

Streamlining government procurement in South Korea

To drive efficiency and integrity in government procurement, South Korea built on its e-procurement initiatives from the 1990s to launch an advanced e-marketplace: the Korea ON-Line E-Procurement System (KONEPS).



Action



KONEPS now [manages over two-thirds](#) of South Korea's government procurement business for central and local government, as well as for public institutions, including bidding, contract signing, and payment.



KONEPS has also tackled fraud and mismanagement of funds within the public sector. For example, [all bids are opened online in real time](#), and the results are accessible to the public.



In terms of payment to vendors, KONEPS is a world-class model, [paying its suppliers within four hours](#) of their request for payment.

Result

KONEPS is estimated to [save the public around \\$8 billion \(8.9 trillion South Korean won\) annually](#). Now, nations such as Jordan, Costa Rica, and Vietnam are creating their own versions of KONEPS.

\$8 billion

in estimated annual savings

Discover more ways that governments are transforming procurement and payments using digital solutions.

[Read the white paper](#) from Visa and Kearney.