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Comprehensive Platform Due in 2007 e-Trade Transformation in Full Swing in Korea

In line with revolutionary changes in the global trade paradigm, e-trade is emerging as a new engine for world trade and prosperity. Experts have projected that by 2020 e-trade will account for more than 30% of global trade. Most importantly, e-trade, which allows trade transactions anywhere, anytime, is oriented to the convenience and prosperity of everyone.

As the 12th largest trading nation in the world, Korea is building e-trade infrastructure with the ultimate goal of creating a single global window. The Korean journey to build a 21st century Silk Road is being fueled by its strong position in the IT sector plus the public's enthusiasm for e-transformation.

The Korean e-vision is in concert with the national roadmap to build a Northeast Asian economic hub as well as the blueprint to become a G8 trading country by 2010.

On Sept. 8, the second National e-Trade Committee, consisting of government officials and private sector experts, finalized an innovative e-trade promotion program. The pan-national program features 33 roadmaps in four key areas -- establishing a pan-national Internet-based infrastructure with the construction of an e-trade platform by 2007; reinforcement of trade procedures to realize seamless e-trade services; strengthening of global cooperation to achieve international paperless trade; and improvement of related laws and regulations to accelerate e-trade utilization.

The national e-trade platform includes conversion of the system that presently supports 1:1 trade services to one that supports an N:N model and integration of separate networks into a single network that encompasses all related trade activities including marketing, logistics, customs, etc.

Other roadmaps aim to achieve a reliable system that integrates on and offline transactions, obtain a one-stop requirements certification system to shorten the process of inspection and issuance of confirmation certificates, and create logistics and customs-related e-documents for B2B and cargo transportation systems.

Under the global cooperation initiative, the committee will strive to expand joint government-private sector e-trade pro-



jects under the auspices of APEC, ASEM and PAA (Pan-Asia e-commerce Alliance) as well as bilateral private-sector projects like those currently underway with Germany, France, Japan and the UK.

To expand awareness of and participation in e-trade, the government is in the process of developing and implementing related laws and systems such as those that would support Internet-based e-trade. One of these initiatives is the conversion of the existing Trade Automation Law into the e-Trade Expedition Law, which will reflect the recommendations of related businesses.

In addition to policy-based initiatives, the e-trade innovation program seeks to cultivate technology development and IT specialist education and training to help create a fertile e-trade environment.

When all of the projects have been implemented, annual economic effects in the range of US\$1.64 billion are expected. This is broken down into US\$609 million saved by ending duplicate document processing, US\$245 million redirected from duplicate or unnecessary IT investment and US\$718 million in increased exports due to stronger price competitiveness.