



# Public Procurement for Innovation and Demand-side Policy in Korea

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# Public Procurement System in Korea

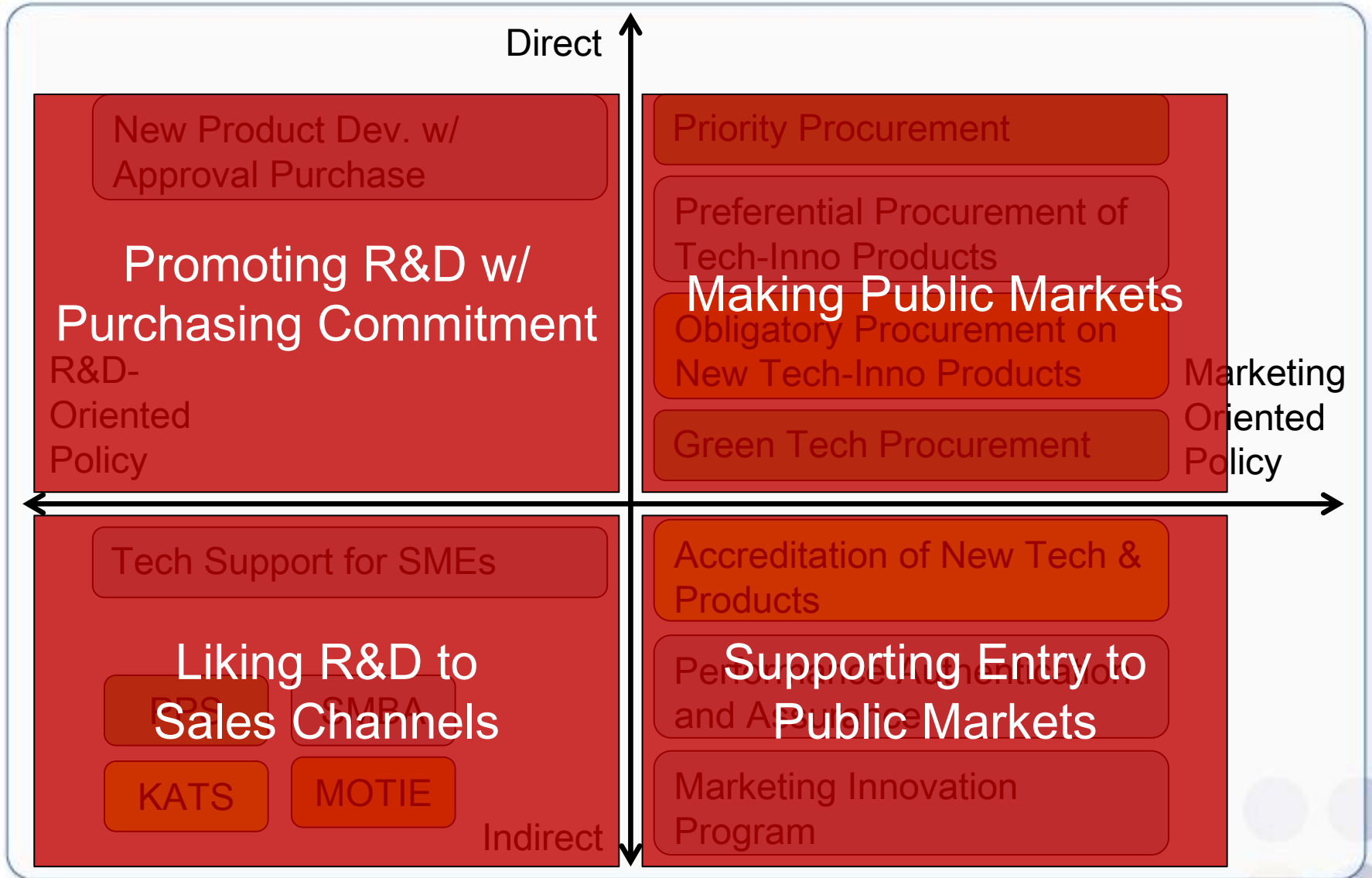


- 100 ~ 120 Trillion KRW (about 67% from SMEs)
- 4% ~ 5% / Total Market
- 8% ~ 10% / GDP
- Purchasing Ratio of PPS: 30% ~ 35%
- about 70% from SMEs
- PPI = about 10%

Source: [www.pps.go.kr](http://www.pps.go.kr) (2014)

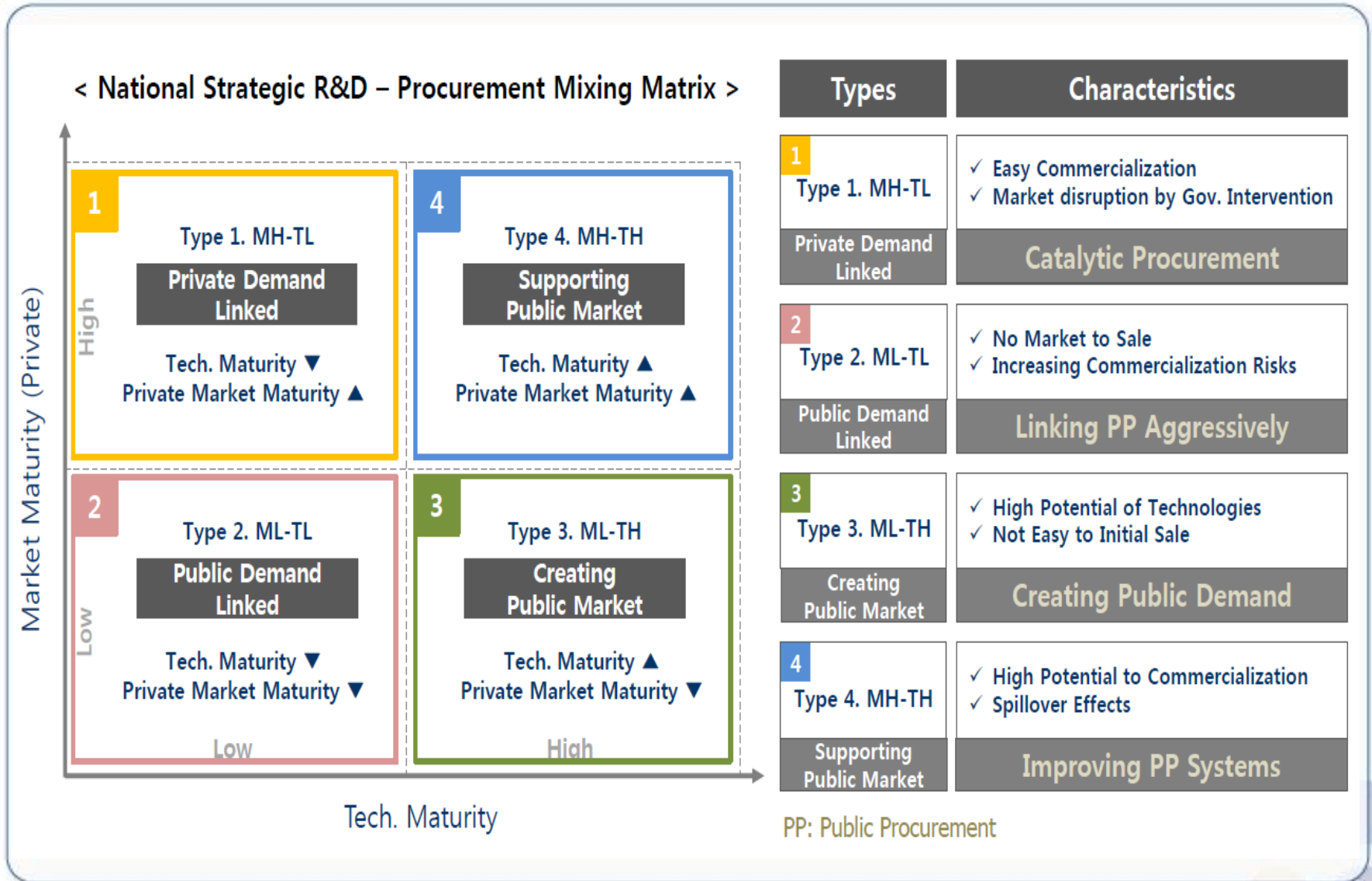


# PPI Programs in Korea



Source: Choi et al. (2014)

# National Strategic R&D & PPI Matrix

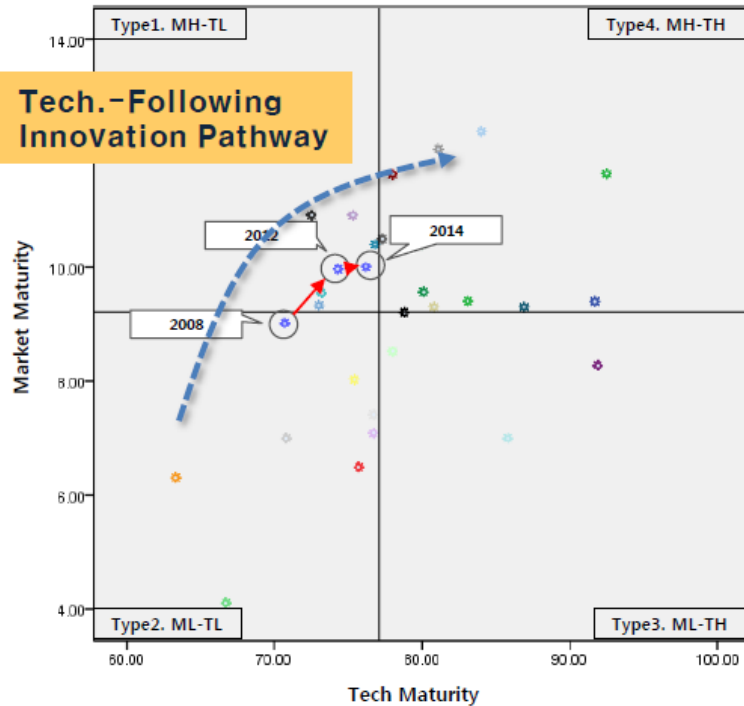


Source: Choi et al. (2016)

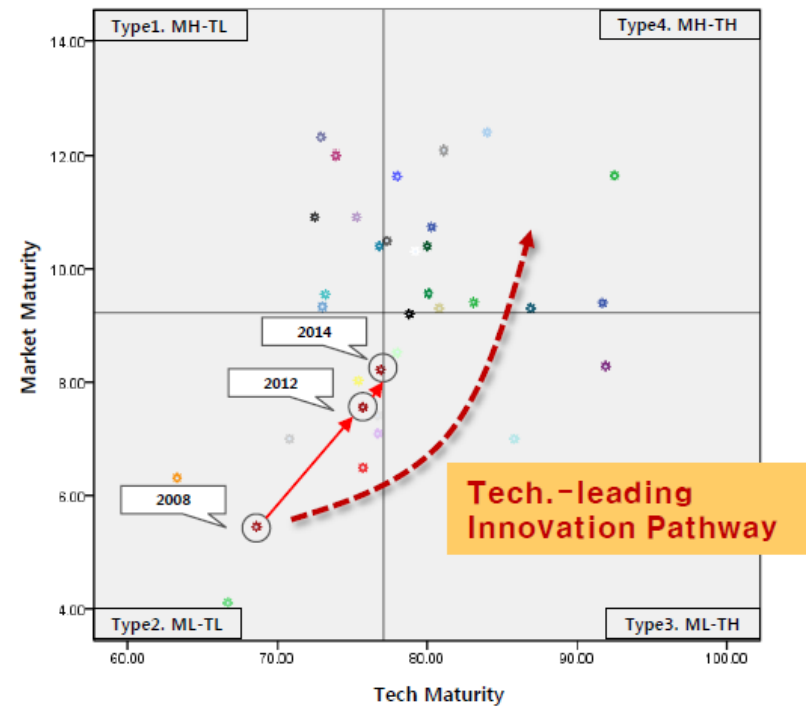


# Institutional Types of Public Procurement

< Ex. 48. service robot technology >



< Ex. 32. Disease diagnostic biochip technology >

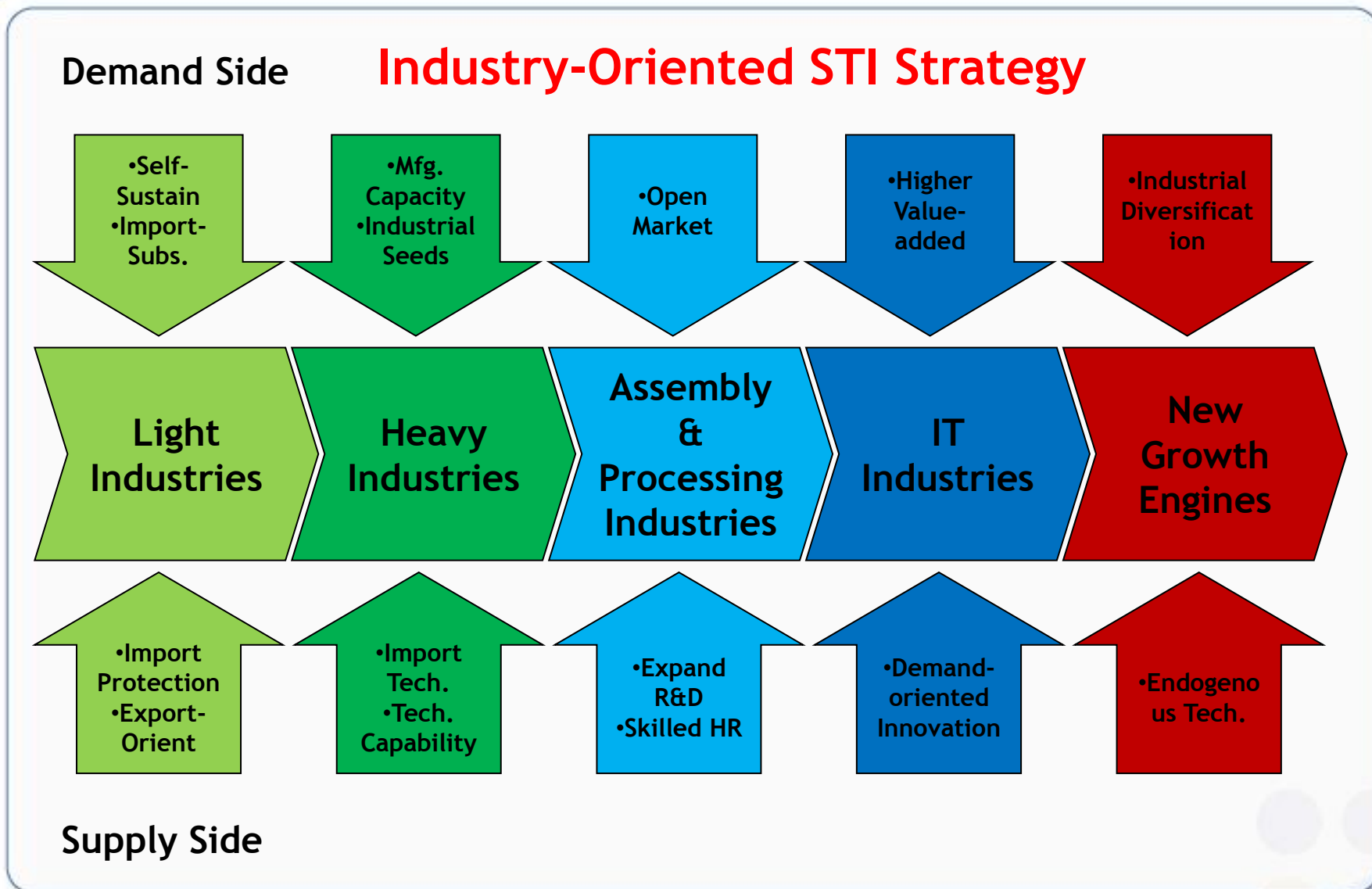


- Comment: 1) Standard of Classification : X axis – 77.11(Technical level Average of 117 Technologies, Y axis – 9.22(Market size average of 117 Technologies. about 1trillion)  
2) This study was conducted to collect additional data for time series analysis, the collected data is as follows.  
Technology level and domestic Market size of '32. Disease diagnostic biochip technology' and '48. service robot technology' in 2008, 2012 and 2014.  
3) The market size of 48. service robot technology includes all of the construction, disaster treatment, industrial robots markets.

Source: Choi et al. (2016)



# Creating Industrial Demands for Innovation



Source: Jang (2016)



# Thank You!

For Further Comments & Questions;

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