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# Public Procurement Policy in the Republic of Korea Toward 2026

2026.11.26



Public Procurement  
Service



# PUBLIC PROCUREMENT SERVICE

01

Introduction of Public  
Procurement Service (PPS)

02

PPS Core Policy toward 2026

03

Major Key Systems





01

## Introduction of Public Procurement Service (PPS)

## Introduction of Public Procurement Service

- ❖ Leading Central Purchasing Body (CPB) of an annual procurement amount of 225T KRW (165B USD), 570,000 suppliers, and 70,000 end-users (2024)
- ❖ Ensure fairness and transparency in public procurement
  - Combat unfair procurement practices through improved systems, institutions, and monitoring
  - Gain transparency by disclosing information about the entire procurement cycle



**Goods, Services and  
Construction Works  
Contracts**



**KONEPS  
Operation & Management**



**Government Goods & State  
owned Property  
Management**



**Commodity  
Stockpile**

## PPS Vision for 2025

### “ Support the Economy by Establishing Public Procurement Basics ”



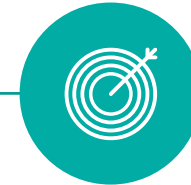
Make Difference



Field-Oriented



Put into Action



Prompt

#### A Dynamic Procurement Marketplace Full of Vitality

- Strengthen procurement to revitalize economy and to support people's livelihoods
- Create an innovative procurement ecosystem

#### Back to the Basic Public Procurement with Principles and Fundamentals

- Establish a procurement market with fair and transparent principles
- Top priority on public safety and quality
- Enhance commodity stockpile to stabilize supply chain

#### Stepping ahead to Prepare for Future

Preemptively Respond to Economic  
and Social Structure Transition

- Address the challenges of low birth rate, carbon neutrality and social responsibility
- Develop procurement infrastructure based on Next-Generation KONEPS and Public Procurement Act
- Build procurement capacity to prepare for future



## 02



02

## PPS Core Policy Toward 2026

**01 | Innovative Procurement**

**02 | Leveraging Public Procurement to Catalyze the AI Industry**

**03 | Strengthening Core Principles of Public Procurement**

**04 | Advancing Social Value through Public Procurement**

# 1. Innovative Procurement

## Introduction

### ❖ **Government as the First Buyer of Innovative Products (Since 2019~)**

- Accelerating innovative growth and elevating public service quality
- Encouraging technological innovation toward commercialization



### ❖ **Leveraging ODA to support developing countries in deploying Innovative Products**

- Philippines Example: Portable X-ray Equipment





# 1. Innovative Procurement

## Strategies for 2026-2030

### ❖ Expanding Public Procurement of Innovative Products

- Gradual scale-up to KRW 3 trillion by 2030
- Strengthening pilot procurement and purchase-target programs

### ❖ Enhancing the Designation & Operation System

- Integrating review procedures and increasing rounds to four per year
- Introducing AI-focused tracks and a new scouting scheme for promising technologies

### ❖ Improving Validation, Safety, and Firm Support

- Deploying test-bed coordinators and reinforcing safety management
- Expanding R&D support and tailored guarantee programs for innovative SMEs

## 2. Leveraging Public Procurement to Catalyze the AI Industry

### ❖ Leveraging Public Procurement to Catalyze the AI Industry

- Register and supply new services—such as generative-AI work-assistance tools, AI robot services—on the KONEPS shopping mall
- Broaden access to cloud services and AI-enabled software through an digital procurement platform

### ❖ Operating Contract Systems Tailored to AI Technology

- Apply evaluation methods that emphasize technical capability, performance, and responsible AI principles
- Introduce specialized assessment mechanisms and expert panels for AI-related projects

### ❖ Accelerating AI Transformation in Procurement Administration

- Develop a government-wide roadmap for AI-enabled public procurement
- Introduce AI agents in price surveys, engineering reviews, and evaluation processes

### 3. Strengthening Core Principles of Public Procurement

#### ❖ Ensuring Value for Money

- Strengthen monitoring and oversight for price-sensitive and high-risk items
- Reflect market fluctuations—such as raw material price changes—promptly in contracts

#### ❖ Enhancing Market Competition

- Curb illicit brokerage and irregular participation in bidding
- Address excessive contract concentration among a small number of suppliers

#### ❖ Advancing Transparency and Integrity

- Establish safeguards to prevent conflicts of interest and improper practices in local procurement
- Disclose contract information through open government platforms to improve accountability



## 4. Advancing Social Value through Public Procurement

### ❖ **Supporting Climate Action and Carbon Neutrality**

- Promote innovative climate-tech startups through preferential procurement pathways
- Expand the adoption of eco-friendly and low-carbon products in public purchasing

### ❖ **Strengthening Public Safety through Procurement Rules**

- Restrict bidding eligibility for firms involved in major industrial accidents
- Enhance safety assessments and compliance checks in public tenders

### ❖ **Promoting Social Responsibility in Public Procurement**

- Leverage public procurement to create quality jobs and support inclusive growth
- Expand opportunities and market access for social enterprises and mission-driven suppliers



03

## Major Key System

01 | Strengthen Support for Suppliers

02 | Enhance Procurement Transparency and Fairness

03 | Support Procurement Procedures and Contract Management

# 1-1. Inno-KONEPS

## Definition

A cross-government, Innovative Procurement platform that supports every step of the process



## Features

- ❖ Innovative Products Mall  
Open marketplace for free registration and trading of Innovative Products
- ❖ Innovation Demand and Supply Community  
Public demand for Innovative Products for service improvement
- ❖ R&D Demand Survey Integration  
Provide single window for R&D projects from various institutions
- ❖ Informatization  
Convenient, fast online access to Innovative Procurement


## Achievements


- ❖ 2,320 Innovative Products registered (May 2025, cumulative)





# 1. Inno-KONEPS

[Innovation Marketplace](#) [Public Procurement Service](#) [Comprehensive shopping mall](#) [Venture Nara](#) [National Marketplace](#) [List Information System](#) [Join the membership](#) [Service Marketplace](#) [Evaluator Login](#)


 혁신조달 종합포털  
혁신장터



   
Go directly to the innovative product mall


### 혁신제품이란?


공공서비스의 향상과 기술혁신을 위하여 공공성, 혁신성 등 심의를 거쳐 지정됩니다. 유형1(우수연구제품, 혁신성·공공성 인증제품) 유형2(혁신시제품)이 있습니다.




### What is an innovative product?

- Each organization can purchase designated innovative products from the 'Innovation Marketplace' (Innovation Procurement Platform).
- Negotiated contracts are possible for 3 years after designation as an innovative product (Article 26 of the Enforcement Decree of the National Contracts Act and Article 25 of the Enforcement Decree of the Local Contracts Act)
- Each institution's purchasers are protected by purchase immunity (Article 27 of the Public Procurement Act).

  
Citizens (common)  
Shortcut >

  
innovative companies  
Shortcut >

  
demand agency  
Shortcut >

# 1-2. Venture Mall

## Definition

Dedicated mall for products of leading tech start-ups and venture companies



## Features

- ❖ Enter into procurement market based on technology and quality alone, without past performance or business status score(e.g. credit rating)
- ❖ End-users can buy the products by (direct) ordering  
→ Separate tendering procedures NOT necessary

## Achievements

- ❖ Venture Mall's sales performance serves as a **stepping stone**
- ❖ Total of **460** companies have entered the larger markets of

# 1- 2. Venture Mall



Registered Firms

510  
firms



Registered Products

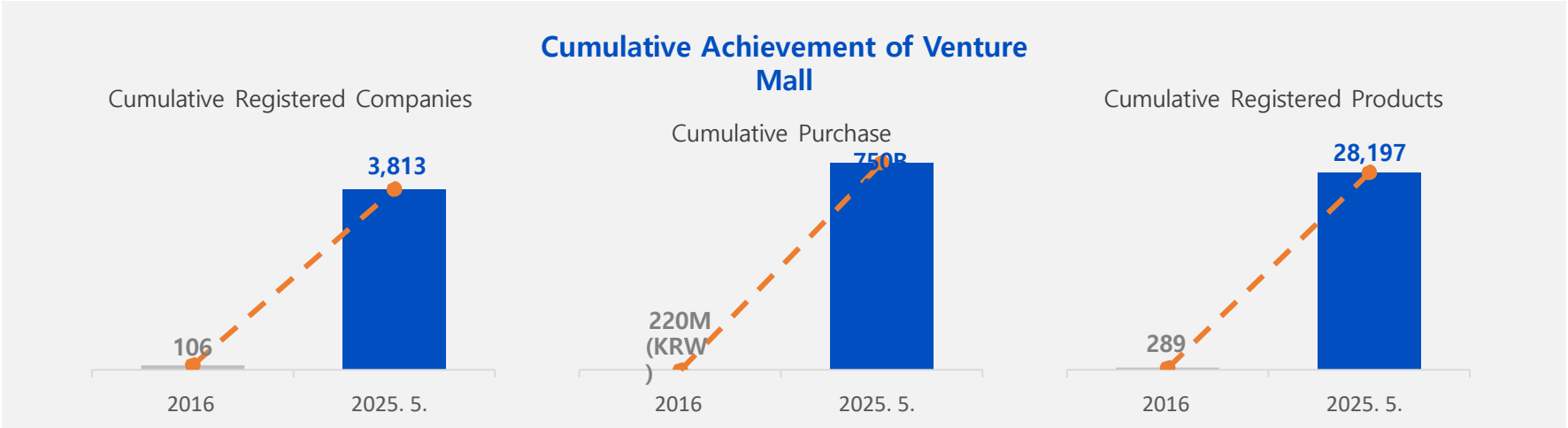
4,576  
products



Transaction Volume

126B      92M  
KRW      USD

## Venture Mall Performance in 2024





# 1-3. Digital Service Mall

## Definition

A shopping mall to introduce new IT technologies to public end-users

\* Cloud, Artificial Intelligence & Commercial SW



## Features

- ❖ Single window for IT shopping mall  
IT-related products at one site with various contract methods\*  
\* catalog contracts, third-party unit price contracts
- ❖ End-user convenience  
Provide digitalized process (e.g. online technology negotiation), suggest products of interest through My Page, and FAQs.
- ❖ Supplier convenience  
IT bidding information service that summarizes pre-specifications and announcements related to IT goods and services in connection with

KONEPS

## Achievements

- ❖ Sales Performance  
Registered products | 3,496      Sales performance | 1.97T KRW / 1.4B USD



## 2-1. Evaluation Committee Management System



### Definition

An integrated system for

- Recruiting & managing evaluators for procurement evaluations
- Automated negotiation

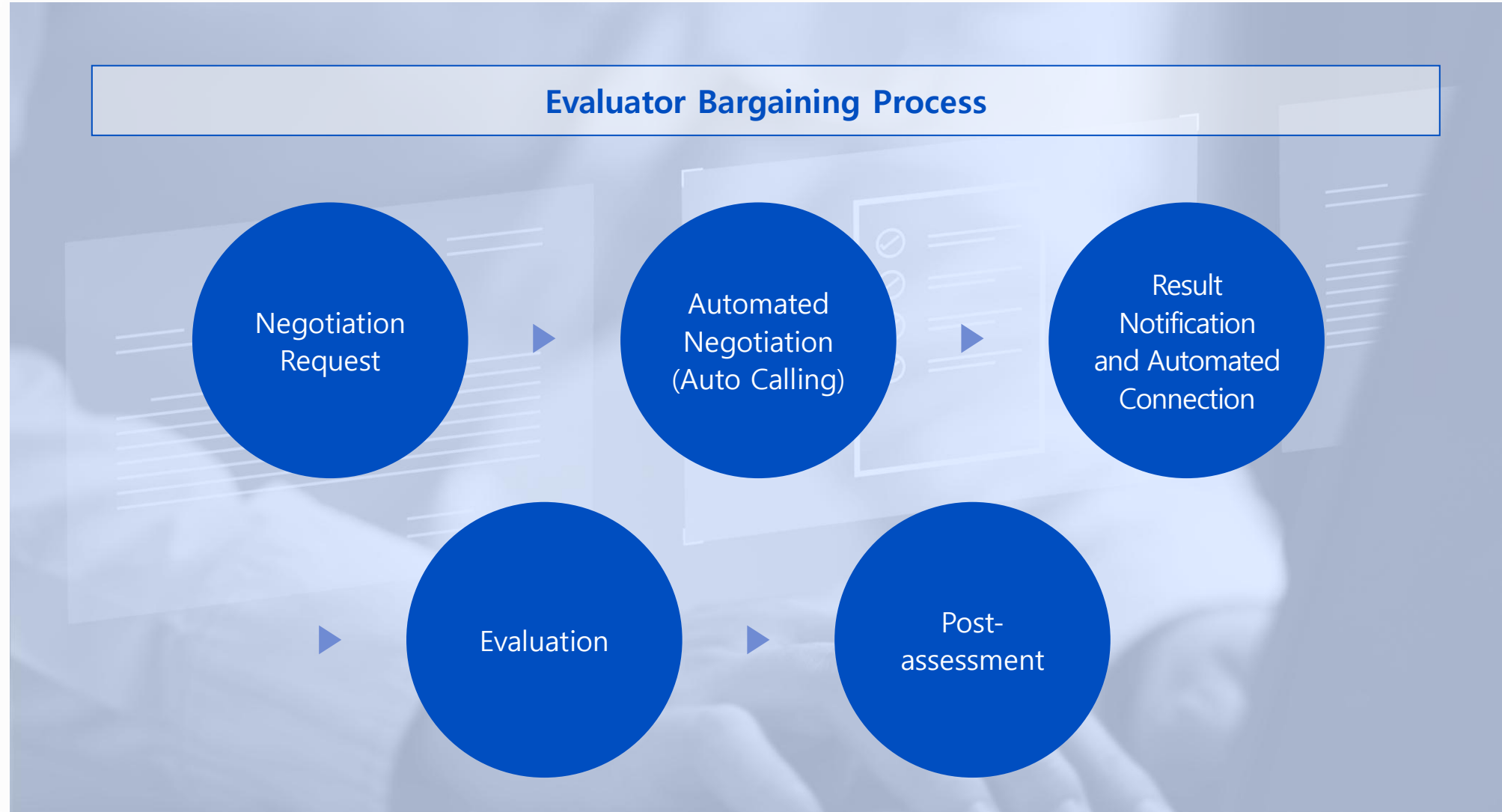
### Features

- ❖ **Fair** : Triple Management System for Evaluators
  - History Management System
  - Monitoring Group
  - Reporting Center
- ❖ **Expert** : Diverse and flexible evaluation categories
- ❖ **Convenient** : Provide mobile system for evaluators

### Achievements

- ❖ **7,300** active evaluators
- ❖ Provide and share evaluators to other organizations
  - central government agencies, public institutions
  - \* Statistics Korea, Postal Business Procurement Center, SR

## 2-1. Evaluation Committee Management System





## 2-2. Collusion Statistics Analysis System

### Definition

System automatically extracting  
suspected  
collusive contracts

### Features

- ❖ Computerized "extraction" and "evaluation" of suspected collusion cases
- ❖ **Extraction** : Automatic extraction of cases (80 points out of 100)
  - based on the number of participants, bidding rate, and participation history
- ❖ **Evaluation** : In-depth evaluation by contracting officials
  - refer to Korea Fair Trade Commission (KFTC)

### Achievements

- ❖ Since its launch in 2014, 7,391 cases reviewed for collusion
  - 73 cases referred to the KFTC for investigation
- ❖ Systematic Approach (Efficiency) for Transparency

## 3-1. e-Order System

### Definition

Online system for entire procurement process

\* Proposal request – proposal - evaluation.



### Features


- ❖ Online Proposal Submission : Proposals and other materials submitted by suppliers online (**no need to visit**)
- ❖ Online Evaluation : Evaluators and suppliers can participate online without the need to travel to the evaluation site

### Achievements

- ❖ Reduce transaction cost\* by online evaluation
  - \* evaluation fee, travel expense, proposal printing
- ❖ Increase available evaluators and their expertise
- ❖ AI-based RFP writing and diagnosis tool for end-users

## 3-1. e-Order System

[home](#) | [Public Procurement Service](#) | [National Marketplace](#)[announcement](#) [Data Room](#) [log In](#) [System Inquiry](#)

 **e-제안요청 도움** | [Automatic RFP Generation](#) | [RFP Self-Diagnosis](#) | [Intelligent Search](#) | [User Guide](#)

### Automatic generation service for SW business proposal requests

Save time writing RFPs by automatically generating and providing the basic information required for RFPs tailored to your business type.


[User Guide→](#)

#### Automatic generation process

- 1 Select the business type for which you wish to write a request for proposal.
- 2 Enter basic information to create a table of contents
- 3 Select criteria for mapping auto-generated items
- 4 Reflect similar cases in the generated request for proposal
- 5 Check and download the final creation results

#### Application of similar cases


Create a highly usable RFP by reflecting similar cases saved from other similar RFPs!



```
graph LR; A[Generated Request for Proposal] --> B[Search for similar cases]; B --> C[Application of similar cases]
```

#### Use the Request for Proposal (RFP)

Improve your completion rate by using writing guides and self-diagnosis based on the automatically generated RFP!



```
graph TD; A((자동생성 결과물)) --- B((자가 진단)); A --- C((작성 가이드)); B --- C
```

### AI-based SW Business Proposal Request Self-Diagnosis Process

Analyze requests for proposals written using AI to identify violations and provide appropriate writing guidelines.

## 3-2. Contract Performance Verification System



### Definition

A system monitoring, controlling and investigating unfair practices in procurement market

### Features

- ❖ Monitor direct production violation : Using information linked to employment and electricity consumption
- ❖ Monitor price inflation : Utilizing the National Tax Service’s electronic tax invoice information
- ❖ Prevent forgery of test report and certificate : Linking test report and certificate information through other e-government systems

### Achievements

- ❖ Identified 264 companies in the last three years for unfair procurement practices
  - e.g. direct production violation, non-compliant delivery

## 3-2. Contract Performance Verification System





### 3-3. Subcontractor Protection System

Definition

A system electronically processes and monitors subcontracting and payment for public sector contract

End-user



Contractor



Sub-contractor



Workers  
Material/Equipment Vendor

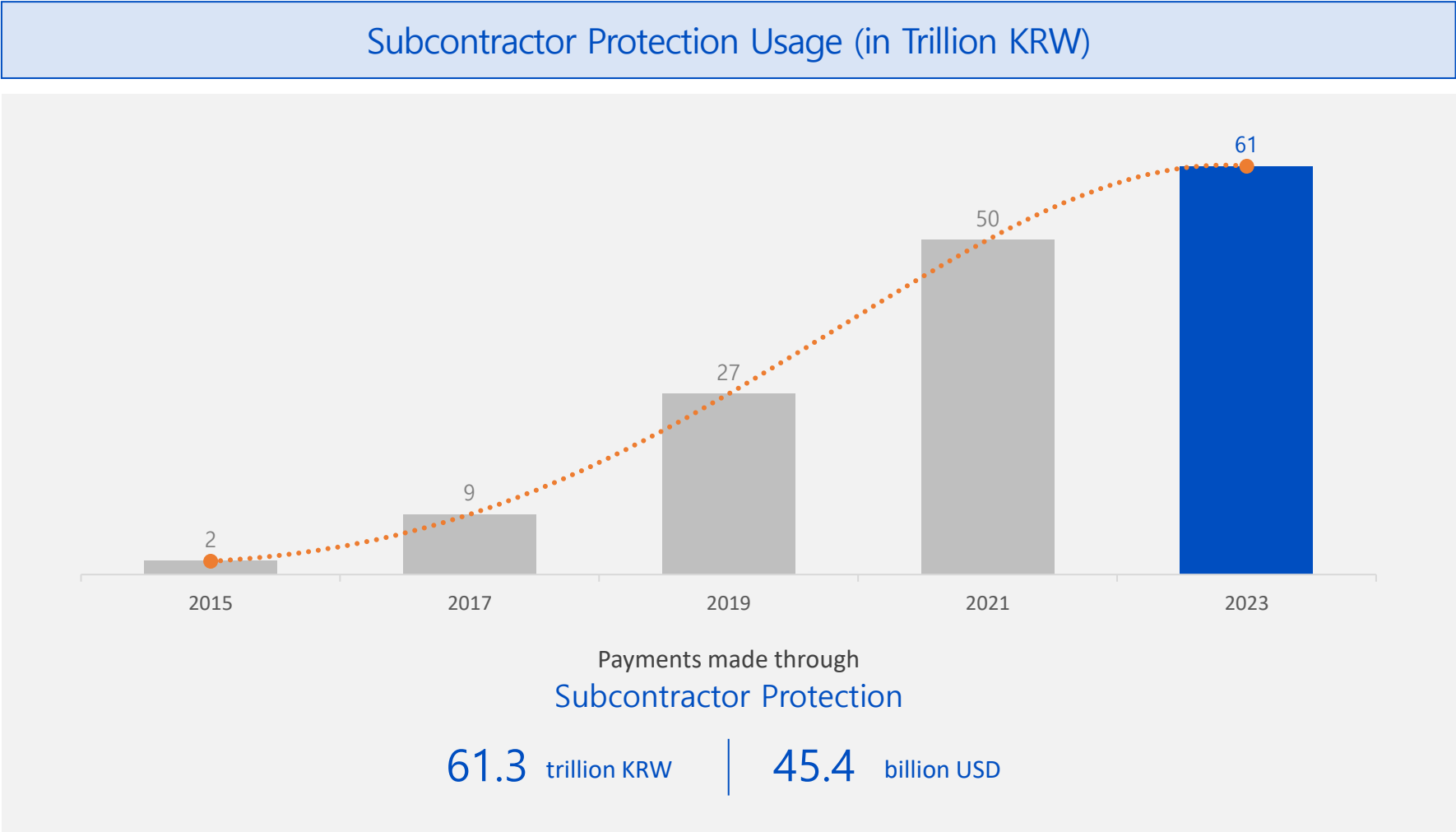
Features

- ❖ Payment for subcontractor, materials & equipment, and labor is sent to the subcontractor's **commitment account**
  - Restrictions on withdrawal of payments other than vendor's share
- ❖ End-user can pay sub-contractor directly

Achievements

- ❖ Protect rights of disadvantaged suppliers
  - Achieve fair and transparent subcontracting transaction
- ❖ Subcontractor protection performance (2023)
  - Amount paid : Approx. **61.3T KRW, 45.4B USD**
  - Number of organizations : **10,287** (Number of companies) **83,755**

### 3-3. Subcontractor Protection System



Thank You  
Q&A



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