# Experiences of Korea



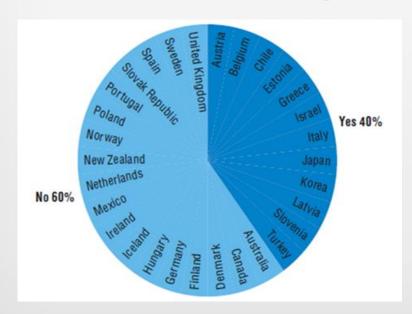
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## **E-Procurement System Linkage**

- Opportunities to streamline process and increase effectiveness
- Integration with other e-government systems is not yet a common practice in OECD countries\*.

## Integration of the e-GP with other e-Gov. technologies



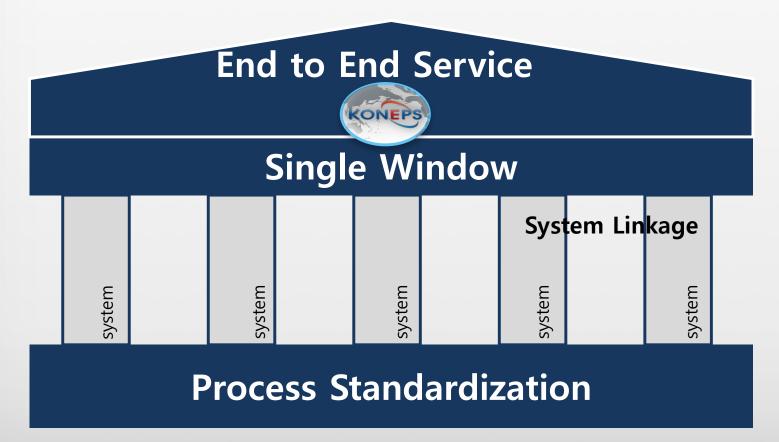
#### **Integrated Systems**

- Business registries (8 Countries)
- Tax registries (7 Countries)
- Budgeting System (6 Countries)
- Social Security Databases (6 Countries)

<sup>\*</sup> Source : GOVERNMENT AT A GLANCE 2017, OECD(2016) Survey on Public Procurement

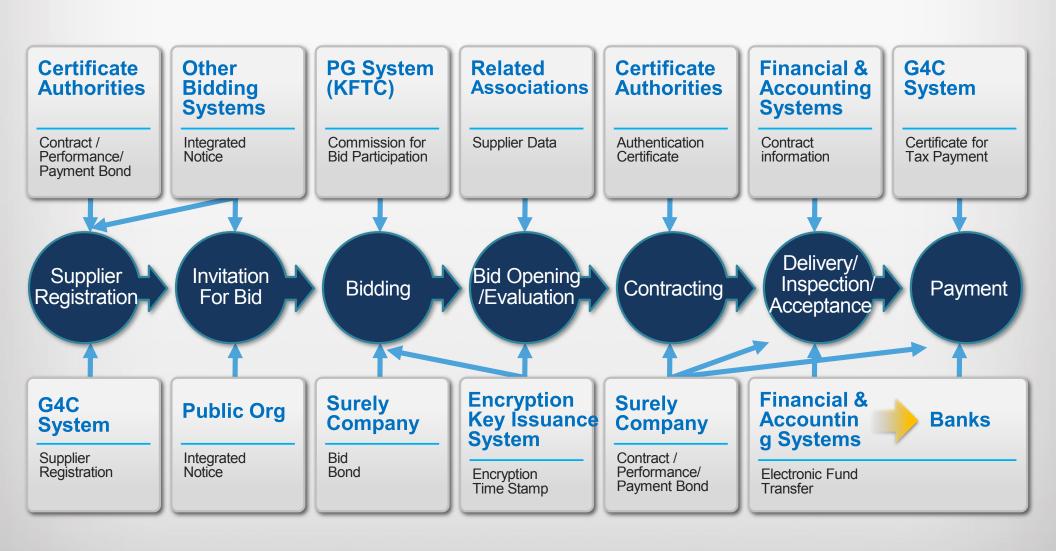
#### **Core Concept of KONEPS**

KONEPS: Korea Online E-Procurement System. Based on standardized process, linkage with other systems enables KONEPS to provide end-to-end service



## **KONEPS Linkage by Procurement Process**

- All process are digitalized from supplier registration to payment
- Linkage with 191 external systems



#### **Linkage by Function of Procurement**



Linkage Function Categories of KONEPS



#### **Procurement Process**

- Supplier credit info.
- Past performance
- Bond/ guarantees
- Tax info.
- Product certification info.

#### **Function support**

- Public authentication
- Electronic settlement
- Electronic payment



#### Procurement info.

- Purchase request info.
- Bidding info.
- Contract info.
- Supplier registration info.

#### Basic info.

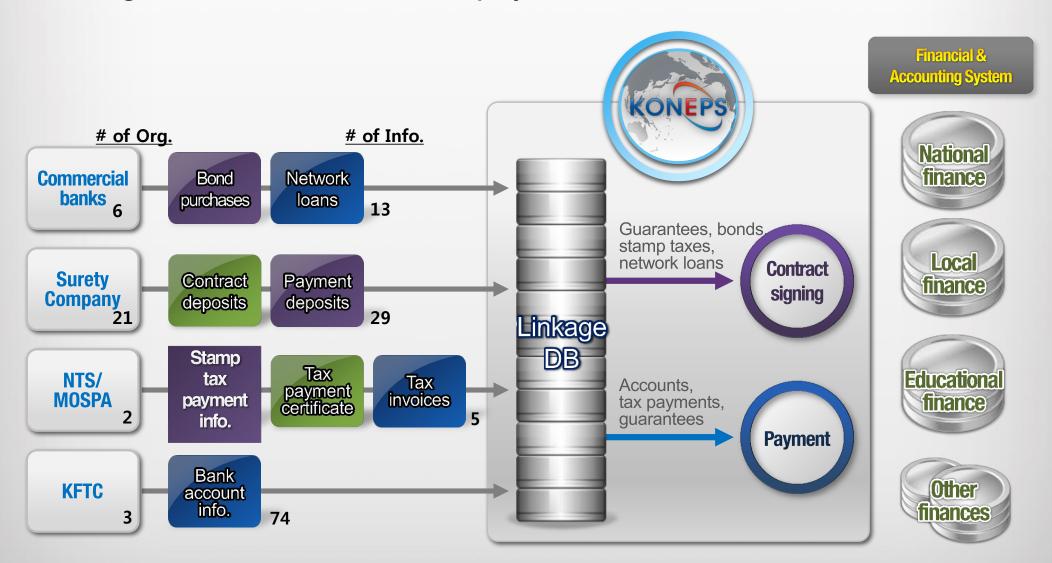
- Quality Certification info.
- Product info.
- Catalog info.

## **Processing Support: e-Bidding**

148 types of info. gathered from 70 organizations to provide bidding information KONEF XML-SOAP # of Info. # of Org. Credit Credit **Credit Rating** License. **Agencies** Rating Info. Human resource Registration 10 **Product Quality** Certificate License **Certificate** Administrative **Authorities** 8 Info. Info. measure. Linkage Unjust supplier Info **Bid Submission** DB Human Pre-Industry performed resource **Associations** Info. result 11 12 Credit level, Certificate Info. etc. **Eligibility** Administrative **Test Public Orgs.** measure 122 40

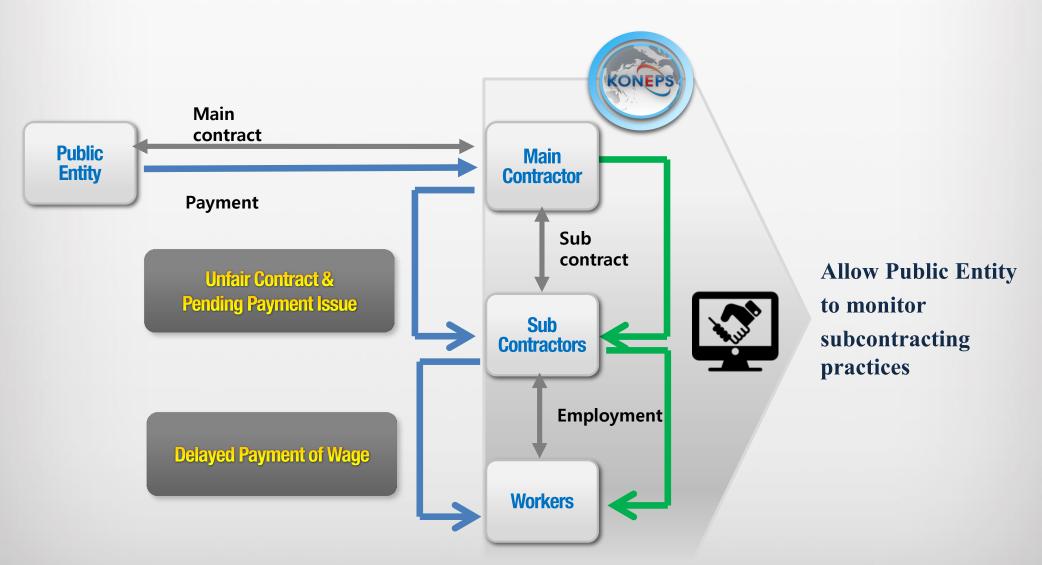
### : Contracting & Payment

110 types of info. from 41organizations sorted in four categories for contracts and payments



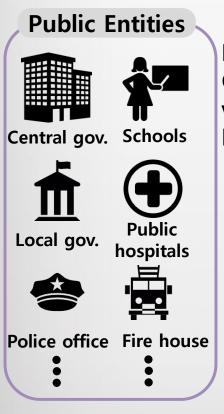
## Subcontract Management System

Enhance fair subcontract trade, solution for cooperative relationship between main and sub-contractors

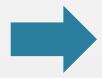


### **Public Procurement Statistic System**

- Entire public procurement data in Korea is collected for efficient procurement policy making and analysis
- Launched in March 2015

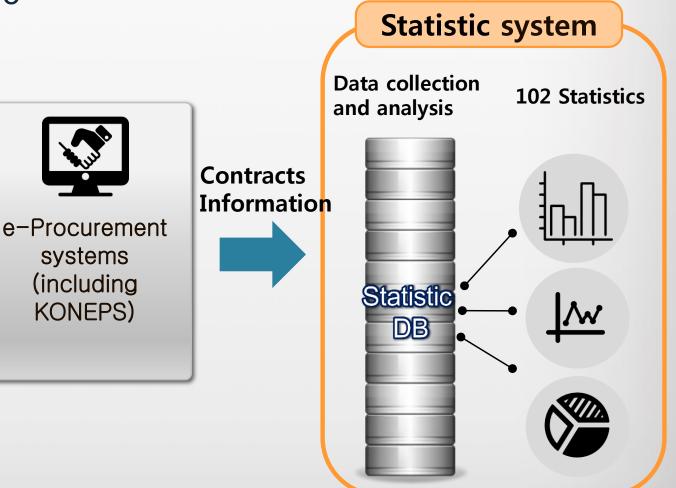


Data Collection via System Linkage



#### **100** Data

- · Bid Notice
- · Contract
- Delivery
- · Ordering



## Lesson Learned on System Linkage

- 1 Building partnership with institutions for system linkage
  - Partnership terms must be specified through set of rules or MOU
  - PPS has national contract law and MOU for the linkage
- 2 Use of single standard under common system protocol
  - To maintain a huge amount of info in a consistent manner, it is critical to follow standards
  - PPS using standards like XML and SOAP
- **3** Plan for Security Issues
  - Depending on type of linked info, security guarantee must be made in varying degrees
  - In particular, containing personal info. or sensitive corporate info. need special attention
  - PPS is using public authentication-based encryption and electronic signature
- 4 Law and regulations for information sharing
  - Electronic Government Act
  - Act on Utilization and Promotion of e-Procurement

## Way Forward on System Linkage



#### **Expansion of cross boarder procurement information**

- By system linkage of bidding notices of countries, there will be great opportunity of participating high-quality suppliers
- Sharing National Certification such as Green product, Energy level, through among linked e-procurement systems

#### Standardization of international procurement process and info. formats

■ To encourage international procurement, standardization is needed for international procurement process and information formats



## **Thank You**

