

# TI IPP STRONGG IN INDONESIA

## Inclusive and Accountable Public Procurement

Launched in 2000, Transparency International Indonesia (TI Indonesia) is part of the Transparency International global coalition against corruption. The TI Movement brings together chapters operating in more than 100 countries worldwide with an international Secretariat based in Berlin, working towards a shared vision: a world free of corruption.

### BACKGROUND

In Indonesia, corruption remains endemic in many sectors, including in the bureaucracy, the judiciary, and the police. From 2017 to 2019, Indonesia improved its score in Transparency International's [Corruption Perceptions Index \(CPI\)](#), rising from 37 points in 2017 to 40 in 2019, which may be linked to the government's attempts to reform the business environment, as well as the performance of the country's Anti-Corruption Agency, the Komisi Pemberantasan Korupsi (KPK), which enjoys strong support among the public. However, the score dropped to 34 in 2023. In addition, [Transparency International's Global Corruption Barometer - Asia 2020 \(GCB\)](#) reveals that half of

the population in Indonesia believes that corruption levels have increased in the 12 months prior to the survey. It also indicates a fairly high bribery rate, with a third of people surveyed admitting that they paid a bribe to access a public service over the 12-month period.

### PROJECT APPROACH

With support from the *TI Indo-Pacific Partnership for Strong, Transparent, Responsive & Open Networks for Good Governance (TI IPP STRONGG) 2020 - 2023*, TI Indonesia worked toward engaging various actors, particularly women and youth, and facilitated collaboration initiatives with state institutions to increase social accountability at the local level and strengthen national anti-corruption policies and institutions. The *Strengthening Integrity for an Inclusive and Accountable Public Procurement (SIAPP)* project primarily aimed to reduce corruption in public procurement in three local



*Consolidation among civil society, academics, the Indonesian Procurement Experts Association, and the National Public Procurement Agency in response to the Public Procurement Bill / Picture @ TI Indonesia*



*'Perempuan Menggugat' (Women Reclaiming: Women in the 2024 Election Year). Several key issues discussed were the intersection between the needs of women, people with disabilities and traditional community groups in public services. Picture @ TI Indonesia*

areas: Aceh Province, Jember Regency, and Kupang Regency through engaging and empowering local youth groups. The project was implemented over a period of 3 years and 7 months, from June 2020 to December 2023.

## SIAPP's ACHIEVEMENTS

### Strengthening e-Procurement through the Adoption of a Public Procurement Bill

As a result of TI Indonesia's advocacy to build trust within the local government and community through policy formulation and implementation, the Government adopted crucial proposed regulations, including the long-awaited Public



*The procurement monitoring committee of young people is discussing the social audit findings of the monitoring results with village officials. / Picture @ TI Indonesia*

Procurement Bill. This regulation aims at strengthening e-Procurement, promoting inclusivity in the public policy-making process, and supporting the transition of public procurement from the current ad-hoc local government procurement unit to a structured, independent unit.

### Stronger Partnerships in Monitoring Public Procurement

TI Indonesia, in collaboration with local partners, consistently organised multi-stakeholder forums and conducted social audits involving local governments, procurement units, civil society groups, and youth groups. The aim was to emphasize the significance of engaging the public in monitoring the public procurement process. Around 37 public procurement projects have been observed, consulted, and followed up by the relevant institutions.

Under the ICRAF Project, the primary findings from the corruption risk assessment in the infrastructure sector illustrate that most government infrastructure projects monitored violate legal quality decision-making. The implication is that these projects have the potential to be classified as "white elephant projects," where the projects built look grand, even though they have high costs and a deficit of social benefits.

## TI Indonesia's Resilient Response to the COVID-19 Crisis

Procurement monitoring and reporting mechanisms play a crucial role during a pandemic, as they enable citizens to oversee public resource allocation and policy decision-making. In the first year of the project, TI Indonesia and its partners launched a study on local public procurement on COVID-related goods and services. The study uncovered instances where government procurements did not align with citizen needs, such as the provision of sinks in 390 activity packages in the Aceh province. This procurement appeared forced by subdividing the work package to facilitate direct implementation, resulting in substantial state losses amounting to IDR 7.2 billion. Similarly, in Kupang, a school building repair project valued at IDR 26 billion was marred by poor quality goods, as revealed by TI Indonesia's Procurement Monitoring Committee. Consequently, the Youth Monitoring Committee forwarded its findings to the High Prosecutor's Office. The Youth Committees' findings underscore the persistent lack of transparency in procurement processes, despite their digitalization, and highlight the significant role of public involvement in curbing corrupt practices in public procurement.

All four analysed projects failed to meet lawfulness, effectiveness, efficiency, and social legitimacy in decision-making, except for the Sidrap I Wind Power Project construction. In addition, none of the infrastructure projects monitored complied with the requirements of the Law on Public Information Disclosure No. 14 of 2008. For works not carried out by public bodies, almost no information was provided, either proactively or reactively, despite the regulation mandating public bodies to provide and/or publish information, except for that exempt under the provisions.

### Mobilising Citizen to Demand Accountability

Approximately 100 people from 20 cities and districts actively monitored public procurement, with over half representing networks of youth groups, student organisations, and journalists. About 38% of the total participants come from vulnerable groups, strategically positioned as resource persons, policy designers, and focal points in advocacy and campaign activities. TI Indonesia also worked to mainstream intersectionality in the public procurement accountability movement.

### Empowering Youth: Advocating for Transparency in Public Procurement

The engagement of youth in overseeing public procurement processes has surged in TI Indonesia's initiatives. Initially, each region mobilised only 10 individuals. Through the project, regional partners extended involvement to various youth networks, including village youth communities, student groups, and disability advocacy organizations in Aceh, Jember, and Kupang, mobilising a total of 250 individuals. Collaborating with anti-corruption civil society networks across Indonesia, these youth networks have effectively advocated for key recommendations to be incorporated into the draft public procurement law. Notably, through the Indonesian Open Government mechanism, significant proposals for reforming procurement practices have been endorsed.

One pivotal proposal pertains to the integration of beneficial ownership data and the inclusion of historical price offers in e-catalogues. Additionally, there is a push for comprehensive integration of procurement processes. This concerted effort signifies a significant stride towards fostering transparency and accountability in public procurement procedures nationwide.