated instantly.
Clean procurement administration is realized.

Annually over \$8 billion is saved and 620,000 MT less carbon is emitted due to the reduction in the number of visits made by suppliers, paper consumption and reduction in the processing time



For Customer Satisfaction

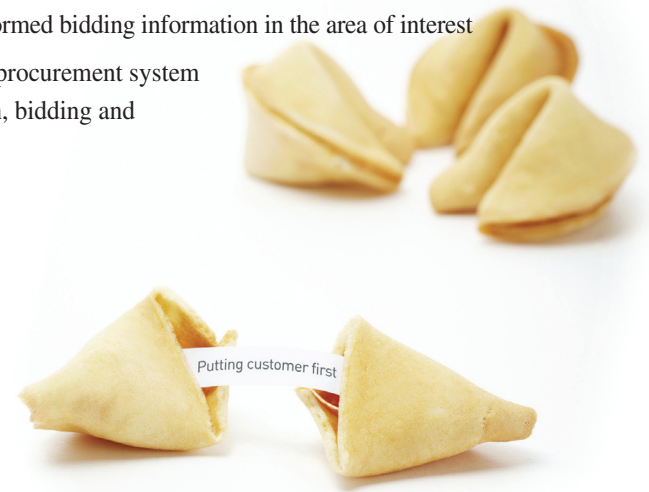
KONEPS e-shopping mall

puts customers first, providing them more convenient and excited ways to purchase & select goods they need!



Putting customer first

- ❖ KONEPS e-Shopping Mall, which has changed the public purchase paradigm, has brought about consumer convenience and the joy of choice.
 - Suppliers can check product price and quality and place an order directly via e-Shopping mall
 - 320,000 products from over 5,200 suppliers are registered, providing a variety of choices
 - Sections designated for Excellent Products, Technology Certified Goods, and Green products*, etc are in-built
 - Ordering organizations: conveniently purchase high quality goods that satisfy the specific demand
 - Suppliers: enjoy yielding returns and increased promotional activities
- * High energy efficiency appliances, energy saving, Eco label products, and recycled goods, etc
- ❖ To maximize user convenience, e-Bidding has been made possible using smartphone
 - SMS alert service keeps registered users informed bidding information in the area of interest
 - KONEPS is the ubiquitous e-Government procurement system
 - Its smartphone service enables data search, bidding and bid opening anytime, anywhere

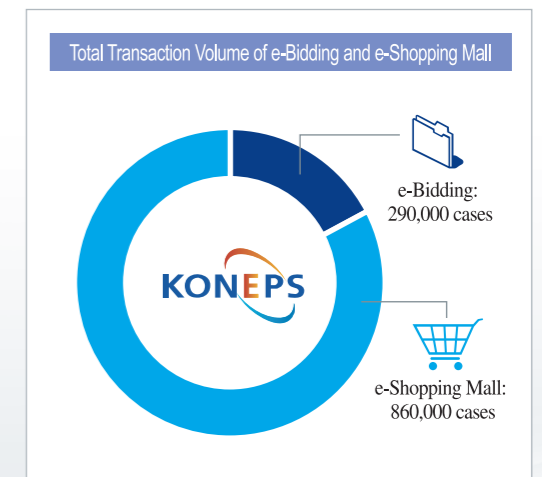
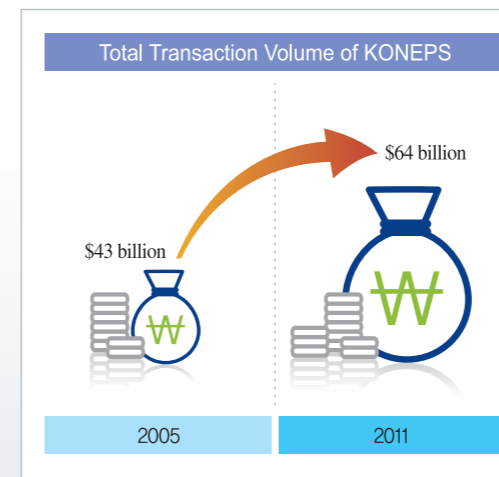


The World's Best Cyber Marketplace! ▼



World-class cyber market, KONEPS!

- ❖ 40,000 public organizations, 220,000 companies interact through KONEPS
 - ※ Everyday 220,000 people access KONEPS, and process 220,000 documents digitally
- ❖ KONEPS is the nation's e-Procurement system with annual transaction totaling \$64 billion
 - 290,000 biddings conducted online
 - 22 million bidders
 - 860,000 transactions in KONEPS e-Shopping Mall
 - Worth \$11 billion





Global Leader e-Procurement

2008~현재 녹색제품 우대·우수조달물품 해외진출

1999~2007 고객중심 서비스혁신과 정부조달 전자성격화 추진



World leader in public procurement

The international community recognizes KONEPS as the best e-Government model

[Global Recognitions]

- UN - the Public Service Award conferred on PPS for its e-Procurement innovation (2003.6)
 - OECD - pronounced as "no further action required" (2004.5)
 - UN - selected as a Best Practice Model (2004.11)
 - WITSA - named as the public institution of best service innovation using information technology, Global IT Excellence presented (2006.5)
 - AFACT - presented as a best practice model of e-Transaction at 2007 e-ASIA (2007.8)
- In recent years KONEPS has been benchmarked by many developing countries and disseminated across the world, upholding its status as a world-class e-Procurement system
- Exported a pilot system to Vietnam (2008, \$ 2 million)
 - Whole system transferred to Costa Rica (2009, \$ 8.3 million)
 - Partial system developed for Mongolia (2010, \$ 4.2 million)
 - Partial system developed for Tunisia (2011, \$ 5.3 million)
 - Facilitating the domestic IT industry and increasing national revenues

PPS held 2010 IPPC* (International Public Procurement Conference) as the first Asian host, successfully assuming the leader's role

* The IPPC is a largest biannual international conference on public procurement where representatives from private, public and academia present on and discuss about the main issues





* Korea's KONEPS has been disseminated across the world

KONEPS has been benchmarked by more than 60 countries, and MOUs signed with 17 nations on e-Procurement cooperation. Through the continuous provision of feasibility studies and the implementation of new knowledge-sharing projects across the world, KONEPS has evolved into a world-leading e-Procurement system.

Korea ON-line E-Procurement System

