



## Abstract

### Fair public procurement policy and system for Gyeonggi-Do

Public procurement, the purchase of goods, services and works by governments and state-owned enterprises, is increasingly used by governments as a strategic tool to deliver their mandates and achieve broader policy objectives. The sheer size of public procurement comes approximately to 8.4% of the GDP of Korea.

The Public Procurement Service of Korea runs exclusive and centralized operation system. This system produces various problems as well as this runs counter to the trend of decentralization system. Arguments over higher prices of public procurement than general market prices are repeatedly raised.

The process of utilization of commission revenue reveals evidences of unfair by excluding opinions and comments from consumer organizations. The survey conducted by the GRI confirms discontents form both sides of consumer organizations and suppliers.

The purpose of this study is to build the fair public procurement system for Gyeonggi-Do which is suitable for decentralization era. For this, comprehensive policies are suggested including a dualized shopping malls, activation of fair commission policy, social responsible public procurement, prevention system against unfair business practices, and fast tracks for the safety of people.

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ISMP(Information System Master Plan) is suggested in order to build Gyeonggi-Do's own fair public procurement system and the cost required to establish the public procurement system is calculated. Plans for the operating organization for the fair public procurement system of Gyeonggi-Do are designed.

The result of fiscal analysis of the fair public procurement system of Gyeonggi-Do shows sufficient feasibility. The fair public procurement system of Gyeonggi-Do generates from the minimum of 3.1 billion won to the maximum of 62.7 billion won of social welfare. Also it allows new business opportunities for enterprises. For the success of the fair public procurement systems of Gyeonggi-Do, institutional improvement is needed. Inducement for the local governments to participate in this fair system is also essential.

**Keyword** Gyeonggi-Do, Fair, Public procurement, financial feasibility, Social Responsible