



IMPROVING PERFORMANCE AT THE NEXUS OF THE COMMERCIAL AND SOCIAL SECTORS

ABSTRACT

ELIMINATING GOVERNMENT OVERPAYMENT FOR GOODS AND SERVICES (DECEMBER 2012)

Among government activities, public procurement is considered the most susceptible to corruption. In OECD countries, according to the 2005 Executive Opinion Survey of the World Economic Forum, the bribery by multinational companies had been more spread out in government procurement than in utilities, taxation, and judiciary. As a result of corruption practices like bid rigging (anti-competitive agreement) and agreements on price in public procurement, governments overpay for goods and services, hindering economic development and not meeting their commitment to taxpayers. Transparency and accountability have been acknowledged as fundamental terms for advancing integrity and eradicating corruption in public procurement. The South Korean government's procurement system provides one of the best practices in eliminating government overpayment for goods and services.

