



Methodology for Assessing Procurement Systems (MAPS)
(Volume III - ANNEXES)

Indonesia

Assessment of the
Public Procurement System

May 2024



Volume III: Annexes

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Annex 1: Concept Note and related material -Final Revised in November 2019 (draft version of Sep 2019)

I. Context

Public procurement is estimated to account for 54 percent of the total government expenditure in Indonesia¹. Over the last decade, the Government of Indonesia has made substantial progress in improving the regulatory framework for public procurement. The National Public Procurement Agency (LKPP) was established in 2007, as the regulatory agency responsible for formulating and developing public procurement policy. Presidential Regulation No. 54/2010 (*Perpres*) was enacted in 2010 to govern all public procurement in the country and has since been amended four times, and the last one was in 2015 to promote use of accelerated tender processing with full use of e-procurement system. Under this regulation, dedicated procurement service units (ULPs) staffed with certified procurement officials were required to be established in each line agency by 2014. Use of full e-procurement system was mandated in 2015 and an e-catalogue has also been established. Various capacity building initiatives have also been undertaken to develop procurement knowledge and skills of staff followed with development of a monitoring and evaluation system.

Further reform initiative was made to issue a revised Public procurement, which become effective since July 2018 i.e. Presidential Regulation (*Perpres*) No. 16/2018 on Public Procurement, superseding the previous *Perpres*54/2010, which had been amended four times. The multiple amendments of the previous *Perpres*54/2010 introduced further measures for strengthening the legal framework for public procurement based on the implementation experience gained and also to align with changes in other regulations issued by the Government to maximize the use of public funds. The amendments included mandating the establishment of dedicated procurement services units including clarifying the roles and responsibilities of officials involved in procurement and contracting, requiring use of e-procurement system including e-catalogue, promoting use of SMEs, etc. The new regulation *Perpres*16/2018 sets out main objectives and policies aimed at (i) increasing quality of procurement planning; (ii) promoting transparent, open and competitive procurement; (iii) strengthening the institution and human resource capacity; (iv) developing procurement e-marketplace; (v) using of ITC technology and electronic transaction; (vi) promoting use of local content and national standards; (vii) increasing the opportunities for the Micro and SMEs; (viii) promoting use of research and creative industries; and (ix) implementation of sustainable procurement. All government units at the national and subnational levels are required to continuously adopt e-procurement system to increase transparency and efficiency in the procurement process, and to establish permanent and independent procurement service working units (UKPBJs) with certified personnel at all levels of government, to standardize the organization of procurement across the entire government

II. Objectives and background

The ability of the public procurement system for ensuring effective management and use of public financial resources is key to the socio-economic development of the country. As an integral part of the national PFM reform program in Indonesia, strengthening of public procurement systems is central to achieve concrete and sustainable results and to build effective institutions.

¹ National Procurement Profile Summary Report, LKPP, 2017

For this purpose, the public procurement system in Indonesia will be assessed using the 2018 version of Methodology for Assessing Procurement Systems (MAPS) to prioritize the attention and support to the areas needing further improvement in achieving the value for money consideration with use of sustainable and modern procurement system. The assessment aims to (i) identify possible and significant gaps that negatively impact the quality and performance of the public procurement systems; (ii) provide a comparative analysis and recommendations to enhance the efficiency and performance of public procurement system, (iii) set an agreed road map according to the vision and mission of LKPP to continuously enabling effective implementation of the public procurement framework for better procurement performance and outcomes.

The last comprehensive assessment of the Indonesia's public procurement system was carried out when the Country Procurement Assessment Report (CPAR) was prepared in 2001 by the World Bank. The self-assessment Snapshot Assessment of Indonesia's Public Procurement System was carried out by the Government of Indonesia and led by the interim "Center for Development of Public Procurement Policy" within the National Development Planning Agency (Bappenas) in 2007 to piloting OECD/DAC Procurement JV Baseline Indicator (BLI) Benchmarking Methodology Version 4. The assessment would also lay the foundation for a subsequent CPAR. The recently conducted PEFA assessment in 2017 looked at only a few indicators which point to continuing challenges, such as a significantly high portion of the procurement spend in the country still being carried out through non-competitive methods, the procurement complaint handling mechanism not being sufficiently independent, lack of a functional monitoring and evaluation system with the required level of granular indicators to enable useful analysis of procurement and contract performance, etc.

As indicated above, while the government has introduced from time to time various measures intended to strengthen the procurement regulatory framework, there has been no comprehensive assessment carried out recently. Therefore, there is a need for such assessment to take stock of the current status and functioning of the overall public procurement system to be able to establish to what extent the individual measures have collectively resulted in establishing a robust public procurement system and how the system is performing in delivering the desired outcomes. The assessment is also required to incorporate additional features designed for a strategic approach to public procurement, and thereby enable the government and the development partners to use the findings and recommendations of the assessment to prioritize the attention and support to the areas needing further improvement.

LKPP has proposed the current assessment to cover only the core areas under the four pillars of the MAPS methodology. Considering that the procurement reform effort so far has largely related to changes in the legal and institutional framework, the assessment may place additional emphasis on Pillar III related to procurement operations and market practices and under Pillar IV related to accountability, integrity, and transparency. This will be achieved based on hard data on procurement cases and survey results to assess market response to public procurement solicitations, transparency measures, and results on ground that influence development outcomes, improved service delivery and trust in government. After completion of the core assessment the Government may consider the need for undertaking subsequent assessments of particular aspects using MAPS Supplementary Modules in future.

III. Tasks to meet the objectives

The assessment will be conducted on all four pillars of MAPS II, i.e., (i) legal, regulatory and policy framework; (ii) institutional framework and management capacity; (iii) procurement operations and market practices; and (iv) accountability, integrity and transparency, and will be conducted in three phases – initiating phase, assessment phase and validation phase.

During the initiating phase, LKPP as the main counterpart of the Government and other stakeholders will be informed about the study mainly to build consensus on the methodology for the study. The output of this phase is the detailed concept note for the assessment.

At the assessment phase, this will include desk reviews of documents, collection of procurement data from the selected implementing agencies and other sources, interviews and focused group discussions with the key stakeholders of the of the procurement system, and analysis of data. This will include the following tasks as part of the first mission: (i) obtain data and information for analysis of the country context (ii) carry out assessment in three steps as detailed in section IV; (iii) initiate meetings with key stakeholders and obtain their input on relevant indicators; (iv) initiate collection of data for sample cases; this part of the task with coordination support from the National MAPS Task Team and inputs of the selected agencies; and (v) initiate survey of private sector participants both electronically and through face-to-face interaction and seek their input *inter alia* on their perception of public procurement and factors that inhibit competition to substantiate the assessment of the some of the sub-indicators as required by MAPS Methodology.

The intermediate outputs of the assessment report shall be discussed with assigned representative(s) of LKPP together with selected government units and their feedback obtained. The final output for this phase is the draft Indonesia Pubic Procurement Assessment Report.

During the validation phase, findings of the assessment will be shared with the main counterpart of the Government and other stakeholders for their comments and endorsements.

The Final Assessment Report will take account of suggestions and comments received during the quality assurance process and will consist of an executive summary and a main report in English and Bahasa.

[Note: The Methodology for Assessing Procurement System (MAPS) is available at the following website: <http://www.mapsinitiative.org/methodology/>]

IV. Focus and Scope of Assessment

The assessment will cover the overall national public procurement system under the jurisdiction and advisory functions of LKPP, excluding the procurement under PPP scheme and by the state-owned enterprise as these are not governed by the national public procurement regulations and at this stage LKPP does not want these to be included in the current core assessment.

A set of quantitative indicators offers the opportunity to substantiate the assessment of several sub-indicators by taking performance-related data into account. Therefore, the assessment also includes the review of a sample of actual procurement transactions (files) from a (minimum) set of 15 quantitative sub-indicators and a survey which will be conducted to substantiate the assessment of the selected procurement sample cases of selected sub-indicators to be defined after data collection stage.

The assessment will apply the MAPS indicators using the following three-step approach:

STEP	Assessment	Ref.
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Step 1	Review of the system applying assessment criteria expressed in qualitative terms. Preparation of a narrative report providing detailed information related to this comparison (actual situation vs. assessment criteria) and on changes underway. ²	Section I 15-16
Step 2	Review of the system applying a defined set of quantitative indicators, applying at least a (minimum) 15 set of quantitative indicators defined. Preparation of a narrative report detailing the findings of this quantitative analysis	Section I 17-19
Step 3	Analysis and determination of substantive or material gaps (gap analysis). Sub-indicators that exhibit a “substantive gap” need to be clearly marked to illustrate the need for developing adequate actions to improve the quality and performance of the system. In case of identified reasons that are likely to prevent adequate actions to improve the system, “red flags” need to be assigned. Red flags are to highlight any element that significantly impedes the achievement of the main considerations of public procurement and that cannot be mitigated directly or indirectly through the system.	Section I 20-24

V. Information Sources

Better procurement performance and outcomes are measured by assessing the quality and performance of the public procurement system. Therefore, this assessment will also look at how the procurement system in Indonesia operates and performs in practice.

Data collection will be taken directly from the backup servers of each procuring entity e-procurement system services (LPSE) and the national e-procurement portal (INAPROC) to be provided by LKPP. Database and records will be also used and for authorization of access, if needed, will be requested to the procuring entities through LKPP. Other decentralized systems may be also considered for use quantitative sampling, e.g. “BIRMS”(Bandung Integrated Resources Management System) developed and owned by the Government of BandungCity, and “e-mon” for contract monitoring developed and owned by the Ministry of Public Works and Housing.

Based on consideration of ensuring effective management and use of public financial resources, the sampling strategies and sampling sizes will consider top and low-spending procuring entities cut across different level of government with units at national level (line ministries and agencies) and sub-national level (local governments) with a wide geographic spread. Other consideration will be given to the sampling approach used by LKPP in its Pilot Study Compliance Performance Indicator (CPI) carried out in 2011. In the initial mission, the Assessment Team shall finalize with LKPP, selected number of government units and number of cases for sample (procurement files) based on these considerations consistent with guidance given at paragraph 27 and 28 of MAPS Methodology. The required template for collection and analysis of sample cases shall be shared with LKPP and the selected government units prior to the initial mission. Further as part of initial mission, a

questionnaire shall be prepared for private sector survey (like electronic SurveyMonkey) based on standard template and adapted for Indonesia with input mainly from LKPP.

² Template: MAPS Indicator Matrix to document the detailed assessment results (Steps 1-3)

VI. Leadership and Assessment Team

This assessment will be carried out by the World Bank task team under the supervision and direction of the Bank staff under the Solutions and Innovations in Procurement (SIP) unit of the Governance Global Practice (GGP), in cooperation with LKPP and the Asian Development Bank (ADB), and with the support of specialized consultants experienced in carrying out similar procurement system assessments. An event organizer is also expected to be hired to assist organizing the workshops and dissemination events with the support of the ADB.

The proposed activity will also serve as a pioneering exercise in the region in using the latest version of MAPS tool which is now being pilot in various other countries. The main assessment will be conducted by the team having complementary skills mainly in the areas of legal, procurement and market, contract management, trade and private sector, and anti-corruption.

A. Assessment Steering Committee

The composition of the Assessment Steering Committee (ASC) will be further discussed and finalized by the Launch Workshop, based on criteria that ensures representation of higher-level officials from relevant organizations with experience in the development of the country procurement system. ASC will provide guidance to the assessment team during the assessment and will also review the draft outputs of the assessment team before seeking validation by the MAPS Technical Advisory Group (TAG). At this time, ASC is expected to comprise of the following officials:

- LKPP, Deputy Chairman for Policy and Development Strategy
- LKPP, Deputy Chairman for Monitoring-Evaluation and Information System Development
- Director General of selected line ministries
- Regional Secretary of selected local governments
- World Bank, Lead/Senior Procurement Specialist
- Asian Development Bank, Principal/Senior Procurement Specialist

B. The Assessment Team:

The following assessment team will carry out the assessment, in consultation with the Assessment Steering Committee, including collection and analysis of data, reviewing selected procurement cases, proposing recommendations and documenting the detailed assessment results in accordance with the methodology.

- Procurement Specialists (WB)
- Senior Counsel (Procurement)(WB)
- Financial Management Specialist (WB)
- Public Sector Specialist (WB)
- Economist (WB)
- Lead International Consultant (WB)
- National consultant (ADB)
- Senior Procurement Legal Consultant (WB)

LKPP and other selected government units and will assign officials for coordination and support to the Assessment Team in carrying out the assessment. LKPP will issue a Chairman Decree for establishing a National MAPS Task Team for this purpose.

VII. Stakeholder Arrangements

As part of the stakeholders' consultations, the Assessment Team will also consult with other government procuring agencies that are not already represented in the ASC to bring in broader procurement implementation perspective. Oversight agencies such as Ministry of Finance, Ministry of National Planning (*Bappenas*), Supreme Audit Institution (BPK), internal government audit agency (BPKP), etc., will also be consulted and they play an important role in creating the demand for further procurement reform. The Assessment will also seek inputs and feedback from other development partners actively involved in the procurement reform agenda in Indonesia. Civil Society Organizations (CSOs) involved in public procurement oversight, are amongst the stakeholders that will be consulted together with the business associations (contractors, suppliers, consultants), academies, journalists associations, and media. Names of identified stakeholders, their level of involvement and roles will be discussed and mutually agreed by LKPP and the Bank before the launch workshop is held. Other potential stakeholders will be added to the list following the result of the analysis of the country contexts, which will also be presented through a working group workshop.

VIII. Validation of assessment results

In terms of process and sequencing, the initial results of assessment shall be shared with LKPP at the stage of preparation of draft report and their input sought. The Assessment Team shall seek input from key stakeholders at the stage of draft report through face-to-face interaction.

To ensure that the assessment findings are valid and credible, a joint validation workshop shall be arranged in collaboration with LKPP and ADB involving all stakeholders to agree on: (i) findings of the assessment, (ii) reform priorities, and (iii) a shared strategy for addressing key weaknesses in the public procurement system.

A robust quality-assurance approach shall be followed on review of compliance with the assessment process and assessment report as per the MAPS methodology including quality review of assessment results by the peer reviewers within the World Bank, MAPS Global Team of the World Bank before a decision meeting with the World Bank Management. After clearance from the Bank Management review by a designated MAPS Technical Advisory Group (TAG) shall be sought as required by the process for external certification of MAPS assessment and their comments incorporated in the final report.

More precise modalities of these review and its timing will be firmed up during the course of the assessment.

IX. Communication and Cooperation

During the assessment regular meetings will be held between the ASC and the Assessment Team, coordination support by the MAPS National Task Team, to update the progress and resolve any obstacles and/or bottlenecks that may occur during the assessment period. Involvement of stakeholders shall be ensured both individually and collectively by one-on-one discussions, in ASC and through validation workshop.

The Assessment Team shall seek expertise from communication specialists of the World Bank to highlight and disseminate the key recommendations and to differentiate between the hard-core procurement technical recommendations and more strategic areas of assessments and reforms so that the required support for effecting needed reform is available from decision makers at policy level of the Government and legislative

bodies.

In addition, the Assessment Team will coordinate with the Task Team Leader of the PFM-MDTF (the primary funding source for this assessment) to liaise with the MDTF Donors and periodically update the progress of the assessment and to ensure consistency of the assessment with the overall PFM reform program in Indonesia.

The results of the assessment will be published at the MAPS, World Bank's and ADB's external websites, and also disseminated at national and international events and be presented to the higher level in the Government. The findings will be also used by other development partners to facilitate their country assessment and investment strategies to prioritize the attention and support to the areas needing further improvement.

X. Outputs and timetable

The main output of this activity will be a bilingual report assessing the adequacy of the current Public Procurement System using the 2018 version of MAPS tool to identify strengths and weaknesses and providing recommendations for further improvement which will form the basis for the Government to consider prioritizing future procurement reform efforts, setting revised targets, and making necessary adjustments in procurement policy and implementation modalities. Preparation and subsequent dissemination of the assessment report will involve extensive consultations with a wide range of stakeholders from the Government, development partners, private sector and civil society, for which a number of meetings and workshops will be arranged. These arrangements and timetable can be seen in the following tables.

Table 1. MAPS Working Arrangements

Output/Associated Event	Responsible	Cooperation with	Deadlines
Concept Note	The World Bank	LKPP, Peer Reviewers, MAPS Global Team, MAPS TAG	end Sep 2019
Organizational and logistical arrangements (including selection of consultants and ensuring that required information and data is available)	The World Bank	LKPP, MAPS Global Team	end Sep 2019
		Assessment Steering Committee	
Launching Workshop	The World Bank, ADB	National MAPS Global Team	mid Oct 2019
Analysis of County Context	Assessment Team	Assessment Steering Committee, National MAPS Global Team	end Oct 2019
Assessment of the Public Procurement System	Assessment Team	Assessment Steering Committee, National MAPS Global Team	mid Dec 2019
(a) Develop and regularly update assessment schedule			
(b) Collect data (qualitative and quantitative data)			
(c) Apply the MAPS indicators using the three-step approach (refer to MAPS User's Guide, paragraphs 13-24)			
Developing Recommendations for Prioritised Reform	Assessment Team	Assessment Steering Committee, National MAPS TaskTeam	mid Jan 2020
Validation of Findings (Consultation Workshop)	The World Bank, ADB and LKPP, facilitated by	Assessment Steering	end Jan 2020
		Stakeholders	
		External partner	

	Assessment Team	Peer Reviewers	
		National MAPS Task Team	
Assessment Report	Assessment Team	Assessment Steering Committee, MAPS Global Team/TAG	
(a) Draft Report			end Feb 2020
(b) Review/Comments			end Apr 2020
(c) Final report			end May 2020
Publication of MAPS Assessment Report (Final Workshop)	The World Bank, LKPP, MAPS Global Team	National MAPS Task Team	mid Jun 2020

Note: There is a delay of about 2 years in completion of MAPS Assessment as explained in the introductory part of the Main Report

Table 2. MAPS Timetable(as per Concept Note)

TASK	TIMELINE (JULY 2019-June 2020)											
	Q1 (JUL-SEP)			Q2 (OCT-DEC)			Q3 (JAN-MAR)			Q4 (APR-JUN)		
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
1. Concept Note,Logistics4												
2. Launch												
3. Analysis of CountryContext												
4. Assessment: DataCollection												
5. Assessment: Analysis(3-steps)												
6. Recommendations												
7. Validation												
8. Report Writing(Draft-Reviews)												
9. DraftReport												
10. MAPS QualityAssurance												
11. FinalReport												
12. Publication andDissemination												

4 This is part of the preparation of the assessment by the World Bank and not part of this assignment

XI External support and budget

The cost estimate for the assessment are prepared as follows:

Table 3. MAPS Cost Estimate

Item	Unit cost	Units	Total (in USD)
Government staff	Cost/month	Months	
Assessment Steering Committee	N/A*		

Assessment Team	N/A*		
Administrative support including local travel	N/A*		
Sub-Total Government Staff			
Bank staff-time	Cost/Week	Weeks	
Lead Procurement Specialist	12,776	0.4	4,685
Senior Procurement Specialist	7,472	1.0	7,671
Procurement Specialist	3,218	4.0	12,743
Public Sector Specialist	3,218	0.2	708
Financial Management Specialist	3,218	0.2	708
Economist	3,218	0.2	708
Senior Counsel (Procurement)	10,032	0.2	2,207
Sub-Total Bank Staff			29,430
Expert Costs	Daily rate	Days	
National Consultant - Senior**	566	50	28,302
Lead International Consultant	748	50	37,400
Senior Procurement Legal Consultant	1,180	15	17,700
Sub-total External Experts			83,402
Travel Costs (Travel, accommodation, per diem)	Cost/trip	Trips	
Local Travel	1,000	8.00	8,000
International Travel for Lead International Consultant	6,000	3.00	18,000
Sub-Total Travel costs			26,000
Other Expenditure (costs for consultations, workshops, dissemination, etc.)	Cost/Event/Package	Package	
Consultation conference; Validation workshop**	5,400	4.00	21,600
Dissemination	5,000	1.00	5,000
Publication	5,000	1.00	5,000
Sub-Total "Other Expenditure"			31,600
TOTAL ESTIMATED COSTS			170,432
Remarks:			
N/A* Counterpart fund (salary and honorarium are not eligible)			
** ADB contribution			

The source of financing is from the PFM-MDTF for Indonesia, which has already been approved by the MDTF donors and agreed with the Task Team Leader of the PFM-MDTF Project. The cost of the workshops and hiring of local consultant(s) are expected to be covered by the ADB.

The consultants will be selected and hired according to the World Bank and ADB Corporate Procurement rules and procedures. The logistical arrangements during the assessment, including for the consultants will be handled by the Program Assistant of Procurement Unit at the World Bank Jakarta office under the supervision of the World Bank Task Team Leader, and if necessary additional assistant support will be also hired on temporarily basis to assist the Program Assistant's works.

XII Sources of key documents and link to website

- Methodology for Assessing Procurement Systems (MAPS), Version of September 2018
- Template: Terms of References - Assessment of the Public Procurement System of (Country) using the MAPS methodology
- Presidential Regulations No. 54/2010 and its subsequent amendments on Public Procurement in

Indonesia

- Presidential Regulations No. 16/2018 on Public Procurement in Indonesia
- <http://www.lkpp.go.id/v3/#/read/5169>
- <https://sirup.lkpp.go.id/sirup/ro>
- <https://monev.lkpp.go.id/>
- <http://report-lpse.lkpp.go.id/v2/beranda>
- <https://inaproc.lkpp.go.id/v3/>
- <https://e-katalog.lkpp.go.id/>

XIII Composition of Assessment Steering Committee/Team/ATAG

Annex 1 – Composition of Assessment Steering Committee/Team/TAG*

Members of Assessment Steering Committee:

Function	Institution	Name	Designation	Email
Chair	LKPP	Salusra Widya	• Deputy Chairman for Policy and Development Strategy	
Members:				
Country Representative(s)	<ul style="list-style-type: none"> • LKPP • Selected Line Ministries • Selected Local Governments 	Sarah Sadiqa TBC TBC	<ul style="list-style-type: none"> • Deputy Chairman Monitoring-Evaluation and Information System Development • Director General • Regional Secretary 	
Partner(s)	<ul style="list-style-type: none"> • World Bank • ADB 	Ahsan Ali Jesper Pedersen	<ul style="list-style-type: none"> • Lead Procurement Specialist • Principal Procurement Specialist 	

Members of Assessment Team:

Function	Institution	Name	Designation	Email
Lead	World Bank	Zacky Wasaraka	• Procurement Specialist	
Members:	World Bank	<ul style="list-style-type: none"> • Arun Kolsur • Belita Manka • I Gusti Ngurah Wijaya Kusuma • Romawaty Sinaga • Cut Dian Agustina 	<ul style="list-style-type: none"> • Senior Procurement Specialist • Senior Counsel (Procurement) • Financial Management Specialist • Public Sector Specialist • Economist 	
Consultant(s)	• World Bank	• Devesh Mishra	• Lead	

	<ul style="list-style-type: none"> • ADB 	<ul style="list-style-type: none"> • TBC • TBC 	<ul style="list-style-type: none"> International Consultant • Senior Procurement Legal Consultant • National consultant 	
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Members of Technical Advisory Group:

Function	Institution	Name	Designation	Email
Chair	<ul style="list-style-type: none"> • Organisation for Economic Cooperation and Development (OECD) 	<ul style="list-style-type: none"> • Paulo Magina 		<ul style="list-style-type: none"> • paulo.magina@oecd.org
Members:				
Financier(s) active in the country	<ul style="list-style-type: none"> • Australia's Department of Foreign Affairs • Global Affairs Canada • European Commission • Agence Française de Développement (AFD) • Gesellschaft für Internationale Zusammenarbeit (GIZ) • Islamic Development Bank (IsDB) • SECO, Switzerland • Asian Development Bank (ADB) • World Bank 	<ul style="list-style-type: none"> • Matthew Fehre • Diana Viljoen • Thomas Feige • Côme Dechery • Julia Bastian • Elhadj Malick Soumare • Steffen Milner • Jeff Taylor • Snežana Mitrović 		<ul style="list-style-type: none"> • Matthew.Fehre@dfat.gov.au • diana.viljoen@international.gc.ca • Thomas.FEIGE@ec.europa.eu • decheryc@afd.fr • julia.bastian@giz.de • 300743@isdb.org • steffen.milner@seco.admin.ch • jtaylor@adb.org • smitrovic@worldbank.org; • wbmapstag@worldbank.org
Independent reviewer				

ANNEX 2: List of Stakeholders consulted, Agencies for Sample

Cases and Validation Workshop Attendants

I. Stakeholder Consulted

The following stakeholders were consulted during the launching of the assessment (copy of the attendance list is enclosed) and the implementation.

1. Ministry of Finance
2. Ministry of National Development Partners
3. Participating Line Ministries, Agencies, and Local Governments
4. National Oversight and Internal Control Authorities (KPK, BPK and BPKP)
5. Selected State-Owned Enterprise
6. National Public Procurement Agency (LKPP)
7. Development Partners
8. Civil Society Organization (10 Institutions)
9. Private Sector (596 respondents)
10. National Public Procurement Expert Association

As part of the stakeholders' consultations, the Assessment Team will consult with other government procuring agencies that are not already represented in the ASC to bring in broader procurement implementation perspective. Oversight agencies such as Ministry of Finance, Ministry of National Planning (*Bappenas*), Supreme Audit Institution (BPK), internal government audit agency (BPKP), etc., will also be consulted and they play an important role in creating the demand for further procurement reform. The Assessment will also seek inputs and feedback from other development partners actively involved in the procurement reform agenda in Indonesia. Civil Society Organizations (CSOs) involved in public procurement oversight, are amongst the stakeholders that will be consulted together with the business associations (contractors, suppliers, consultants), academies, journalists associations, and media. Names of identified stakeholders, their level of involvement and roles will be discussed and mutually agreed by LKPP and the Bank before the launch workshop is held. Other potential stakeholders will be added to the list following the result of the analysis of the country contexts, which will also be presented through a working group workshop.

II. Agencies for Sample Cases

This is the list of Agencies for Sample Cases (as discussion between LKPP, WB and ADB during the mission and updated to the draft Chairman's Decree sent to WB on Dec 23, 2019)

1. Ministry of Public Works and Housing
2. Ministry of Agriculture

3. Ministry of Education and Culture
4. Ministry of Energy and Mineral Resource
5. Meteorology, Climatology & Geophysical Agency
6. Province of Aceh
7. District of Rokan Hilir
8. District of Pinrang
9. District of Rote Ndao
10. City of Bandung

III. Validation Workshop

In terms of process and sequencing, the initial results of assessment shall be shared with LKPP at the stage of preparation of draft report and their input sought. The Assessment Team shall seek input from key stakeholders at the stage of draft report through face-to-face interaction.

To ensure that the assessment findings are valid and credible, a joint validation workshop shall be arranged in collaboration with LKPP, ADB and IsDB involving all stakeholders to agree on: (i) findings of the assessment, (ii) reform priorities, and (iii) a shared strategy for addressing key weaknesses in the public procurement system.

A robust quality-assurance approach shall be followed on review of compliance with the assessment process and assessment report as per the MAPS methodology including quality review of assessment results by the peer reviewers within the World Bank, MAPS Global Team of the World Bank before a decision meeting with the World Bank Management. After clearance from the Bank Management review by a designated MAPS Technical Advisory Group (TAG) shall be sought as required by the process for external certification of MAPS assessment and their comments incorporated in the final report.

More precise modalities of these review and its timing will be firmed up during the course of the assessment.

Validation Workshop is held on 27 June 2022 at Hotel Indonesia Kempinsky Jakarta

1. ATTENDANT LISTS – VIRTUAL

MAPS Indonesia Validation Workshop Meeting

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ATTENDANCE LIST - ZOOM MEETING

Name	Join Time	Leave Time
LKPP_Statistisi_Maulida Najwa (Direktorat PMP LKPP)	27/06/2022 7:14	27/06/2022 12:32
LKPP_Perencana Pertama_Putri Ayu (Putri Ayu P_D21)	27/06/2022 8:14	27/06/2022 12:30
LKPP_Penelaah Kebijakan PBJ_Adi Afri (Adi PMP)	27/06/2022 8:54	27/06/2022 12:32
LKPP_Staf Penelaah_Faradita UPS (Faradita UPS_D21)	27/06/2022 7:42	27/06/2022 10:20
Putri Ayu P_D21	27/06/2022 7:51	27/06/2022 8:14
Faradita UPS_D21	27/06/2022 7:41	27/06/2022 7:42
D101_Iman Poniman Supriyadi	27/06/2022 8:08	27/06/2022 8:15
D101_Martin Simanjuntak	27/06/2022 8:02	27/06/2022 8:07

ATTENDANCE LIST - ZOOM MEETING

Name	Join Time	Leave Time
Gusmelinda-BPKeu-LKPP	27/06/2022 10:33	27/06/2022 10:33
Cherish Shery D_LKPP	27/06/2022 10:39	27/06/2022 10:39
Dimas Darmawan	27/06/2022 9:47	27/06/2022 9:48
Clara Novia LKPP D.4.1	27/06/2022 9:25	27/06/2022 9:25
Direktorat PMEP LKPP	27/06/2022 7:13	27/06/2022 7:14
Aris LKPP	27/06/2022 8:31	27/06/2022 8:31
Agus Pudjijono_PUPR (Agus Pudjijono)	27/06/2022 8:47	27/06/2022 12:29
Kementerian Pertanian_Simon Simanjuntak (Simon Simanjuntak)	27/06/2022 8:24	27/06/2022 12:32
Kementan_Septi (septi)	27/06/2022 8:24	27/06/2022 12:32
Kemendikbudristek_Penelaah Kebijakan PBJ_Roria (Roria BUPBJ Kemendikbudristek)	27/06/2022 9:26	27/06/2022 12:26
Kemendikbudristek Roria (Roria BUPBJ Kemendikbudristek)	27/06/2022 8:47	27/06/2022 9:27
Kemendikbudristek_Roria (Roria BUPBJ Kemendikbudristek)	27/06/2022 8:15	27/06/2022 8:47
Roria BUPBJ Kemendikbudristek	27/06/2022 8:14	27/06/2022 8:15
Bag. PBJ Kota Bandung	27/06/2022 8:24	27/06/2022 8:24
Ramdhani_LPSE Kota Bandung	27/06/2022 12:06	27/06/2022 12:08
Diecki Zainal (UKPBJ Kab. Rokan Hilir)	27/06/2022 8:15	27/06/2022 12:28
UKPBJ Kab. Rokan Hilir	27/06/2022 8:05	27/06/2022 8:11
Asisten II Setda Rokan Hilir	27/06/2022 9:49	27/06/2022 9:49
Bappenas_Perencana muda_Ratri Ismayasti (Ratri-SPPEPP Bappenas)	27/06/2022 8:32	27/06/2022 12:07
Ratri-SPPEPP Bappenas	27/06/2022 8:32	27/06/2022 8:32
BPK_Anang Wahyu H (Anang Wahyu Harmawan)	27/06/2022 8:39	27/06/2022 12:32
BPK_PPBJ_Andika Harianza (Andika Harianza)	27/06/2022 8:54	27/06/2022 12:32
BPK_PBJ Ahli Muda_Florentina Yuniarti (18_Florentina Yuniarti Kusuma Astuti)	27/06/2022 8:24	27/06/2022 11:09
JFPBJ_BPK_Tri Widodo (Tri Widodo)	27/06/2022 8:31	27/06/2022 10:22
BPK_Kepala ULP_Iwan Hardian (BPK_Pengelola PBJ Madya_Iwan Hardian)	27/06/2022 8:39	27/06/2022 10:23
JFPBJ_BPK_Tri W (Tri Widodo)	27/06/2022 10:55	27/06/2022 12:32
BPK_A.Madya PPBJ_Ruri (Ruri)	27/06/2022 8:27	27/06/2022 9:53
BPK_PBJ_Arvianto	27/06/2022 11:09	27/06/2022 12:32
BPK_Arvianto (Vian)	27/06/2022 9:21	27/06/2022 10:23
BPK_PBJ_Arvianto (Vian)	27/06/2022 10:43	27/06/2022 11:09
BPK_Pengelola PBJ Madya_Iwan Hardian (Dendi_Kurniadi_LP_Umum)	27/06/2022 8:21	27/06/2022 8:35
BPK_PBJ Ahli Muda_Florentina Yuniarti	27/06/2022 11:09	27/06/2022 11:09
BPK_Kepala ULP_Iwan Hardian	27/06/2022 10:24	27/06/2022 10:24
BPK_Pengelola PBJ Madya_Iwan Hardian	27/06/2022 8:37	27/06/2022 8:37
BPKP_Auditor Madya_Iman Poniman Supriyadi (D101_Iman Poniman Supriyadi)	27/06/2022 8:15	27/06/2022 12:33

ATTENDANCE LIST - ZOOM MEETING

Name	Join Time	Leave Time
KPK - Gita Larasati (Gita Larasati)	27/06/2022 9:39	27/06/2022 12:32
KPPU - Investigator - Helli Nurcahyo (KPPU - Helli Nurcahyo)	27/06/2022 9:03	27/06/2022 12:22
KPPU - Helli Nurcahyo	27/06/2022 9:02	27/06/2022 9:03
JSMR_Sec.Head_Dike (PFA_Dike)	27/06/2022 8:46	27/06/2022 12:32
JSMR_KATRIN MARSISKA (katrin marsiska)	27/06/2022 8:45	27/06/2022 12:25
Snezana Mitrovic - World Bank (Snezana B. Mitrovic)	27/06/2022 8:32	27/06/2022 12:29
Snezana B. Mitrovic	27/06/2022 8:32	27/06/2022 8:32
Bolormaa's iPad	27/06/2022 7:56	27/06/2022 7:56
Ahmed Merzouk	27/06/2022 8:19	27/06/2022 8:21
Arun kumar's iPhone	27/06/2022 11:42	27/06/2022 11:42
Joe Fagan	27/06/2022 7:56	27/06/2022 8:04
Noriko Toyoda	27/06/2022 8:34	27/06/2022 8:35
devesh	27/06/2022 8:16	27/06/2022 8:16
Susie Smith	27/06/2022 8:19	27/06/2022 8:20
Teddy W. Kusuma - WB	27/06/2022 10:10	27/06/2022 10:11
Andy C. Firdana - WB	27/06/2022 10:44	27/06/2022 10:44
WB Angelia Budi Nurwihapsari (Angelia Budi Nurwihapsari)	27/06/2022 8:47	27/06/2022 12:23
Angelia Budi Nurwihapsari	27/06/2022 8:46	27/06/2022 8:47
Sri Hastuti	27/06/2022 9:32	27/06/2022 9:32
Said Zaidansyah - ADB (Said Zaidansyah)	27/06/2022 8:35	27/06/2022 9:35
Said Zaidansyah	27/06/2022 8:34	27/06/2022 8:35
Keiko Koiso - ADB	27/06/2022 10:13	27/06/2022 10:13
ADB-Olga Suyatmo	27/06/2022 8:09	27/06/2022 8:15
ADB Yani (Yani)	27/06/2022 8:15	27/06/2022 9:17
ADB Yani	27/06/2022 12:29	27/06/2022 12:29
ADB Consultant Fenty Halim (Fenty Halim)	27/06/2022 9:03	27/06/2022 10:06
ADB Consultant Fenty Halim	27/06/2022 10:06	27/06/2022 10:07
Fenty Halim	27/06/2022 9:03	27/06/2022 9:03
Aamir Mir (Aamir Mir)	27/06/2022 9:06	27/06/2022 10:53
Aamir Mir	27/06/2022 8:52	27/06/2022 8:52
Enggar Prasetyaningsih	27/06/2022 8:50	27/06/2022 8:51
Rina (Rina Susilawati)	27/06/2022 9:49	27/06/2022 12:32
Prima DP-Humas KSI (Prima Dian Prasasti)	27/06/2022 9:09	27/06/2022 11:43
Arvianto (vian)	27/06/2022 8:27	27/06/2022 8:56
Ratri Ismayasti	27/06/2022 7:52	27/06/2022 8:10
Yani	27/06/2022 8:08	27/06/2022 8:15
Dendi_Kurniadi_LP_Umum	27/06/2022 8:18	27/06/2022 8:21
Ruri	27/06/2022 8:26	27/06/2022 8:27
Agus Pudjijono	27/06/2022 8:46	27/06/2022 8:47
Sigit Gunawan	27/06/2022 7:13	27/06/2022 7:13

ATTENDANCE LIST - ZOOM MEETING

Name	Join Time	Leave Time
Sigit Gunawan	27/06/2022 7:13	27/06/2022 7:13
Ayu Prisca	27/06/2022 7:13	27/06/2022 7:14
Abdurrahim Yusuf	27/06/2022 8:12	27/06/2022 8:13
Simon Simanjuntak	27/06/2022 8:23	27/06/2022 8:24
18_Florentina Yuniarti Kusuma Astuti	27/06/2022 8:24	27/06/2022 8:24
septi	27/06/2022 8:24	27/06/2022 8:24
vian	27/06/2022 8:27	27/06/2022 8:27
Tri Widodo	27/06/2022 8:31	27/06/2022 8:31
Anang Wahyu Harmawan	27/06/2022 8:39	27/06/2022 8:39
katrin marsiska	27/06/2022 8:45	27/06/2022 8:45
PFA_Dike	27/06/2022 8:46	27/06/2022 8:46
Jajat Sudrajat Biro Umum dan Pengadaan	27/06/2022 8:48	27/06/2022 8:48
Adi PMEP	27/06/2022 8:54	27/06/2022 8:54
Andika Harianza	27/06/2022 8:54	27/06/2022 8:54
adinda fertina	27/06/2022 9:05	27/06/2022 9:05
Prima Dian Prasasti	27/06/2022 9:09	27/06/2022 9:09
Mukti H	27/06/2022 9:23	27/06/2022 9:23
Gita Larasati	27/06/2022 9:38	27/06/2022 9:39
Danny H	27/06/2022 9:42	27/06/2022 9:42
Rina Susilawati	27/06/2022 9:48	27/06/2022 9:49
Lingga Wijayanto	27/06/2022 9:53	27/06/2022 9:53
Co-Host @Kempinsky (Ayu Prisca)	27/06/2022 7:14	27/06/2022 12:32
Co-Host (Adit KATAGONIA)	27/06/2022 7:11	27/06/2022 12:32
English Channel (Adit KATAGONIA)	27/06/2022 7:27	27/06/2022 12:32
Indonesia Channel (KATAGONIA Wiwi)	27/06/2022 7:41	27/06/2022 12:32
Studio (KATAGONIA Wiwi)	27/06/2022 6:55	27/06/2022 12:32

ANNEX 3: Assessment Team, Steering Committee and Minutes of Meetings

I. Assessment Team and Steering Committee

This assessment will be carried out by the Assessment Team, Steering Committee and minutes of meetings by the World Bank task team under the supervision and direction of the Bank staff under the Solutions and Innovations in Procurement (SIP) unit of the Governance Global Practice (GGP), in cooperation with LKPP and the Asian Development Bank (ADB), and with the support of specialized consultants experienced in carrying out similar procurement system assessments. An event organizer is also expected to be hired to assist organizing the workshops and dissemination events with the support of the ADB.

The proposed activity will also serve as a pioneering exercise in the region in using the latest version of MAPS tool which is now being pilot in various other countries. The main assessment will be conducted by the team having complementary skills mainly in the areas of legal, procurement and market, contract management, trade and private sector, and anti-corruption.

1. Assessment Steering Committee

The composition of the Assessment Steering Committee (ASC) will be further discussed and finalized by the Launch Workshop, based on criteria that ensures representation of higher-level officials from relevant organizations with experience in the development of the country procurement system. ASC will provide guidance to the assessment team during the assessment and will also review the draft outputs of the assessment team before seeking validation by the MAPS Technical Advisory Group (TAG). At this time, ASC is expected to comprise of the following officials:

- LKPP, Deputy Chairman for Policy and Development Strategy
- LKPP, Deputy Chairman for Monitoring-Evaluation and Information System Development
- Director General of selected line ministries
- Regional Secretary of selected local governments
- World Bank, Lead/Senior Procurement Specialist
- Asian Development Bank, Principal/Senior Procurement Specialist

2. The Assessment Team

The following assessment team will carry out the assessment, in consultation with the Assessment Steering Committee, including collection and analysis of data, reviewing selected procurement cases, proposing recommendations and documenting the detailed assessment results in accordance with the methodology.

- a. Procurement Specialists (WB)
- b. Senior Counsel (Procurement)(WB)
- c. Financial Management Specialist (WB)
- d. Public Sector Specialist (WB)
- e. Economist (WB)
- f. Lead International Consultant (WB)
- g. National consultant (ADB)
- h. Senior Procurement Legal Consultant (WB)

LKPP and other selected government units will assign officials for coordination and support to the Assessment Team in carrying out the assessment. LKPP will issue a Chairman Decree for establishing a National MAPS Task Team for this purpose.

II. Minutes of Meetings

1. 7-11 October 2019, Launch Mission

ASSESSMENT OF INDONESIA PUBLIC PROCUREMENT SYSTEM
using
Methodology for Assessing Procurement Systems (MAPS)

Launch Mission
October 7 – 11, 2019

AIDE MEMOIRE

1. INTRODUCTION

- 1.1. First implementation mission comprised of World Bank and Asian Development Bank (ADB) representatives¹ was conducted from 7 to 11 October 2019, marking the successful launch of the Assessment of Indonesia Public Procurement System using Methodology for Assessing Procurement Systems (MAPS). The Assessment is planned to be implemented until June 2020 with the support of the Indonesia PFM-Multi-Donor Trust Fund;
- 1.2. The scope of the assessment covers the overall national public procurement system under the jurisdiction and advisory functions of the National Public Procurement Agency (LKPP) and will include comprehensive assessment of the core areas under the four pillars of the MAPS methodology which are: (i) Pillar I: Legal, Regulatory and Policy Framework; (ii) Pillar II: Institutional Framework and Management Capacity; (iii) Pillar III: Procurement Operations and Market Practices; and (iv) Pillar IV: Accountability, Integrity and Transparency of the Public Procurement System;
- 1.3. After more than a decade of substantial procurement reform efforts in Indonesia, this is the first time that such comprehensive assessment will be conducted under the full ownership of the Government, with support led by the World Bank (WB) in partnership with the Asian Development Bank (ADB). The assessment will take a broad view of the public procurement system, reflecting on the procurement reform efforts made so far and the remaining challenges, and its conclusions will be based on both qualitative findings and quantitative analysis to support evidence-based recommendations;
- 1.4. The assessment aims to (i) identify possible and significant gaps that negatively impact the quality and performance of the public procurement systems; (ii) provide a comparative analysis and recommendations to enhance the efficiency and performance of public procurement system, (iii) set

¹ World Bank mission members: Led by Achmad Zacky Wasaraka (Procurement Specialist) and included Ahsan Ali (Lead Procurement Specialist), Devesh Mishra (Consultant), Arun Kumar Kolsur (Senior Procurement Specialist), and Budi Permana (Senior Procurement Specialist). Other Bank staff who participated in the mission included Andy C. Firdana (Procurement Specialist), Angelia Budi Nurwihapsari (Procurement Analyst) and Retno Anna Widiani (Program Assistant).

ADB staff who participated in the mission included: Said Zaidansyah (Deputy Country Director), Jesper Pedersen (Principal Procurement Specialist), Nao Ikemoto (Principal Portfolio Management Specialist), Keiko Koso (Procurement Specialist), Olga Suyatno (Senior Procurement Officer), Suharyani (Senior Procurement Officer) and Rizal Rivai (Consultant).

an agreed road map according to the vision and mission of LKPP to continuously enabling effective implementation of the public procurement framework for better procurement performance and outcomes. The task will involve intensive desk review and consultations with stakeholders involved in the procurement reform agenda in Indonesia;

2. MISSION HIGHLIGHTS

- 2.1. The Assessment **Launch Workshop** was held at the Westin Hotel in Jakarta on October 10, 2019. The event was attended by approximately 100 participants, including LKPP, line ministries, oversight agencies, local governments, PFM-MDTF donors (including representatives from European Union, Canada and Swiss Confederation) and other development partners. The list of participants is attached in Annex 1, and the event agenda in Annex 2;
- 2.2. In the days preceding the event, the mission team met with LKPP, led by Ms. Sarah Sadiqa (Deputy Chair for Monitoring Evaluation and Development of Information Systems), to coordinate the preparation of the launch workshop, assessment working arrangement and schedules, and to have LKPP present the latest developments of the e-procurement system (SPSE). During these meetings, the mission team provided a brief presentation on MAPS methodology to LKPP staff, and also updated the Assessment Concept Note for review by the MAPS Technical Advisory Group (TAG).
- 2.3. During the Launch Workshop LKPP highlighted the importance of this assessment as a fully Government-owned assessment with the World Bank's technical leadership and PFM-MDTF support and in partnership with ADB. The Government is keen to use the findings and identified gaps as inputs for developing a strategic approach for systematically further strengthening the Government procurement system;
- 2.4. The workshop also benefited from LKPP approach of using 'Slido' application as live platform for making the Q&A exercise participatory, inclusive and effective. The list of questions asked by participants is attached in Annex-3, which were responded by LKPP, WB and ADB representatives;
- 2.5. While the objective of the mission were to conduct a launch workshop for the assessment of Indonesia public procurement system, participants greatly benefited from valuable technical information provided by the World Bank's Lead International Consultant (Mr. Devesh Mishra) about the salient features of the assessment including the latest MAPS assessment methodology and process, and his sharing of experience of similar assessments being carried out in other countries;
- 2.6. Overall, the event provided an opportunity for stakeholders to gain knowledge on the assessment. Some participants also expressed their interest to participate in the assessment as agencies to be included in the data sample;

3. PRIORITY NEXT STEPS

The following are the priority next steps to be carried out, by whom, and the proposed target dates:

No.	Proposed Actions	Action responsibility by	Deadline	Remarks
1)	Copies of all relevant laws and regulations referred in the Preamble section of <i>PERPRES</i> 16/2018	LKPP	Nov 22, 2019	<ul style="list-style-type: none"> •LKPP provide information all laws and regulations related to procurement at www.jdih.lkpp.go.id •ADB will inform WB on the availability of translated laws and regulations in Hukum online (through own subscription)
2)	LKPP comments on the draft TOR of Assessment Steering Committee	LKPP	Third week of Nov 2019	Draft TOR was sent by WB to LKPP on Oct 7, 2019
3)	LKPP to propose the followings: <ul style="list-style-type: none"> - Member of Steering Committee and Working Group Team - Respondent sample Procuring Agencies from Central Government (ministries) and Sub National Governments 	LKPP	Third week of Nov 2019	List of proposed Steering Committee member (LKPP to propose complete list) List of proposed respondent sample procuring agencies from Central Governments (LKPP to propose updated list based on representative sample). Current preliminary list proposed by LKPP below (to be further reviewed in consultation with WB) Central Governments: <ol style="list-style-type: none"> 1. Ministry of MPWH 2. Ministry of Agriculture 3. Ministry of Education and Culture 4. Ministry of Energy and Mineral Resource 5. Representative from Institution (propose BMKG) Sub-National Government: <ol style="list-style-type: none"> 1. Aceh Province 2. South Sumatera Province 3. Surabaya City 4. Bandung City 5. Makassar City

4)	LKPP comments on the draft private sector survey questionnaire and also provide list of proposed private sector to be respondents	LKPP	Fourth Week of Nov 2019	Include list of participants (100 or more). The draft questionnaire was sent by WB to LKPP on Oct 7, 2019
5)	Issuance of Private Sector Survey	LKPP	Nov 29, 2019	WB to provide support. Survey responses due by Dec 10, 2019
6)	Determination of sample procurement transactions (files) for Indicator 9 (Public procurement practices achieve stated objectives).	Assessment Team	Fourth Week of Nov 2019	LKPP to collect data from SPSE and send to Assessment Team by Nov 29, 2019, for determination of sample
7)	Hiring of local consultant	ADB	Dec 5, 2019	A qualified candidate with relevant procurement experience who can do intensive hands-on work on data collection and analysis
8)	Issuance of LKPP Chairman's Decree for establishment of Indonesia MAPS Working Group Team (<i>Tim Teknis</i>) and Steering Committee	LKPP	First Week of Dec 2020	Draft Decree to be sent by LKPP to WB by Dec 5, 2019
9)	Assessment input on Country Context	Assessment Team	Dec 6, 2019	
10)	Presentation on MAPS: - to Chairman and Deputies - To Steering Committee and Working Group Team	LKPP	17 Dec 2019	At LKPP
11)	MAPS Workshop for Private Sector	LKPP, Assessment Team	18 Dec 2019	TBA
12)	Site Visit to sample Procuring Agencies at Central and Sub-National level for collection of sample contract data	LKPP, Assessment Team	Second Week of Jan 2020	
13)	Analysis of data collected on sample contracts during site visit	Assessment Team	First Week of March 2020	At LKPP
14)	Presentation of preliminary results of analysis of sample	Assessment Team	Third week of March 2020	

contract data to Steering
Committee

4. PLAN FOR NEXT MISSION:

The next implementation mission is proposed to be held in the third week of December 2019 (Dec 16-20, 2019), which will include consultation workshop with private sector and Civil Society Organizations.

Attachments

Annex 1 - List of participants to the Launch Workshop

Annex 2 - Agenda of the Launch Workshop

Annex 3 - List of questions asked by participants through 'Slido' app.

2. 16-20 December 2019, Implementation Mission

December 9, 2019

Mr. Roni Dwi Susanto
Chairman
National Public Procurement Agency (LKPP)
Kompleks Rasuna Epicentrum
Jl. Epicentrum Tengah Lot 11 B
Jakarta Selatan, DKI Jakarta 12940

Dear Mr. Susanto,

***Subject: Assessment of Indonesia Public Procurement System
using the Methodology for Assessing Procurement Systems (MAPS)
Mission, December 16-20, 2019***

We would like to propose a mission to Indonesia from December 16-20, 2019. The purpose of the mission is to facilitate implementation of the Methodology for Assessing Procurement Systems (MAPS) assessment by assisting the National Public Procurement Agency (LKPP) in completing the pending preparatory tasks that are pre-requisite for starting implementation of the assessment. The mission will also prepare and agree with LKPP on the updated workplan and revised schedule for start of the implementation activities that were originally planned to be carried out in December 2019.

The team will focus on supporting LKPP for completion of the following preparatory tasks:

1. Terms of Reference, composition and establishment of the Assessment Steering Committee (please refer to the World Bank's email dated October 29, 2019).
2. Questionnaire and launch of Private Sector Survey (please refer to the World Bank's email dated October 29, 2019).
3. Sample procuring agencies and data requirements (please refer to the World Bank's emails dated October 29 and December 5, 2019).
4. List of other key stakeholders to be consulted during the assessment.
5. Revised work plan.

The mission team will be led by Mr. Ahsan Ali (Lead Procurement Specialist) and the mission team members will comprise of Messrs. Achmad Zacky Wasaraka (Procurement Specialist), Arun Kumar Kolsur (Senior Procurement Specialist), Budi Permana (Senior Procurement Specialist), Arun Arya (Senior Public Sector Management Specialist), Jurgen Rene Blum (Senior Public Sector Specialist), Devesh Mishra (Consultant) and Andyan Diwangkari (Consultant). Designated ADB staff will also join the mission.

The detailed schedule for the mission will be discussed with your staff in advance.

Please refer any queries to the proposed mission to Mr. Ahsan Ali (email: aali@worldbank.org) and/or Mr. Budi Permana (email: bpermana@worldbank.org).

Sincerely,



Rolande S. Pryce
Operations Manager

Mr. Roni Dwi Susanto

- 2 -

December 9, 2019

Copy to:

- Ms. Sarah Sadiqa, Deputy Chairman for Monitoring Evaluation and Development of Information Systems, LKPP
- Mr. Salusra Widya, Deputy Chair for Strategy and Policy Development, LKPP
- Ms. Chalimah Pujiastuti, Head of Planning and Finance Bureau/Head of PSSU PFM-MDTF, Ministry of Finance

ASSESSMENT OF INDONESIA PUBLIC PROCUREMENT SYSTEM
using
Methodology for Assessing Procurement Systems (MAPS)

Implementation Mission

December 16 – 20, 2019

AIDE MEMOIRE

1. INTRODUCTION

- 1.1. An implementation mission was conducted in Jakarta, from December 16-20, 2019 which comprised of World Bank and Asian Development Bank (ADB) representatives¹ with a view to complete the pending preparatory tasks for starting activities as decided in the Launch Mission (October 7-11, 2019) for the Assessment of Indonesia Public Procurement System using Methodology for Assessing Procurement Systems (MAPS). The Assessment is planned to be implemented until June 2020 with the support of the Indonesia PFM-Multi-Donor Trust Fund;
- 1.2. The scope of the assessment covers the overall national public procurement system under the jurisdiction and advisory functions of the National Public Procurement Agency (LKPP) and will include comprehensive assessment of the core areas under the four pillars of the MAPS methodology which are: (i) Pillar I: Legal, Regulatory and Policy Framework; (ii) Pillar II: Institutional Framework and Management Capacity; (iii) Pillar III: Procurement Operations and Market Practices; and (iv) Pillar IV: Accountability, Integrity and Transparency of the Public Procurement System;
- 1.3. After more than a decade of substantial procurement reform efforts in Indonesia, this is the first time that such comprehensive assessment is being conducted under the full ownership of the Government, with support led by the World Bank (WB) in partnership with the Asian Development Bank (ADB). The assessment will take a broad view of the public procurement system, reflecting on the procurement reform efforts made so far and the remaining challenges, and its conclusions will be based on both qualitative findings and quantitative analysis to support evidence-based recommendations;
- 1.4. The assessment aims to (i) identify possible and significant gaps that negatively impact the quality and performance of the public procurement systems; (ii) provide a comparative analysis and recommendations to enhance the efficiency and performance of public procurement system, (iii) set an agreed road map according to the vision and mission of LKPP to continuously enabling effective implementation of the public procurement framework for better procurement performance and

¹ World Bank mission members: Led by Ahsan Ali (Lead Procurement Specialist) and included Achmad Zacky Wasaraka (Procurement Specialist), Devesh Mishra (Lead Consultant - MAPS), Arun Kumar Kolsur (Senior Procurement Specialist), and Budi Permana (Senior Procurement Specialist). Sri Hastuti (Program Assistant) provided all the support to the Assessment Team. Other Bank staff who participated in the mission included Arun Arya (Senior Public Sector Management Specialist), Jurgen Rene Blum (Senior Public Sector Specialist), and Andyan Diwangkari (Consultant)

ADB staff who participated in the mission included: Keiko Koso (Procurement Specialist), Olga Suyatmo (Senior Procurement Officer) and Suharyani (Senior Procurement Officer)

outcomes. The task will involve intensive desk review and consultations with stakeholders involved in the procurement reform agenda in Indonesia;

2. MISSION HIGHLIGHTS*

2.1. The focus of the assessment team was on supporting LKPP on completion of the following preparatory tasks:

- Terms of Reference, composition and establishment of the Assessment Steering Committee (World Bank's email dated October 29, 2019).
- Questionnaire and launch of Private Sector Survey (World Bank's email dated October 29, 2019).
- Sample procuring agencies and data requirements (World Bank's emails dated October 29, 2019 and December 5, 2019).
- List of other key stakeholders to be consulted during the assessment to be finalized.
- Prepare revised work plan.

2.2. **Kick-off Meeting on December 17, 2019:** The Assessment Team met with LKPP, led by Ms. Sarah Sadiqa (Deputy Chair for Monitoring Evaluation and Development of Information Systems) and other members of LKPP under the Directorate for Procurement Planning, Monitoring and Evaluation, Directorate for Catalogue System Development, Directorate for e-Procurement System Development, Directorate for Public Procurement Policy, Directorate for Special Public Procurement Policy, Directorate for Business Climate and International Cooperation and Bureau for Planning, Organization, and Governance. The Assessment Team stressed the need for expediting the pending activities after the successful Launch Workshop on October 10, 2019. The Assessment Team also briefed LKPP on other initiatives like Budget Execution Survey and Decentralization Policy Review which could provide valuable input on MAPS Assessment in particular related: (i) to expenditure pattern of capital budget and its linkage with procurement process; and (ii) determination of agencies to be covered under the sample to be representative based on share of expenditure between the national, provincial and district level. LKPP agreed to look at the list of agencies to be covered in the sample which needs to be representative of Indonesia's public procurement system as per the approach and methodology for determination of sample agency/size as per MAPS methodology including on the aspect related to share of expenditure. LKPP also agreed to provide their input on draft private sector survey questionnaire and on ToR of the Assessment Steering committee. It was confirmed by LKPP that Ms. Mustika R. Putri, Deputy Director for Monitoring and Evaluation shall coordinate all MAPS activities on behalf of LKPP.

2.3. **Finalization of TOR for Assessment Steering Committee on December 18, 2019:** Based on a detailed discussion the ToR was finalized which is the basis for issuance of LKPP Chairman's official notification ('Decree') to formalize the establishment of the Technical Working Group and the Assessment Steering Committee. It was agreed that the notification ('Decree') shall be issued soon.

2.4. **Workshop with Government Focal Persons from Procuring Entities on December 19, 2019:** This workshop was opened by Mr. Roni Dwi Susanto, Chairman, LKPP. The Chairman explained to the participants the salient features of MAPS Assessment and contribution expected from the sample procuring entities and other oversight bodies.

During the meeting LKPP highlighted the importance of this assessment as a fully Government-owned assessment with the World Bank's technical leadership and PFM-MDTF support and in partnership with ADB. The Government is keen to use the findings and identified gaps as inputs for developing a strategic approach for systematically further strengthening the Government procurement system. The

World Bank team presented the overall MAPS framework, lessons from other countries who have carried out similar assessment and list of basic information required from procuring entities/*Sistem Pengadaan Secara Elektronik* (e-Procurement System) to determine sample contracts.

LKPP agreed to send procurement transaction data for the last three years (2016-2018) as raw data from e- Procurement system to the World Bank. The World team agreed to analyze this input to determine about 30 contracts to be the target sample for each agency in consultation with LKPP out of which 10-15 contracts for each agency may be selected for detailed analysis as required under Indicator-9 (Pillar III) of MAPS.

The list of participants in this workshop is given at **the Attachment I**.

A letter dated December 30, 2019 from Chairman LKPP reconfirming its commitment to MAPS exercise and way forward is attached (**Attachment II**)

In a separate meeting, at the end of the mission the Assessment Team met with World Bank's Public Sector/Governance team represented by Arun Arya and Tajudddin Ismail, who shared the initial findings of Budget Execution Survey, which is valuable to supplement the findings of MAPS assessment under relevant indicators.

3. REVISED WORK PLAN and PRIORITY NEXT STEPS

An update on the target dates as per AM of Oct 7- 11, 2019 and status after the implementation mission of December 16-20, 2019 as **Revised Work Plan** is given at **Attachment IV**. Priority next steps are as under:

- Availability of English translation of all critical legal documents as requested by the legal expert of the World Bank: **by end February 2020**
- LKPP to send procurement transaction data for the last three years as raw data collected from SPSE (**Attachment III**)
- Determination of Sample contract based on initial data from SPSE (Attachment III), issue of letter to sample agencies and initiation of field work by the local consultant on Sample cases: **by mid March 2020**
- Finalization of Survey questionnaire for private sector and launching it by LKPP through online survey format as available on Microsoft Forms with the World Bank: **by end February 2020**
- Arrangement for Briefing meeting to the Assessment Steering Committee: **by mid March 2020 (meeting is scheduled in end March 2020)**

4. PLAN FOR the NEXT MISSION:

The next implementation mission is proposed to be held in the **first/second week of April 2020** which will include consultation workshop with private sector and Civil Society Organizations.

Attachments

1. List of participants in the workshop held in LKPP office on December 19, 2019 for focal/contact persons from Sample agencies and other participants – **Attachment I**
2. Letter dated December 30, 2019 from Chairman LKPP – **Attachment II**
3. Procurement Transaction Data from SPSE (all contracts awarded in the last three years) – **Attachment III**
4. Revised Work Plan after the mission of Dec 16-20, 2019 – **Attachment IV**

Attachment IV Revised Work Plan

No.	Proposed Actions	Action responsibility by	Deadline As per AM of Oct 7- 11, 2019 mission	Remarks As per AM of Oct 7- 11, 2019 mission	Status after Implementation mission of December 16-20, 2019
1)	Copies of all relevant laws and regulations referred in the Preamble section of <i>PERPRES</i> 16/2018	LKPP, WB, ADB	Nov 22, 2019	<ul style="list-style-type: none"> LKPP provide information all laws and regulations related to procurement at www.jdih.lkpp.go.id ADB will inform WB on the availability of translated laws and regulations in <i>Hukum online</i> (through own subscription) 	This activity is to be completed based on input requirements as requested by the legal expert of the World Bank (reference mail dated January 10, 2020). All copies are expected to be made available by end February 2020 .
2)	LKPP comments on the draft TOR of Assessment Steering Committee	LKPP	Third week of Nov 2019	draft TOR was sent by WB to LKPP on Oct 7, 2019	Comments from LKPP received on December 23, 2019 together with draft Chairman's Decree and comments to the draft questionnaire to private sector. WB response is set together with issuance of this AM.
3)	LKPP to propose the followings: <ul style="list-style-type: none"> Member of Steering Committee and Working Group Team Respondent sample Procuring Agencies from Central Government 	LKPP	Third week of Nov 2019	<p>st of proposed Steering Committee member (LKPP to propose complete list)</p> <p>st of proposed respondent sample procuring agencies from Central Governments (LKPP to propose updated list based on representative sample).</p> <p>urrent preliminary list proposed by LKPP below (to be further reviewed in</p>	<p>nal list proposed by LKPP below (as discussed with WB and ADB during the mission and updated to the draft Chairman's Decree sent ot WB on Dec 23, 2019).</p> <p>entral Government:</p> <ol style="list-style-type: none"> Ministry of MPWH Ministry of Agriculture Ministry of Education and Culture Ministry of Energy and Mineral Resource BMKG

No.	Proposed Actions	Action responsibility by	Deadline As per AM of Oct 7-11, 2019 mission	Remarks As per AM of Oct 7- 11, 2019 mission	Status after Implementation mission of December 16-20, 2019
	(ministries) and Sub National Governments			<p>consultation with WB)</p> <p>entral Government:</p> <ol style="list-style-type: none"> 1. Ministry of MPWH 2. Ministry of Agriculture 3. Ministry of Education and Culture 4. Ministry of Energy and Mineral Resource 5. Representative from Institution (propose BMKG) <p>Sub-National Government:</p> <ol style="list-style-type: none"> 1. Aceh Province 2. South Sumatera Province 3. Surabaya City 4. Bandung City 5. Makassar City 	<p>Sub-National Government:</p> <ol style="list-style-type: none"> 1. Aceh Province 2. Rokan Hilir District 3. Bandung City 4. Pinrang District 5. Rote Ndao District <p>thers line ministries/agencies/local governments may be added to the list, in case any of decline of the request.</p> <p>nal list shall be set by end February 2020.</p>
4)	LKPP comments on the draft private sector survey questionnaire and also provide list of proposed private sector to be respondents	LKPP	Fourth Week of Nov 2019	clude list of participants (100 or more). The draft questionnaire was sent by WB to LKPP on Oct 7, 2019	omments from LKPP was received on December 23, 2019. WB response is set together with issuance of this AM. List of respondents to be finalized in consultation with LKPP.
5)	Issuance of Private Sector Survey	LKPP	Nov 29, 2019	WB to provide support. Survey responses due by Dec 10, 2019	he Survey questionnaire to be sent to about 100 private sector entities as respondent. LKPP may select the list from its own sources (i.e. <i>SIKAP, e-catalogue, or others vendor directory</i>).

No.	Proposed Actions	Action responsibility by	Deadline As per AM of Oct 7-11, 2019 mission	Remarks As per AM of Oct 7- 11, 2019 mission	Status after Implementation mission of December 16-20, 2019
					urvey to be launched by the World Bank on behalf of LKPP through electronic system as available on Microsoft Forms online survey with the World Bank: by mid March 2020.
6)	LKPP to send procurement transaction data for the last three years, also used for Determination of sample procurement transactions (files) for Indicator 9 (Public procurement practices achieve stated objectives).	LKPP, Assessment Team	Fourth Week of Nov 2019	LKPP to collect data from SPSE and send to Assessment Team by Nov 29, 2019, for determination of sample	<p>(i) LKPP to send procurement transaction data for the last three years (2016-2018 or 2017-2019) as raw data from SPSE to the World Bank (Attachment III).</p> <p>This is expected to be finalized by end February 2020.</p> <p>(ii) The Assessment Team agreed to analyze this input to determine about 30 contracts to be the target sample for each agency in consultation with LKPP out of which 10-15 contracts for each agency may be selected.</p> <p>(iii) This is expected to be finalized by mid March 2020.</p>
7)	Hiring of local consultant	ADB	Dec 5, 2019	qualified candidate with relevant procurement experience who can do intensive hands-on work on data collection and analysis	Contract was signed in Jan 2020.
8)	Issuance of LKPP Chairman's Decree for establishment of Indonesia MAPS	LKPP	First Week of Dec 2020	Draft Decree to be sent by LKPP to WB by Dec 5, 2019	Draft Decree was sent by LKPP to WB on Dec 23, 2019 together with the draft TOR and comments to the Draft Questionnaire to private sector.

No.	Proposed Actions	Action responsibility by	Deadline As per AM of Oct 7- 11, 2019 mission	Remarks As per AM of Oct 7- 11, 2019 mission	Status after Implementation mission of December 16-20, 2019
	Working Group Team (<i>Tim Teknis</i>) and Steering Committee				This is expected to be issued by end February 2020.
9)	Assessment input on Country Context	Assessment Team	Dec 6, 2019		To be completed by mid March 2020.
10)	Presentation on MAPS: - to Chairman and Deputies - To Steering Committee and Working Group Team	LKPP	17 Dec 2019	At LKPP	Meeting to be organized by end February 2020 for initial briefing to be held in end March 2020 and possibly in the first/second week of April 2020 (during the proposed next implementation mission).

11)	MAPS Workshop for Private Sector and Civil Society Organizations	LKPP, Assessment Team	18 Dec 2019	TBA	To be organized in the first/second week of April 2020 as part of implementation mission.
12)	Site Visit to sample Procuring Agencies at Central and Sub-National level for collection of sample contract data	LKPP, Assessment Team	Second Week of Jan 2020		To be organized from end Feb 2020 to end March 2020.
13)	Analysis of data collected on sample contracts during site visit	Assessment Team	First Week of March 2020	At LKPP	Expected to be completed by end March 2020.
14)	Presentation of	Assessment	Third		Expected to be presented in early April 2020.

No.	Proposed Actions	Action responsibility by	Deadline As per AM of Oct 7-11, 2019 mission	Remarks As per AM of Oct 7-11, 2019 mission	Status after Implementation mission of December 16-20, 2019
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	preliminary results of analysis of sample contract data to Steering Committee	Team	week of March 2020		
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3. 12 March 2020, Progress Status of Indonesia MAPS



March 12, 2020

Mr. Roni Dwi Susanto

Chairman

National Public Procurement Agency (LKPP), Republic of Indonesia

Kompleks Rasuna Epicentrum, Jl. Epicentrum Tengah Lot 11 B

Jakarta Selatan, DKI Jakarta 12940

Dear Pak Roni:

Subject: Assessment of Indonesia Public Procurement System using Methodology for Assessing Procurement Systems (MAPS)

Further to the Bank's letter dated February 14, 2020 enclosing the Aide-Memoire of the December 2019 mission for the MAPS assessment of Indonesia's Public Procurement System, we are requesting your support for facilitating implementation of the MAPS assessment.

Despite regular follow-up meetings between WB/ADB and LKPP staff, there has been little progress since the last mission in December 2019 as a number of key priority actions are still pending. The MAPS assessment is now on a critical path and it is appearing increasingly unlikely that most of the work which was originally planned to be completed by June 2020 will be completed in time. We are particularly concerned as the availability of financial resources and expected outputs for this activity under the PFM Multi-Donor Trust Fund are time-bound.

Please find attached a table listing the key priority actions that have been pending for the last 4 months, the current status and recommended next steps. We are requesting your support for getting the assessment back on schedule.

We assure you of the World Bank's continued commitment to assist and enable LKPP avail the benefits of satisfactory and timely completion of this first comprehensive assessment of Indonesia's public procurement system.

Sincerely yours,

Ahsan Ali

Lead Procurement Specialist
Indonesia and Timor-Leste

Attachment:

- Priority Actions and Recommended Next Steps

Copy to:

- Ms. Sarah Sadiqa, Deputy Chairman for Policy and Strategy Development, LKPP
- Mr. Salusra Widya, Deputy Chairman for Monitoring Evaluation and Development of Information System, LKPP
- Ms. Keiko Koiso, Procurement Specialist, Asian Development Bank

ASSESSMENT OF INDONESIA PUBLIC PROCUREMENT SYSTEM
using Methodology for Assessing Procurement Systems (MAPS)

PRIORITY ACTIONS REQUIRED FROM LKPP

No.	List of Priority Actions and Deadlines	Current Status (as of March 11, 2020)
1)	<p>Confirmed list of Participating Agencies for collection of sample contracts</p> <p><i>Original Deadline (Oct 2019): Nov 2019</i></p> <p><i>Revised Deadline (Dec 2019): Feb 2020</i></p> <p><i>Current Deadline (Mar 2020): Mar 2020</i></p>	<p>Only 5 of 10 nominated agencies responded to LKPP and confirmed their participation.</p> <p>Central Government:</p> <ol style="list-style-type: none"> 1. Ministry of MPWH 2. Ministry of Education and Culture 3. Ministry of Energy and Mineral Resource 4. BMKG <p>(No confirmation: <i>Ministry of Agriculture</i>)</p> <p>Sub-National Government:</p> <ol style="list-style-type: none"> 1. Aceh Province <p>(No Confirmation: <i>RokanHilir District, Bandung City, Pinrang District and Rote Ndao District</i>)</p> <p>Participating agencies from Central Government may not be replaced/added, while participating from Sub-National Government may be replaced/added with some other districts.</p> <p>These may be from the alternate list of the 20 districts proposed by the Bank and/or LKPP's own lists. In addition, Sumbawa District may be directly added to the list showing strong interest their development of monitoring and evaluation dashboard.</p>

No.	List of Priority Actions and Deadlines	Current Status (as of March 11, 2020)
2)	<p>Issuance of LKPP Chairman's Decree for establishment of Indonesia MAPS Working Group Team (<i>Tim Teknis</i>) and Steering Committee.</p> <p><i>Original Deadline (Oct 2019): Dec 2019</i></p> <p><i>Revised Deadline (Dec 2019): Feb 2020</i></p> <p><i>Current Deadline (Mar 2020): Mar 2020</i></p>	<p>Waiting for confirmation from the other 5 participating agencies whose officials are nominated as members of Steering Committee.</p>
3)	<p>Determination of Respondent for Issuance of Private Sector Survey (with support of WB).</p> <p><i>Original Deadline (Oct 2019): Nov 2019</i></p> <p><i>Revised Deadline (Dec 2019): Mar 2020</i></p> <p><i>Current Deadline (Mar 2020): Mar 2020</i></p>	<p>The Survey questionnaire to be sent to about 100 private sector entities as respondent. LKPP may select the list from its own sources (i.e. <i>SIKAP</i>, <i>e-catalogue</i>, or <i>others vendor directory</i>).</p> <p>Survey may be launched by LKPP or by the World Bank on behalf of LKPP through electronic system as available on Microsoft Forms online survey.</p>
4)	<p>Submission of procurement transaction data for the last three years, also used for Determination of sample procurement transactions (files) for Indicator 9 (Public procurement practices achieve stated objectives).</p> <p><i>Original Deadline (Oct 2019): Nov 2019</i></p> <p><i>Revised Deadline (Dec 2019): Feb 2020</i></p> <p><i>Current Deadline (Mar 2020): Mar 2020</i></p>	<p>No progress has been made so far on the data collection from SPSE after several pending meetings.</p> <p>LKPP should send procurement transaction data for the last three years (2016-2018 or 2017-2019) as raw data from SPSE to the World Bank. Based on which, the Assessment Team will determine about 30 contracts to be the target sample for each agency in consultation with LKPP out of which 10-15 contracts for each agency may be selected as samples.</p>

4. 10-11 December 2020, Virtual Mission

December 4, 2020

Mr. Roni Dwi Susanto
Chairman
National Public Procurement Agency (LKPP), Republic of Indonesia
Kompleks Rasuna Epicentrum, Jl. Epicentrum Tengah Lot 11 B
Jakarta Selatan, DKI Jakarta 12940

Dear Pak Roni:

***Subject: Assessment of Indonesia Public Procurement System
using the Methodology for Assessing Procurement Systems (MAPS)
Virtual Mission on December 10-11, 2020***

We trust you and the LKPP team are safe and well in these unprecedented and challenging times.

We very much appreciate the re-confirmation provided by LKPP on June 30, 2020 for continuing with the MAPS assessment into the World Bank's new Fiscal Year 2021 (July 1, 2020-June 30, 2021). We are also thankful for LKPP's assurance that LKPP will actively facilitate the MAPS assessment and intensify its efforts to provide the missing data and information required for proceeding with the assessment.

As you are aware, the Indonesia MAPS assessment is now about a year behind schedule as many of the key actions that were originally expected to be completed by October 2020 are still pending and a large part of the information required for proceeding further with the assessment have not yet been made available to the assessment team.

We understand the challenges posed by the prevailing COVID-19 situation and do believe that our working arrangements would need to be adjusted accordingly to meet the objectives of this assessment, for which we have kept our resources ready to assist LKPP in its completion. As per the revised planned schedule agreed with LKPP, the completion date of the Indonesia MAPS assessment which was initially planned for February 2021 has got extended to June 30, 2021.

In order to move forward with the remaining tasks and seek your guidance we would like to propose a virtual mission for the Assessment of Indonesia Public Procurement System (Indonesia MAPS), during the period of **December 10-11, 2020**.

Prior to the virtual mission, series of preparatory meetings are already scheduled with the Secretary of MAPS Technical Management Team to assist LKPP in completing the following pending key tasks/actions that are crucial for continuation of the assessment:

- Collection of the remaining detailed data on the already identified sample contracts from each procuring agency;
- Collection of the information related to external oversight and controls on public procurement from the oversight agencies (BPK, BPKP, and KPK);
- Launching of the private sector online survey and obtain feedback from private companies;
- Clarifications to an initial draft Analysis of Legal Inputs shared with LKPP on September 11, 2020.

ISEB Tower 2, 12th Floor, Jl. Jend. Sudirman Kav. 52-53, Jakarta 12190 ☎ +6221 52993000 📠 +6221 52993111

These preparatory meetings were scheduled on **Wednesday, Nov 25, 2020** to take stock of the progress of the Indonesia MAPS exercise and again on **Monday, Nov 30, 2020** which focused on the requested clarifications to the initial draft Analysis of Legal Input. Prior to our proposed mission we shall also work with your team to organize additional meetings in the first/second week of December 2020 with other stakeholders including representatives from the private sector and other Civil Society Organizations.

The proposed virtual mission on **December 10-11, 2020** is intended to take stock of the progress of the MAPS exercise after completion of the preparatory meetings and agree with LKPP on revised action plan and next steps to expedite remaining activities to complete the assessment by **end May 2021**. The mission will also meet with the Assessment Steering Committee to present the status of MAPS activities and seek their guidance.

The detailed schedule for the virtual mission from **December 10-11, 2020** is **enclosed** in this letter for your reference.

The mission team will be led by Mr. Ahmed Merzouk (Lead Procurement Specialist) and the mission team members will comprise of Messrs. Achmad Zacky Wasaraka (Procurement Specialist), Budi Permana (Senior Procurement Specialist), Devesh Mishra (Consultant), Susie Smith (Consultant), and Sri Hastuti (Program Assistant). Designated ADB staffs and the local consultant (Ms. Fenty Halim) will also join the mission.

We seek your kind guidance and support to expedite the Indonesia MAPS assessment and request for your availability to chair the wrap-up meeting scheduled on December 11, 2020 from 09:00-11:00 (Jakarta time)

Please refer any queries to the proposed mission to Mr. Ahmed Merzouk (amerzouk@worldbank.org) and/or Mr. Zacky Wasaraka (awasaraka@worldbank.org).

Sincerely,



Bolormaa Amgaabazar
Operations Manager

cc:

- Mr. Salusra Widya, Deputy Chair for Monitoring and Evaluation and Development of Information Systems, LKPP
- Ms. Sarah Sadiqa, Deputy Chair for Strategy and Policy Development, LKPP
- Ms. Chalimah Pujiastuti, Head of Planning and Finance Bureau/Head of PSSU PFM-MDTF, MOF
- Mr. Iwan Herniwan, Director for Planning, Monitoring and Evaluation of Procurement/Secretary of MAPS Technical Management Team, LKPP

Draft Agenda: Indonesia MAPS Virtual Mission
10 – 11 December 2020

Time/Zone		Proposed Agenda	Attendees/Remarks
Thursday, 10 December 2020			
08:00 – 9:30 01:00 – 02:30 20:00 – 21:30 (-1)	Jakarta, ID London, UK Washington, US	Kick off Meeting <ul style="list-style-type: none">▪ Opening Remarks▪ Review of Overall Status of MAPS Activities and progress achieved after preparatory meetings	LKPP (Chaired by Deputy Chair or Director of Monitoring and Evaluation/Secretary of MAPS Indonesia), MAPS Technical Management Team, WB and ADB mission members <i>MS Teams/Zoom Link [TBA]</i>
9: 45- 11:30 02:45 – 04:30 21:45 – 23:30 (-1)	Jakarta, ID London, UK Washington, US	Detailed discussions <ul style="list-style-type: none">▪ Review of Status of MAPS activities for Pillar I, Pillar II, Pillar III and Pillar IV and required balance input	LKPP, MAPS Technical Management Team, WB and ADB mission members (<i>any other stakeholder</i>) <i>MS Teams/Zoom Link TBA]</i>
Friday, 11 December 2020			
09:00 – 11:00 02:00 – 04:00 21:00 – 23:00 (-1)	Jakarta, ID London, UK Washington, US	Wrap-up meeting <ul style="list-style-type: none">▪ Presentation on the Status of MAPS Assessment and remaining challenges/needed support▪ Discussion of agreed revised plans and next steps to expedite implementation	Steering Committee, LKPP (Chaired by Chairman), MAPS Technical Management Team, MOF, WB and ADB mission members <i>MS Teams/Zoom Link [TBA]</i>

v.2. 23.11.2020

January 29, 2021

Mr. Roni Dwi Susanto
Chairman
National Public Procurement Agency (LKPP)
Republic of Indonesia
Kompleks Rasuna Epicentrum, Jl. Epicentrum Tengah Lot 11 B
Jakarta Selatan, DKI Jakarta 12940

Dear Pak Roni:

Subject: Aide-Mémoire of the Virtual Implementation for the Assessment of Indonesia Public Procurement System using Methodology for Assessing Procurement Systems (MAPS)

I am pleased to share the aide-mémoire of the last virtual implementation mission for the Assessment of Indonesia Public Procurement System Using Methodology for Assessing Procurement Systems (MAPS), conducted between December 10-11, 2020, which clearly summarized the Government's full ownership of the Assessment and commitment to improve public procurement performance. We would like to express our sincere thanks to the National Public Procurement Agency (LKPP) for the continued support and cooperation to this important undertaking.

The main purpose of the mission was to review the status of the implementation of the Indonesia MAPS assessment and agree with LKPP on the needed actions to expedite its completion by June 30, 2021 (within the current Fiscal Year 2021 of the World Bank). The series of virtual meetings held with LKPP and the valuable guidance received from the Assessment Steering Committee have greatly helped the mission to achieve its objectives. LKPP's and mission teams agreed on: (i) the revised work plan for the completion of the pending key actions that are critical for the finalizing the assessment report by **June 30, 2021**; and (ii) urgent need for LKPP's support to provide all requested data and information to the assessment team, to be received in acceptable format and quality, by **end-February 2021**, at the latest.

The enclosed aide-memoire provides further details of the discussions held during the mission and the agreed priority next steps to be completed after the mission.

We look forward to our continued close collaboration for the successful implementation of the MAPS Assessment.

Sincerely yours,



For

Bolormaa Amgaabazar
Operations Manager, Indonesia and Timor Leste

Attachment:

– Aide-Mémoire

cc:

1. Mr. Salusra Widya, Deputy Chair for Monitoring and Evaluation and Development of Information Systems, LKPP
2. Ms. Sarah Sadiqa, Deputy Chair for Strategy and Policy Development, LKPP
3. Ms. Chalimah Pujihastuti, Head of Planning and Finance Bureau/Head of PSSU PFM-MDTF, Ministry of Finance
4. Mr. Iwan Hermiwan, Director for Planning, Monitoring and Evaluation of Procurement/Secretary of MAPS Technical Management Team, LKPP

ASSESSMENT OF INDONESIA PUBLIC PROCUREMENT SYSTEM
using
Methodology for Assessing Procurement Systems (MAPS)

Implementation Virtual Mission

December 10 – 11, 2020

AIDE MEMOIRE

1. INTRODUCTION

- 1.1. An implementation mission was conducted virtually in Jakarta, from December 10-11, 2020 which comprised of World Bank and Asian Development Bank (ADB) representatives¹ with a view to agree on completion of the pending key actions that are critical for the finalizing the Assessment of Indonesia Public Procurement System using Methodology for Assessing Procurement Systems (MAPS);
- 1.2. The Indonesia MAPS assessment is about a year behind schedule as many of the key actions that were originally expected to be completed by October 2020 are still pending and a large part of the information required for proceeding further with the assessment have not yet been made available to the assessment team.
- 1.3. The working arrangements would need to be adjusted with the challenges posed by the prevailing COVID-19 situation to meet the objectives of this assessment. As per the revised planned schedule agreed with LKPP, the completion date of the Indonesia MAPS assessment which was initially planned for February 2021 has got extended to **June 30, 2021**.

2. MISSION HIGHLIGHTS

- 2.1. The focus of the assessment team was to take stock of the progress of the MAPS exercise and agree with LKPP on revised action plan and next steps to expedite completion of the remaining activities. Prior to the virtual mission, series of preparatory meetings were held with the Secretary of MAPS Technical Management Team to assist LKPP in completing the following pending key tasks/actions that are crucial for continuation of the assessment:
 - Collection of the remaining detailed data on the already identified sample contracts from each procuring agency;

¹ World Bank mission members: Led by Ahmed Merzouk (Lead Procurement Specialist) and included Achmad Zacky Wasaraka (Procurement Specialist), Budi Permana (Senior Procurement Specialist), Belita Manka (Senior Counsel), Devesh Mishra (Lead Consultant - MAPS), and Susie Smith (Senior Procurement Lawyer – MAPS). Sri Hastuti (Program Assistant) provided all the support to the Assessment Team.

ADB staff and consultants who participated in the mission included: Keiko Koso (Senior Procurement Specialist), Olga Suyatmo (Senior Procurement Officer), Suharyani (Senior Procurement Officer), Rizal Rivai (ADB Consultant), and Fenty Halim (National Consultant – MAPS).

- Collection of the information related to external oversight and controls on public procurement from the oversight agencies (BPK, BPKP, and KPK);
- Launching of the private sector online survey and obtain feedback from private companies;
- Clarifications to an initial draft Analysis of Legal Inputs shared with LKPP on September 11, 2020.

2.2. **Preparatory Meetings on November 25 and 30, 2020:** The Assessment Team discussed with the MAPS Technical Management Team of LKPP, led by Mr. Iwan Herniwan (Director for Procurement Planning, Monitoring and Evaluation/Secretary of the Assessment Steering Committee) together other members of LKPP across different directorates and bureaus. During the first meeting, the mission stressed the need for expediting the pending key actions originally expected to be completed by October 2020 and highlighted that **the remaining tasks could be completed by May 2021 only if all missing data and information is shared by end January 2021**. The mission also discussed stock tacking of each pillar in details and agreed on the proposed actions to be reported to the ASC. On the second meeting, the mission team and LKPP also discussed the requested list of clarifications based on draft legal analysis with a view to validate the findings and seek additional input from LKPP to complete the analysis on issues related to '19' requested key clarifications. Prior to the virtual mission LKPP also managed to launch the Private Sector Questionnaire online and requesting the feedback by end of December 2020. In addition, LKPP also shared the updated Procurement Profile of 2019, full version of the LKPP RENSTRA 2020-2024 together with the Decree on Organization and Staffing of LKPP.

2.3. **Kick-off/Assessment Steering Committee Meeting on December 10, 2020:** These meetings included consultations with the Assessment Steering Committee (ASC). The meeting was chaired by Mr. Roni Dwi Susanto (Chairman of LKPP) and attended by other ASC members, including representative from BAPPENAS (Deputy Chairman for Monitoring and Evaluation of Development Financing, Mr. Taufik Hidayat), BPK, BPKP and representative of participating agencies.

LKPP highlighted the Government's commitment to improve public procurement performance and should benefit from the Assessment as the first comprehensive assessment being implemented under full ownership of the Government with the support of the World Bank and ADB. In addition to the agreed objective, the Assessment is also expected to support LKPP's recent agenda in promoting digital transformation and human resources professionalism in public procurement. LKPP, through its strategic plan (RENSTRA) 2020-2024, envisioned to implement procurement transformation focusing on how the Government procurement spending is able to support improvement of national economy growth and equality.

BAPPENAS also highlighted the importance of the public procurement system in strengthening the government digital infrastructure and broader agenda in improving the Government e-procurement system. The result of MAPS is not only expected to improve the public procurement system but also to contribute to the overall government system in Indonesia and therefore the assessment may be also brought into the Indonesian context.

The following guidance were provided by ASC at the meeting:

- Considering the importance of the Assessment for the nation's own benefit, ASC requested full support from all stakeholders, in particular the participating agencies, to provide the requested data and information with no restriction since the data and information are mostly classified as public disclosure and already available in the respective agencies, including LKPP;
- For acceleration of data collection, ASC also advised the Assessment Team to use different approach, which may be provided through a direct support from the Assessment Team (national consultant) to the participating agencies and other stakeholders in clarifying the requirements on the requested data and information;
- The ASC further requested the Assessment Team and LKPP Technical Management Team to arrange a regular monthly meeting to monitor the progress and to identify the gaps and agree on the required actions.

The list of participants in these virtual missions is given at the **Attachment I**.

- 2.4. **Follow-up meeting on December 11, 2020:** The meeting was also being proposed as a follow-up actions of guidance and instruction from the Assessment Steering Committee (ASC).

The Assessment Team met with LKPP, led by Mr. Salusra Widya (Deputy Chair for Monitoring Evaluation and Development of Information Systems) and other members of Technical Management Team of LKPP and representatives of participating agencies and oversight bodies.

The following key actions were agreed during the mission as **Priority Next Steps** to be taken **promptly** after the missions, latest by **end of January 2021**:

- (i) Follow-up discussion:
 - With the five Participating Agencies - to agree on submission of the remaining sample contracts, in particular with the Ministry of Public Works and Housing (this includes decision on data confidentiality), Ministry of Energy and Mineral Resources, Aceh Province, Rokan Hilir Regency and Bandung City. Summary of sample contracts data collection status is given in the **Attachment II**;
 - With BPKP, BPK, KPK and KPPU - to discuss the requested written inputs related to Indicator 12, 13 and 14;
 - With CSOs (except ICW and TI) – to obtain feedback related to Indicator 11;
 - With Private Sector (Contractor/Consultants/Suppliers Associations) – to clarify their inputs to the questionnaire and to possibly add more respondents;
 - With LKPP – to clarify the responses to the requested clarifications to an initial draft Analysis of Legal Inputs;

For the above purposes, LKPP is expected to lead the initiative by (i) sending subsequent letters to BPK, KPK and KPPU requesting their inputs to Indicators 12, 13 and 14; and (ii) issuing request for virtual meetings

(ii) Submission of additional data and information:

In addition to the above actions, LKPP is also expected to provide the following data and information (updated as of Dec 31, 2020):

- list of amendments to procurement laws and other key recent changes (other than those available on the website);
- publication of procurement information supported by information technology;
- strategies to manage procurement data;
- use of e-Procurement and roadmap;
- statistical information from e-GP portal, and budget implementation documents (DIPA LKPP).

The mission also discussed with LKPP on the possibility to obtain information on SOE's procurement, including volume of procurement, clarity on coordination of SOEs with LKPP, sample of SOEs' Procurement Rules and Regulations of at least 2-3 Entities. Moreover, it was also envisaged the need to quickly hire a local consultant to help in data collection for quantitative indicators.

2.5. Summary of assessment progress after the mission (up to January 20, 2021): The following data and information were shared with the Assessment Team after the mission:

- Inputs from BPKP (quantitative data) – shared by LKPP on December 28, 2020
- Responses to the requested clarifications to an initial draft Analysis of Legal Inputs – shared by LKPP on January 4, 2021
- Budget implementation documents (DIPA LKPP) for the last three year – shared with the Assessment Team on January 4, 2021.
- Responses from 26 Private Sectors entities to the Online Questionnaire – updated online as of January 20, 2021

LKPP has further held a follow-up discussion with BPKP on December 15, 2020 and with Ministry of Energy and Mineral Resources on January 11, 2021 to clarify the requested feedback and inputs.

3. REVISED WORK PLAN

An update on the target dates as per AM of Feb 2020, LKPP's confirmation letter of June 30, 2019 and status after the implementation of virtual mission of December 10-11, 2020 as the **Latest and Final Revised Work Plan** are as under (based on status as of January 20, 2021):

Expected Output/Associated Event	Revised (Final) Timeline
• Development of Key Findings and Recommendations – First Draft Report	Mid- April 2021
• Validation of Findings – Consultation Workshop	End- April 2021
• Completion of Draft Report	Mid- May 2021
• MAPS TAG Review	Mid- June 2021
• Final Report	End- June 2021
• Dissemination – Final Workshop	To be decided

It was agreed that the above revised work plan may be achieved if all requested data and information are received in **acceptable format and quality by end- February 2021 at the latest.**

4. PLAN FOR THE NEXT REGULAR MEETING AND MISSION:

The first and regular progress meeting is proposed to be held in the **first week of February 2021, which** will be continued regularly on monthly basis until June 2021.

The next implementation mission is proposed to be held in the last week of April 2021 which will include validation of findings and consultation workshop.

Attachments

1. List of participants – **Attachment I**
2. Summary of sample contracts data collection status – **Attachment II**

Attachment 1

MAPS INDONESIA - Virtual Implementation Mission Dec 1 Attendance List - Dec 10, 2020

No.	Name	Institution	Unit	
1	Andri setiyaji	BMKG	LPSE BMKG	Ketua I
2	Olga Suyatmo	ADB-IRM	Procurement Unit	Layana
3	Wening Dyah	LKPP	Dit PMEP	Sr. Pro
4	dimas ricky	Kementerian PUPR	Direktorat Pengadaan Jasa Konstruksi	Analisis
5	Achmad Fauzan	Kementerian ESDM	UKPBj KESDM	Subkor
6	Herdiana, ST, MBA,	Kemendilbud	Biro Umum dan PBj	Pengas
7	Prakosa Grahayudlandono	Bappenas	SPPEPP	PPBj M
8	Harry Setyawan	Kem PUPR	DPJK	Koordi
9	M. Fuad Rusdi	Badan Pemeriksa Keuangan	AKN II	Kasub
10	Zacky Wasaraka	World Bank	Procurement - GGP	Sub Ko
11	Sarah Sadiqa	LKPP	Deputi Pengembangan Strategi dan Kebijakan	Kepala
12	Bachtjar	BMKG	Biro Umum dan SDM	Procur
13	Dadi Maryadi	Pemkot Bandung	BPBj Kota Bandung	Deputi
14	Emin AM	LKPP	D23	LPSE
15	AHMAD GHAZALI	DIREKTORAT JENDERAL ANGGARAN	DIREKTORAT SISTEM PENGANGGARAN	Direkti
16	Rosyidi Santono	Pemkot Bandung	Bagian PBj	Pemro
17	Kusnendar	Pemkot Bandung	BPBj Kota Dinas	Kabag
18	Theodore Sutarto	LKPP	Dit PIUKI	Ka. Sul
19	ERIC MOHAMAD ATTHAURIQ, SH	Pemerintah Kota Bandung	Sekretariat Daerah	Analisis
20	Agus Pudjijono	Kem. PUPR	Dit. Pengadaan Jasa Konstruksi	Asister
21	Robin A Suryo	LKPP	Deputi PPSDM	Ksd. Si
22	Jefriden	Kabupaten Rokan Hilir	Bagian Pengadaan Barang dan Jasa	Deputi
23	Iwan	Herniwan	Dit PMEP	Kepala
24	M. Fuad Rusdi	Badan Pemeriksa Keuangan	AKN II	Direkti
25	Arta Yudistira	Bappenas	Direktorat SPPEPP	Kepala
26	Maulida Najwa	LKPP	Direktorat Perencanaan, Monitoring dan Evaluasi Pengadaan	Statisti

No.	Name	Institution	Unit	Posi
27	Dara Kumala Arumbuana	LKPP	Direktorat Perencanaan, Monitoring dan Evaluasi Pengadaan	Perencana Muda
28	Hilma	BMKG	ULP	Staf Sekretariat
29	Simon PP Simanjuntak	Kementerian Pertanian	Biro Umum dan Pengadaan	Kepala Sub Bagl Pengadaan Bara
30	Budi Permana	World Bank	Procurement	Sr. Procurement
31	Fenty Halim	ADB	MAPS Assessment Team	Consultant
32	Wawan Setiawan	Kementerian Pertanian	Biro Umum dan Pengadaan	Kepala Bagian La Pengadaan Bara
33	M. Q. Siddiq	LKPP	Dit. PMEP	Perencana Muda
34	taufik hanafi	bappenas	Kedeputan PEPP	Deputi PEPP
35	Diah Ambarawaty	LKPP	Dit Bangprof	Direktur

MAPS INDONESIA - Virtual Implementation Mission Dec 10-11
Attendance List - Dec 11, 2020

No.	Name	Institution	Unit	Posi
1	Ferdinan Ndun	Pemda Kab. Rote Ndao	Bagian Adm. Layanan PBJ	Kepala Bagian
2	Andy C. Firdana	World Bank	Procurement	Procurement S
3	Emin AM	LKPP	Direktorat PSPSE	Direktur
4	Fenty Halim	Asian Development Bank	MAPS Assessment Team	Consiltant
5	Afrizal, SE, M.Si	Sekretariat Daerah Aceh	Biro Pengadaan Barang dan Jasa Setda. Aceh	Kasubbag Peng Kebijakan Peng
6	Januar Indra	LKPP	Direktorat Pengembangan Profesi & Kelembagaan	Analisis SDM Apa
7	Herdiana, ST., MBA.	Kemendikbud	Biro Umum dan PBJ	Koordinator PK
8	Hilma	BMKG	ULP	Staf
9	Roria Rapmauli Simorangkir	Kementerian Pendidikan dan Kebudayaan	Biro Umum dan Pengadaan Barang dan Jasa	Penelaah Kebiji Barang/Jasa
10	Simon PP Simanjuntak	Kementerian Pertanian	Biro Umum dan Pengadaan	Kepala Sub Bag Pengadaan Bar
11	Kusnendar, S.Sos, M.Si	Setda Kota Bandung	BPBJ Kota Bandung	Kasubag
12	Maulida Najwa	LKPP	Direktorat Perencanaan, Monitoring dan Evaluasi Pengadaan	Statistisi
13	Iwan Herniwan	Dit PMEP	LKPP	Direktur PMEP
14	Wawan Setiawan	Kementerian Pertanian	Biro Umum dan Pengadaan	Kepala Bagian I Pengadaan Bar

Attachment 2

MAPS Assessment for Indonesia

SUMMARY OF SAMPLE CONTRACT

As of January 20 2021

No.	EXECUTING AGENCY	No. Of Samples Selected			ATTEND Clarification/ Consultation Workshop	REMARKS / ISSUES
		SELECTED	SUBMITTED	NOT RECEIVED		
1	Kementerian Pekerjaan Umum dan Perumahan Rakyat Ministry of Public Works & Public Housing	50	0	50	NO	• STATEMENT OF DISCLOSURE INFORMATION
2	Kementerian Energi Dan Sumber Daya Mineral Ministry of Energy & Mineral Resources	15	0	15	NO	• NO INFORMATION
3	Kementerian Pendidikan dan Kebudayaan Ministry of Education & Culture	15	15	0	YES 25-Aug-2020	COMPLETE
4	Kementerian Pertanian Ministry of Agriculture	15	15	0	YES 25-Aug-2020	COMPLETE
5	Badan Meteorologi, Klimatologi Dan Geofisika Meteorology, Climatology & Geophysical Agency	15	15	0	YES 25-Aug-2020	• 2 Revised document not received yet
6	Provinsi Aceh Province of Aceh	20	6	14	YES 25-Aug-2020	• 5 Revised document not received yet • 14 Samples not received yet
7	Kota Bandung City of Bandung	15	0	15	NO	• NO INFORMATION
8	Kabupaten Pinrang District of Pinrang	15	0	15	NO	• NO INFORMATION
9	Kabupaten Rokan Hilir District of Rokan Hilir	15	0	15	YES 02-Sep-20	• NO INFORMATION
10	Kabupaten Rote Ndao District of Rote Ndao	15	15	0	YES 02-Sep-20	COMPLETE
TOTAL SAMPLES		190	66	124		

5. 29-30 March 2022, Virtual Meeting



Assessment of Indonesia
Public Procurement System



AGENDA

Day 1

- Brief overview on the current progress of the IDN MAPS Assessment
- Overall plan for completion of task – Immediate actions for delivery of draft report by end April 2022
- Presentation of preliminary key findings and recommendations/areas of improvement for Pillar I and Pillar II
- Clarifications/inputs needed from LKPP and other agencies to complete the assessment of these two pillars

Day 2

- Presentation of preliminary key findings and recommendations/areas of improvement for Pillar III and Pillar IV
- Clarifications/inputs needed from LKPP and other agencies to complete the assessment of these two pillars
- Plan for Validation Workshop in May 2022; Next steps; and Conclusion



OVERALL STATUS

Key MAPS Activities	Last Revised Plan Sep 29, 2021	Current Status	Revised Plan (Final)
Part A - Data Collection			
Obtain data of the identified sample contracts and qualitative information from the 10 selected procuring agencies	Oct 2021	Data collection substantially Completed in Jan 2022 Ongoing quality assurance for the whole sample	May 2022
Obtain the information related to external oversight and controls from the oversight agencies (such as BPK, BPKP, KPK)	Oct 2021	Substantially Completed – Draft Input completed	Jan 2022
Issue the private sector online survey and obtain feedback from private companies.	Oct 2021	Completed	Dec 2021
Issue CSO questionnaire and obtain feedback from civil society organizations	Oct 2021	Completed	Dec 2021
Obtain updated information and data from LKPP related to Pillar II, Pillar III (Indicator 9) and Pillar IV (Indicator 13)	Nov 2021	Substantially Completed – Follow up Data Collection and Validation in process for all pillars	22 Apr 2022



OVERALL STATUS

Key MAPS Activities	Last Revised Plan Sep 29, 2021	Current Status	Revised Plan (Final)
Part B – Analysis and Reporting			
Completion of first Draft Report – Key Findings and Recommendation	Dec 2021	Assessment Substantially Completed Indicators Matrix substantially completed	30 Apr 2022
Validation Workshop with All Stakeholders	Jan 2022	Rescheduled to consider the delivery of MAPS draft report by end April 2022	Third week May 2022
Completion of Final Report- After review with the Steering Committee and the World Bank Management)	Feb 2022	Rescheduled to consider the feedback of the Validation Workshop	30 Jun 2022
MAPS ATAG Review, Certification and Dissemination	Mar 2022	Rescheduled	30 Sep 2022

Required Immediate Actions

Assessment of Indonesia
Public Procurement System



Follow-up discussions on remaining key
input/clarifications: **Week of April 4, 2022**

Detailed Draft Matrix to be shared with LKPP:
April 15, 2022

Feedback from LKPP on Detailed Matrix:
April 22, 2022

Completion of the first draft of the MAIN Assessment
Report (Volume I) and Detailed Matrix (Volume II):
April 30, 2022

Validation Workshop (hybrid mode – virtual & in
person): Tentative **Third or Fourth week of May 2022**

6. 12 April 2022, Forum Group Discussion

Documents attached :

1. Additional Input LKPP - Indicator 1,2,3,13 Legal Analysis
2. Additional Input LKPP - Indicator 5,6,8
3. Additional Input LKPP - Indicator 1

A. Additional Input LKPP - Indicator 1,2,3,13 Legal Analysis

Sub-indicator- Criteria	Findings of the Assessment Team	Additional input/feedback Needed from LKPP	Input/feedback from LKPP
Sub-indicator 1(a)(a) and Sub-indicator 3(b)			
<p>Sub-indicator 1(a)(a): Legal and regulatory body of norms (a) Is adequately recorded and organised hierarchically (laws, decrees, regulations, procedures), and precedence is clearly established.</p>	<p>Hierarchy within the national legal framework: Indicator 1(a)(a) requires assessment of the structure of the procurement legal framework, its clarity and precedence of different instruments. The MAPS Methodology explains that these factors are important to minimize inconsistencies in application.</p> <p>We note the clear hierarchy of laws set out in Article 7(1) of Law (UU) No.12 of 2011 on ‘Establishment of Legislation’ (as amended) and further provisions in Articles 12, 13 and 14 of that Law concerning implementing provisions.</p> <p>We also note reference in Article 7(2) of that Law to other types of legislation, in addition to legislation listed in Article 7(1). We cannot identify a clear hierarchy in relation to legislation listed at Article 7(1). In addition, we cannot see Ministerial Regulations (Peraturan Menteri) referred to in Article 7(1) or 7(2), although we have come across such regulations with potential impact on public procurement.</p>	<p>Questions/clarifications on hierarchy within the national legal framework</p> <ol style="list-style-type: none"> 1) We would like to include a statement in the analysis of this sub-indicator confirming where the regulations issued by Head of LKPP, implementing Perpres No.16 of 2018 (as amended by Perpres No.12 of 2021), sit in the hierarchy. Please provide an explanation, with relevant references, which we can use for the analysis of this issue in the sub-indicator. 2) Where is the reference to Ministerial Regulations and where do they sit in the hierarchy? 3) Which legislation take precedence, for example if there is inconsistency or conflict between the implementing regulations issued by Head of LKPP and other legislation of a type listed in Article 7(2), or Ministerial Regulations? 	<p>Law No. 12 of 2011 Article 8:</p> <ol style="list-style-type: none"> 1) Paragraph (1) Types of Legislation other than those referred to in Article 7 paragraph (1) include regulations stipulated by the People's Consultative Assembly, the People's Representative Council, Regional Representatives Council, the Supreme Court, the Constitutional Court, the Financial Audit Board, the Judicial Commission, Bank Indonesia, the Minister, agency, institution, or commission of the same level established by law or the Government by order of the Act, the Provincial People's Representative Council, the Governor, the Regency/City Regional People's Representative Council, the Regent/Mayor, the Village Head or the equivalent. 2) Article 8 paragraph (2) The statutory regulations as referred to in paragraph (1) are recognized for their existence and have binding legal force as long as they are ordered by a higher Legislation or formed based on authority. 3) Article 9 paragraph(1) In the event that a law is alleged to be in conflict with the 1945 Constitution of the Republic of Indonesia, the examination is carried out by the Constitutional Court. Paragraph (2) In the event that a statutory regulation under a law is alleged to be in conflict with the law, the review is carried out by the Supreme Court.

<p>Sub-indicator 3(b): Public procurement obligations deriving from binding international agreements are (a) clearly established; (b) consistently adopted in laws and regulations and reflected in procurement policies</p>	<p>Incorporation of international treaties/agreements into Indonesian Law: Indicator 3(b) concerns obligations deriving from international agreements and includes assessment of how international obligations that impact on public procurement are adopted in national legal and policy framework for procurement. We would like to include explanations in the analysis of sub-indicator 3(b) confirming how provisions in international treaties and agreements are adopted in national law and what provisions apply in the event of inconsistency or conflict between international treaties/agreements and Indonesian law.</p>	<p>Questions/clarifications on incorporation of international treaties/agreements into Indonesian Law</p> <ol style="list-style-type: none"> 1) Please confirm whether international treaties/agreements are automatically incorporated as part of Indonesian law or whether a domestic law adopting the international agreement is required. Please cite relevant legislative provisions and/or other authoritative sources of law. 2) We note the role of the Ministry of Trade in international trade matters. Please confirm which ministry/ministries or other organisation/s have lead responsibility for ensuring compliance with international treaty and international trade obligations (including price preference/domestic content) in national policy and national legislation, in relation to public procurement in particular 3) Please confirm whether the provisions in the public procurement law (Perpres 16/2018 as amended by Perpres 12/2021) on domestic products and price preference comply with Indonesia's obligations under international trade agreements. 4) What legislative provisions apply to determine which rules apply in the event or inconsistency or conflict between international treaties/agreements and domestic law? Please cite relevant provisions and provide a brief explanation to be included in the analysis 	<ol style="list-style-type: none"> 1) It is necessary for the Law to adopt international agreements, according to Law no. 12 of 2011 Article 10 paragraph 1 letter c, ratification of international agreements must be regulated in law. International cooperation can be carried out multilaterally or bilaterally. Until now, the cooperation agreement on procurement is still in the transparency stage. Provisions regarding the agreement ratification process are in Law No. 24 of 2000 concerning International Treaties. 2) In the case of government procurement, the implementation of the procurement (including provisions related to domestic content/price preferences) depends on the agreement stated in the agreement. In the case of using domestic rules, all domestic provisions apply, including domestic content and price preferences. On the other hand, if the rules are agreed upon by the rules of the Lender, then the rules of preference and domestic content do not apply (Perpres No. 16 of 2018 Article 64 Paragraph 1). 3) Only applicable when using APBN/APBD funding sources including PHLN or agreements as explained in No. 2. APBN: State Budget APBD: Regional Government Budget PHLN: Foreign Loan and Grant 4) That according to explanation No. 1 certain international treaties adopted into law. So that if there are rules that conflict with the agreement, it is resolved in a hierarchical order (Article 7 paragraph 1) or a judicial review is carried out to the Supreme Court (Article 9 paragraph 2). <p><u>Input from Pak Theo:</u></p> <ol style="list-style-type: none"> 1) Should any international treaties/agreements signed by parties involved, Indonesian regulation requires the treaties to be ratified into domestic law. The ratification process would involve either the Parliament or just internal government. Thus, it would be a domestic law that refers to the treaties or agreement. Relevant provision as Law no 1/2021 concerning Ratification of Comprehensive Economic Partnership Agreement between the Republic of Indonesia And The EFTA States. EFTA: European Free Trade Association 2) The relevant Ministries/Agencies that have the responsibilities to ensure the compliance international treaties and trade obligations are Ministry of State Secretariat, Cabinet Secretariat of the Republic of Indonesia, and Ministry of Law and Human Rights. Furthermore every working group have their own ministry/agency responsible related to their duty, as LKPP is the lead on government procurement. 3) Currently in terms of international treaties/agreements, Indonesia doesn't have any market access commitment. So, domestic products and price preference is irrelevant to any international treaties/agreements. 4) Since every single international treaties/agreements should comply with domestic law, therefore in the process of negotiating the treaties and agreements, every negotiators must adhere to domestic law and regulations.
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Sub-indicator 1(d) Rules on participation			
<p>Sub-indicator 1(d)(c) - Administrative debarment/blacklisting:The legal framework meets the following conditions: (c) It details eligibility requirements and provides for exclusion for criminal and corrupt activities, and for administrative debarment under the law, subject to due process or prohibition of commercial relations.</p>	<p>Administrative debarment/blacklisting: We have included in the draft analysis information on the clear eligibility requirements and grounds for exclusion. Our query relates to administrative debarment (blacklisting).</p> <p><i>Extract from draft analysis in Matrix: Process of Blacklist Sanction: PPL s.79. provides that the Blacklist Sanction is determined by PA/KPA (Budget holder/Authorized Budget Holder with power of delegation) on the recommendation of the Procurement Officer/Selection Working Group/Procurement Agent or PPK (Commitment Making Official). Proposed blacklisting decision is subject to external checks by Government Internal Supervisory Apparatus (APIP), a body independent of the PA/KPA: PerlemLKPP No.4 of 2021 Guidance of business actors for government goods/services procurement, Appendix II covers detailed procedural requirements including examination and confirmation or refusal by the Government Internal Supervisory Apparatus (APIP) of proposal by budget holder/authorized budget holder to blacklist. The review by APIP is conducted prior to blacklisting. There are also provisions on suspension/postponement of a blacklisting sanction based on decision of a court as well as standard forms for use in the blacklisting process.</i></p>	<p>Questions/clarifications on role of APIP and right to challenge/appeal a blacklisting decision and related sanction/s</p> <ol style="list-style-type: none"> 1) Is the role of the APIP correctly described above? 2) When a participant/provider has been blacklisted, is an application to the court the only venue/route available to the blacklisted party to challenge or appeal against the blacklisting decision and related sanctions? If there is another venue/route, please explain. 3) Which court has jurisdiction to consider a challenge to a blacklisting decision and what is the nature of the application to the court? Does this happen in practice and how long does it take for a court to make a decision? 4) Does the blacklisting decision remain in place, or is it suspended, pending the decision in the court case (or where another venue/route applies, pending decision by the relevant body)? 	<ol style="list-style-type: none"> 1) Yes 2) PTUN Only PTUN : Administartive Court 3) Only PTUN within the area of the location of the procurement of goods/services. Yes It does. There are decision to reject or accept the lawsuit (cancel the blacklist sanction). 4) Remains in effect until the decision is final, unless there is an interim decision to suspend.
<p>Sub-indicator 1(d)(d) Rules for participation of state-owned enterprises:</p> <p>The legal framework meets the following conditions: It establishes rules for the participation of state-owned enterprises that promote fair competition</p>	<p>This sub-indicator requires assessment of whether there are rules concerning participation of state-owned enterprises as bidders in public procurement which create a level playing field for all competitors and whether state-owned enterprise are granted preferential treatment in the form of, for example, subsidies or tax exemptions.</p>	<p>Questions/clarifications on rules for the participation of state-owned enterprises that promote fair competition</p> <ol style="list-style-type: none"> 1) Are there any rules, such as limitations or conditions for participation/qualification of state-owned enterprises as bidders, or other provisions or guidelines, which ensure a level playing field? If yes, please provide references and a short summary? 2) Are there any measures for preferential treatment of state-owned enterprises? If yes, please provide a short summary and/or examples of such measures? 	<ol style="list-style-type: none"> 1) There is no special treatment for SOE to bid, in fact there are restrictions. For SOE construction work, only to bid for packages above Rp. 100 billion. This provision is contained in LKPP Regulation Number 11 of 2021, Attachment to Chapter II, 2.4.2 regarding Packaging of Procurement of Construction Services point B. 2) No, There are not

Sub-indicator 1(e) Procurement documentation and specifications			
Sub-indicator 1(e)(b) Functional specifications: The legal framework meets the following conditions: (b) it requires the use of neutral specifications, citing international norms when possible, and provides for the use of functional specifications where appropriate.	<p>We have referred in the analysis of this sub-indicator to requirements in PPL s.19 concerning preparation of technical specifications and have noted provisions on use of SNI standards. This indicator also requires assessment of whether the legal framework permits and encourages use of functional (output-based or performance based) specifications where appropriate. There is particular reference to use of functional specification to promote innovation.</p>	Questions/clarifications on use of functional specifications 1) Are there specific provisions in the PPL or implementing regulations or other guidance which we can refer to which permit and encourage use of functional specifications? 2) If yes, please provide references and a short summary.	1) Article 19 only regulates general requirements. This is not enough to describe the type of goods/services needed. More detailed specifications can be made on a functional/performance basis. Related to this, it is not regulated in the form of regulation, but in the form of competency standards for procurement actors which are stipulated based on the Decree of the Minister of Manpower No. 70 of 2016 concerning SKKNI Stipulation and so on. Technical specifications are determined according to the type of goods/services. SKKNI: Indonesian National Work Competency Standards
Sub-indicator 1(g) Submission, receipt and opening of tenders			
Sub-indicator 1(g)(b) Retention and availability of records of proceedings for bid opening: The legal framework provides for the following provisions (b) Records of proceedings for bid openings are retained and available for review	<p>The methodology for this sub-indicator confirms that public opening of tenders is a means of increasing transparency in open tendering. It specifies information which should be read and recorded in open tendering and confirms that records of proceeding for bid opening should be retained and be available for review and audit purposes.</p> <p>We note that the e-procurement system (SPSE) includes a log of bid opening which is retained on the system. The e-procurement system allows for the uploading and publication of a separate bid opening report, which is a public facing document.</p>	Question/clarification on retention and availability of records of proceedings for bid opening Please confirm, with references and links (if relevant), the specific legal provisions on requirements to (1) retain bid opening records; and (2) make records of bid opening available for review and audit, including confirming who shall be entitled to review and audit those records.	1) Bid opening records are stored in and announced through the system 2) The audit can access all offer documents, news of the opening of the offer, and news of the bid evaluation event by providing the auditor's account. We have embraced electronic-based procurement, including document storage that has been stored in the system. Regulations regarding document retention are based on archiving regulations. In terms of log storage management, LKPP has made regulations regarding LPSE standardization. Adopted according to ISO 20000 and ISO 27001 standards Regarding file storage, following archiving requirements. Provisions for the preparation of Law No. 43 of 2009. Everything related to files and documents, their storage refers to the Law. The one who keeps the document is the one who creates the document. In relation to the procurement archives, it refers to the Information Disclosure Act No. 14 of 2008, including anyone who can access it. The Information Commission Regulation No. 1 of 2001 concerning the standards of public information services. Management of Electronic Archives: Role No. 6 of 2021

Sub-indicator 1(h)Right to challenge and appeal			
<p>Sub-indicator 1(h)(b) Right to appeal: The legal framework provides for the following: (b) Provisions make it possible to respond to challenge with administrative review by another body, independent of the procuring entity that has the authority to suspend the award decision and grant remedies, and also establish the right for judicial review.</p>	<p>We have included in the analysis on sub-indicator 1(h)(b) the right of participants in procurement proceedings to challenge decisions or actions taken by the procuring entity, using the “objection” procedure provided for in the PPL, with procedure set out in the relevant implementing regulations.</p> <p>Following previous discussions on this issue with the LKPP, we have also included a short description of other routes of complaint: LKPP complaints procedure (PPL s.77(7)) which can be referred on to internal auditors; LKPP pre-contract consultancy (advocacy) services; public complaints to APIP; as well as a reference and link to the route for whistleblowing reports direct to LKPP, and references to complaints to the Ombudsman, Business Competition Supervisory Commission and KPK.</p> <p>In our earlier discussions and subsequent written clarification, the LKPP confirmed that in the event that a participant in procurement proceedings objects to the outcome of the objection process, the participant may submit a lawsuit to the civil court. The mechanism/procedure is in accordance with rules of the Supreme Court.</p>	<p>Question/clarification on proceedings in the civil courts in respect of decisions on objection</p> <p>What is the nature of the application and proceedings in the civil courts in respect of decisions by procuring entities on objection? Is it (1) an appeal to the court in respect of the <u>substance of the decision</u> made by the procuring entity’ or (2) as in some jurisdictions, a request for review of the <u>manner of decision making</u> of the procuring entity?; or (3) another form of appeal/review – please specify/explain.</p>	<ol style="list-style-type: none"> 1) No, It does not 2) To appeal through Administrative Court 3) KPPU if there is a lawsuit related to fair business competition <p>After the rebuttal period, it goes to the complaint stage. When you are not satisfied with the answer to the objection, you can file a complaint with the Administrative Court, KPPU or the civil court.</p> <p>e-complaints are opened to the general public or providers. Complaints will be forwarded to APIP or the internal auditor at the procurement location with credible, actual and authentic evidence. If later the provider is not satisfied with the APIP’s decision, it can go through the PTUN.</p> <p>Outside the legal channels there is a complaint channel that is submitted to the ministry through its internal supervisor or ombudsman.</p> <p>When a civil complaint is filed, it must provide strong evidence, and this has happened before. The final decision is at the end of the rebuttal period from the PA.</p> <p>Throughout 2021 there were 868 complaints, 69% were construction works, 73% related to the implementation of elections, 90% related to administrative violations.</p> <p>339 proper and complete complaints which are forwarded to the internal auditors of each K/L/PD.</p>
<p>Sub-indicator 1(h)(e) Publication of applications for appeal and decisions on appeal:Applications for appeal and decisions are published in easily accessible places and within specified time frames, in line with legislation protecting sensitive information.</p>		<p>Questions/clarifications on publication of applications for appeal and decisions on appeal in procurement related proceedings in the civil courts and on data collection</p> <ol style="list-style-type: none"> 1) We propose the following conclusion on this sub-indicator:“There is no single, centralized, reliable record of procurement related appeals submitted to the civil courts or to decisions made by those courts”. This is what we understood from previous discussions with the LKPP. Is this statement correct? 2) How does LKPP assess the impact of judicial review/decisions on the procurement practices in absence of a single centralized register of procurement related appeals? 3) What data does LKPP use to assess the activity and impact of challenge and appeal in order to carry out its oversight function on overall functioning of public procurement system? 	<ol style="list-style-type: none"> 1) The conclusion is correct. However, the rebuttal of the appeal was not submitted to the court but to the PA/KPA. Therefore, there is no centrally available data related to the rebuttal submitted. PA/KPA: Budget User/Proxy of Budget User 2) Need explanation. The impact of no system or the impact of a disclaimer of appeal without a single centralized system) 3) LKPP has not evaluated the impact of a disclaimer of appeal.

Sub-indicator 13(a)(a) Process for challenge and appeal			
Sub-indicator 13(a)(a) Decisions are rendered on the basis of available evidence submitted by the parties.	We have included analysis (in indicators 1 (h) and 13(a) of the right of objection (PPL s.50) , including grounds for objection, time scales for submission of objection and publication of decision on objection, as detailed in the relevant implementing Regulations.	Questions/clarifications on evidence considered in process of challenge (objection) Are there any detailed rules, regulations or other guidance on: 1) the information or evidence to be submitted by bidders when submitting an objection; and 2) how the procuring entity conducts the process to consider objections and come to a decision?	LKPP Regulation No. 12 of 2021 Chapter 4.2.12 concerning Disclaimer and 4.2.13 concerning Disclaimer of Appeals. Procedures for refusal in the SPSE module. Manage objections to become a unit of competence. There are guidelines for the Working Group to manage objections. In each training, the competency unit manages refutation as learning material and is included in the exam.
Sub-indicator 1(i) Contract management			
Sub-indicator 1(i)(d) Enforcement of outcomes of dispute resolution processes: The legal framework provides for the following: (d) The final outcome of a dispute resolution process is enforceable.	<p>The MAPS Methodology for this sub-indicator requires that a framework should be in place for fair and timely resolution of disputes, including procedures to enforce the final outcome of a dispute resolution process.</p> <p>In respect of international arbitral awards, the MAPS Methodology mentions membership of the New York Convention on enforcement of international arbitral awards as one example of how the final outcome of arbitration may be enforced. We have referred to Indonesia's membership of the New York Convention in the analysis.</p> <p>The MAPS methodology refers, more widely, to procedures to enable the winner in a dispute to seek enforcement of the outcome, for example by going to the courts. We are aware that the legal framework (PPL A.85) and bidding documents and conditions of contract provide for various modes of contract dispute resolution, including the LKPP contract dispute resolution service, arbitration and court proceedings, as appropriate. We note also Law no.30 of 1999 on Arbitration and Alternative Dispute Resolution.</p>	Question/clarification on whether the final outcome of a dispute resolution process is enforceable. Could you please assist us by providing a short explanation, with references, in response to this criterion to explain whether and how the final outcome of arbitration and dispute resolution is enforceable by a winning party. This should, ideally, refer to: foreign/international arbitral awards, national arbitral awards and outcomes/awards resulting from other methods of dispute resolution.	<p>It has been regulated in the specific terms of the contract, there is a choice of dispute resolution paths. LKPP has procurement dispute resolution services and it is stated in number 18 of 2018 regarding LPS PBJP contracts. There is a mediation stage, if conciliation is not completed, then arbitration.</p> <p>Article 42, arbitration is final and registered at the local district court. If someone is dissatisfied, file a new lawsuit.</p>
Sub-indicator 1(j) Electronic procurement (e-Procurement)			
Sub-indicator 1(j)(a) Permitted or mandated use of electronic procurement: (a) The legal framework allows or mandates e-Procurement solutions covering the public procurement cycle, whether entirely or partially.	This criterion requires assessment of whether the legal framework permits and/or mandates the use of electronic methods and instruments in public procurement and for which parts of the procurement cycle. We expect to cite the relevant provisions in the analysis. We note that in the previous public procurement law, Perpres No.54 of 2010, article 106 permitted use of electronic procurement using e-tender or e-purchasing. The scope of e-tendering was stated to cover from announcement to award and article 131 appeared to mandate use of electronic procurement, with effect from the financial year 2012.	Question/clarification on permitted or mandated use of electronic procurement Can you please confirm where the equivalent provisions are in the PPL or provide an explanation of where and how the wider legal framework permits or mandates use of electronic procurement?	It is stated in Presidential Regulation 16 of 2018 that the procurement process is fully electronic: article 69.

Sub-indicator 1(k) Norms for safekeeping records, documents and electronic data			
<p>Sub-indicator 1(k)(a) List of procurement records and access for inspection: A comprehensive list is established of the procurement records and documents related to transactions including contract management. This should be kept at operational level. It should outline what is available for public inspection including conditions for access.</p>	<p>We are aware that, in practice, the LPSE systems retain all related data and documents associated with procurement process. We understand that SPSE defined database of records will, in effect, provide for a list of records to be retained. However, we are unable to find a comprehensive list in the legal framework of the procurement records and documents to be retained, or provisions concerning public access.</p> <p>The MAPS methodology refers to safekeeping of records and documents to cover the entire procurement process, including contract management and, at a minimum either physical and/or electronic:</p> <ul style="list-style-type: none"> • public notices of procurement opportunities • the procurement method, including justification • a complete set of bidding/selection documents, including clarifications and any amendments • bid/proposal opening records • evaluation reports, including clarifications sought and provided during the evaluation process • award decisions, including all elements on which the decision was based • award notices (if applicable) • formal challenges (requests for review and appeals) by bidders and outcomes • final signed contract documents and amendments • contract variations, modifications and changes • certificates and reports of inspection, quality control and acceptance • claims and dispute resolutions • payments • disbursement data (as required by the country's financial management system) • any correspondence, meeting notes and minutes, including contract negotiations (if applicable). 	<p>Questions/clarifications on list of procurement records and access for inspection</p> <ol style="list-style-type: none"> 1) Is there a comprehensive list as required by this criterion? 2) If there is a comprehensive list please provide copy and link or reference to where it is available. 3) What rights do the public have to inspect retained documents relating to the procurement and contract management, what conditions apply and is there published rules or guidance on this issue? 4) Central Information Commission (KIP)- Perki No.1 of 2021 (Information Commission Regulation Perki No.1 of 2021 concerning Public Information Service Standards (SLIP) (replacing Perki no.1 of 2010), issued pursuant to Law no. 14 of 2008 on Public Information Disclosure). We note provision in Articles 14 to 15, in particular, concerning publication of information on procurement of goods and services, including a comprehensive list of procurement and contract management documents. How well do the requirements of Perki No.1 of 2021 align with the procurement legal framework and practice? 	<ol style="list-style-type: none"> 1) The list of procurement files is determined by each relevant K/L/PD. K/L/PD: Ministries/Institutions/Local Governments 2) The attachment to the Regulation of the Head of ANRI No. 13 of 2016 The 3) Law on Public Information Disclosure describes information that is allowed and excluded. Each K/L/PD has a PPID which is authorized to determine which information may be accessed and excluded, including the procedure for requesting access. The determination of accessible information is the authority of the agency leadership. The regulations of the Central Information Commission contain information and documents that can be accessed by the public. These regulations serve as guidelines for the agency. PPID: Information Management and Documentation Officer 4) Perki No.1 of 2021 discussed with LKPP so that there are no problems related to procurement rules. These regulations apply to all K/L/PD and so far there has been no conflict..

Sub-indicator 1(k) Norms for safekeeping records, documents and electronic data			
Sub-indicator 1(k)(b) Document retention policy: There is a document retention policy that is both compatible with the statute of limitations on the country for investigating and prosecuting cases of fraud and corruption and compatible with the audit cycles.		<p>Questions/clarifications on document retention policy</p> <p>We have been unable to find a procurement-specific document retention policy.</p> <ol style="list-style-type: none"> 1) Is there a standard procurement related document retention policy or provisions in regulations concerning this issue and/or is there a retention policy for the SPSE which we can refer to? If yes, please provide copy and link/reference or, if simpler provide a short summary. 2) If there is no procurement-specific policy, what are the relevant national policies or standards applying to retention of procurement records and where are they set out? 3) Are the relevant policies compatible with (1) the statute of limitations for investigating and prosecuting cases of fraud and corruption; (2) the procurement cycle? 	<p>The retention of regulatory documents is in the Archives Law No. 43 of 2009 and the standard for preparation of archive retention is the Regulation of the Head of ANRI No. 14 of 2015. It is handed down to the internal regulations of each K/L/PD. For example, LKPP Regulation No. 21 of 2018.</p> <p>If it becomes evidence or research material, it can be used because there are active and inactive records. 2016 article 3, determined that archive retention is active and inactive, 5 years for legal value, 10 years for financial accountability.</p> <p>If it is past the storage period, it will be determined as a national archive or not, judging from how important the document is.</p>
Sub-indicator 1(k)(c) Security protocols: There are established security protocols to protect records (physical and/or electronic)	We note that PPL s.73 (3) LKPP establishes standards for the services, capacity and security of the e-procurement system (SPSE) and we understand that the supporting system and protocols are in place.	<p>Question/clarification on security protocol</p> <p>Are there established security protocols to protect physical records in case of paper-based procurement? Please provide copy and link/reference.</p>	Referring to SPSE

Sub-indicator 2(b) Model procurement documents for goods, works and services			
Sub-indicator 2(b)(b) Mandatory use of model procurement documents: At a minimum, there is a standard and mandatory set of clauses or templated that reflect the legal framework. These clauses can be used in documents prepared for competitive tendering/bidding	<p>We have noted in the assessment the extensive collection of model procurement documents published by the LKPP for use in various methods of procurement, including competitive bidding. We have included a list of the standard/model procurement documents in sub-indicator 2(b)(a).</p> <p>This sub-indicator also requires us to assess whether it is mandatory to use standard clauses or templates (standard/model procurement documents (MPDs/SBDs)) and we expect to cite the relevant legal provisions.</p>	<p>Questions/clarifications on mandatory use model procurement documents</p> <ol style="list-style-type: none"> 1) Is it mandatory to use the MPDs/SBDs? 2) If yes, please provide us with references to the relevant legal provisions which make it mandatory to use the MPDs/SBDs. 	It is mandatory to use selection documents in accordance with LKPP regulations No. 12 of 2021 article 4
Sub-indicator 2(c) Standard Contract Conditions			
Sub-indicator 2(c)(a) Mandatory use of standard contract conditions: There are standard contract conditions for the most common types of contracts, and their use is mandatory	<p>We have noted in the assessment the standard General Contract Conditions (SSUK) and Special Contract Conditions (SSKK) which are incorporated as part of the procurement contract and which cover most common types of contracts.</p> <p>This sub-indicator also requires us to assess whether it is mandatory to use standard contract conditions and we expect to cite the relevant legal provisions.</p>	<p>Questions/clarifications on mandatory use of standard contract</p> <ol style="list-style-type: none"> 1) Is it mandatory to use the standard contract conditions or other conditions incorporated within SBDs/MPDs? 2) If yes, please provide us with references to the relevant legal provisions which make it mandatory to use these contract conditions. 	
Sub-indicator 2(c) Standard Contract Conditions – PPL s.27A		<p>Questions/clarifications on impact of PPL s.27A</p> <p>We note the introduction of PPL s.27A which permits PPK to use other types of contract, in addition to those referred to in PPL s.27, subject to the characteristics of the work to be implemented and considering the principles of efficiency, effectiveness and conformity with laws and regulations.</p> <ol style="list-style-type: none"> (1) What is the intention behind this new provision? (2) How much freedom does this give the PPK to depart from the standard contracts? Are there any contract terms which must still be included? With which “laws and regulations” must they comply? (3) Is there any additional guidance published on how to use the flexibilities permitted by PPL s.27A? If yes, please cite and provide a link. 	<ol style="list-style-type: none"> 1) To anticipate the development of the contract module for the procurement of goods/services. Moreover, business development and rapid technological growth. 2) If other contracts have a better value, then it is possible. 3) There are no guidelines for implementing the above points.

<p>Indicator 3(a), (a)(b)&(c) Sustainable Public Procurement (SPP)</p>	<p>We note the commitment of the Government of Indonesia to achievement of Sustainable Development Goals, mainstreaming of sustainable development principles and incorporation within national development and national action plans. We also see that there has been significant activity in addressing the environmental aspects of sustainable public procurement (SPP) with the introduction of eco-label requirements and other requirements. We have also seen references to a “road map” and implementation plan.</p> <p>https://indonesiacef.id/en/presentation/kebijakan-circular-economy-di-indonesia-sustainable-public-procurement-spp/</p> <p>This indicator requires us to assess whether there is a procurement-specific policy and implementation plan to implement sustainable public procurement in support of national policy objectives. Sustainable public procurement here should be understood in its broader sense, to cover economic development, social development and environmental protection (see MAPS Assessment Methodology page 33, Indicator 3(a))</p>	<p>Questions on Sustainable Public Procurement</p> <ol style="list-style-type: none"> 1) Is there a procurement specific policy and implementation plan (or equivalent, such as road map) to implement sustainable public procurement in support of national policy objectives? 2) If, yes, please provide copies and links. 3) If yes, was the implementation plan based on an in-depth assessment? Please provide details (for analysis of indicator 3(a)(b)) 4) If no, is a procurement-specific sustainability policy proposed and who is coordinating this development? 5) What systems and tools are in place to operationalise, facilitate and monitor the application of SPP (for analysis of indicator 3(a)(b)) 6) Is there any other information you can provide to assist us to correctly capture the state of affairs in this area? 	<p>Presidential Regulation Number 16 of 2018, one of the objectives of procurement is to carry out sustainable procurement. Article 68 explains how to conduct sustainable procurement. Currently, products with eco labels are being submitted for tagging sustainable procurement. We encourage green products to be published in the catalog.</p> <p>The roadmap file is displayed at the socialization event, but there is no legal form yet.</p> <p>In terms of procurement planning, there is already tagging in the SVP tagging SIRUP application.</p>
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Sub-indicator 3(a)(c) Sustainable Public Procurement (SPP)			
<p>Sub-indicator 3(a)(c) SPP in the procurement cycle – sustainable construction principles:</p> <p>(c) The legal and regulatory frameworks allow for sustainability (i.e. economic, environmental and social criteria) to be incorporated at all stages of the procurement</p>	<p>We have included in the analysis for this sub-indicator reference to the PPL provisions on sustainable public procurement as objectives (PPL s.4) and policies of procurement (PPL s.4), the requirement at PPL s.68 to take account of sustainability aspects, requirements concerning technical specifications and use of green products and eco-label schemes. Including forestry products. We have also referred to evaluation methods, including economic life-cycle cost (PPL s.39) and supervision of procurement to include sustainable public procurement (PPL s.70).</p>	<p>Question on SPP in the procurement cycle – sustainable construction principles</p> <p>In the previous works Regulations (PermenPUPR No.14 of 2020 Standards and Guidelines for procurement of construction services through providers) there were references to “sustainable construction principles”, as follows:</p> <p>PermenPUPR No.14 of 2020 Standards and Guidelines for procurement of construction services through providers (Works PPR 2020)</p> <p><i>Works PPR 2020 s.14 Procurement planning, required the application of Sustainable Construction principles in procurement planning.</i></p> <p><i>Works PPR 2020 s.23 defined sustainable construction as an approach to carrying out a series of activities needed to create a physical facility that meets current, and future economic, social and environmental objectives.</i></p> <p><i>Works PPR 2020 s.27 further expanded the principle to include references to life-cycle orientation as well as other sustainable factors.</i></p> <p>We are unable to find these provisions in the new Guidelines (PerLemLKPP No.12 of 2021, appendices II, III), but we are aware that increased emphasis is placed on sustainability in the 2021 amendments to the PPL. Have these requirements been included elsewhere please? Please provide references.</p>	<p>Will be checked again</p> <p>Is there any ongoing construction procurement.</p>

Sub-indicator 5(a) Status and legal basis of the normative/regulatory function			
Sub-indicator 5(a)(a) Role/responsibilities of LKPP and Ministry of Public Works and Housing in relation to procurement of works (construction) & integrated design and build: The legal and regulatory framework specifies the normative/regulatory function and assigns appropriate authorities formal powers to enable the institution to function effectively, or the normative/regulatory functions are clearly assigned to various units within government.	<p>We note that under Perpres no.12 of 2021, responsibility for preparation of standards and guidelines for works (construction) & integrated design and build now lies with LKPP. We see transitional provisions at s.89 Perpres no.12 of 2021 providing that, pending publication of guidelines by Head of LKPP, the Ministry of Public Works Guidelines PermenPUPR No.14 of 2020 and PermenPUPR No.1 of 2020 (as amended) continued to apply. We note that the relevant guidelines were published by the Head of the LKPP: PerLemLKPP No.12 of 2021 Guidelines for implementation of government procurement of goods/other services/non-construction consultancy services through provider, includes Guidelines and Model Documents for procurement of construction services and integrated design and build construction works.</p>	<p>Questions/clarifications on role/responsibilities of LKPP and Ministry of Public Works and Housing in relation to procurement of works (construction) & integrated design and build</p> <ol style="list-style-type: none"> 1) Are there any other provisions in the legal framework concerning the transfer of responsibilities from Ministry of Public Works and Housing to LKPP? Please provide explanation and references to relevant legal provisions. 2) Are the LKPP's responsibilities relating to procurement of construction services and integrated design and build construction works limited to issuing of guidelines or are they wider, for example, covering other functions such as policy and development of initiatives for improvement? Please provide explanation and references to relevant legal provisions. 	<p>In Law No. 2 of 2017 regulating construction services, its derivative is the Law on job creation, which is followed up in PP No. 14 of 2021, it is stated that there are separate public procurement regulations in the Presidential Regulation on the Procurement of Goods/Services. However, all the guidelines for the implementation of the procurement of construction services are contained in the LKPP regulations (PerLem).</p>

C. Additional Input LKPP - Indicator 5,6,8

Indicator/Sub-indicator-Criteria	Findings of the Assessment Team	Any additional input/clarification/confirmation from LKPP	Input From LKPP
Indicator 5. The country has an institution in charge of the normative/ regulatory function.			
Sub-indicator 5(c) Organization, funding, and level of independence and authority			
(a) The normative/ regulatory function (or the institutions entrusted with responsibilities for the regulatory function if there is not a single institution) and the head of the institution have a high-level and authoritative standing in government.	LKPP was established pursuant to Presidential Regulation No.106 of 2007 (as amended by Presidential Regulation No. 157 of 2014) ("LKPP Regulation"). LKPP is a Non-Ministry Government Institution and reports directly to the President of the Republic of Indonesia. In carrying out its duties and functions, LKPP is under the coordination of the State-Minister for National Development Planning/Head of BAPPENAS.	LKPP to confirm that head of the <i>institution have a high level and authoritative standing in the government - to kindly provide details.</i>	In Presidential Decree No.106, it was affirmed that LKPP is the only institution that has authority in Government Procurement of Goods/Services. LKPP is a separate institution not under other ministries. Therefore, the head of LKPP as a Budget User as the other Ministers (APBN/State Budget).
(b) Financing is secured by the legal/regulatory framework, to ensure the function's independence and proper staffing.	Based on Strategic Plan of LKPP for 2020-2024, related to the targets that has been determined, then the source of funding needed to realize it fully comes from the APBN (Government funds), although in the course of implementation, it does not rule out possible sources funding can come from non-APBN, as long as the management is in accordance with the provisions of the legislation. Funding required/received by LKPP in the Strategic Plan period the year 2020-2024 is budgeted at ± Rp. 2.04 trillion. Based on Strategic Plan of LKPP for 2020-2024, LKPP's Budget Performance Level is measured based on the Minister of Finance Regulation Number 214/PMK.02/2017 concerning measurement and budget for the implementation aspect is the evaluation of budget performance. Evaluation on the Implementation Aspect is carried out by institution. Produce information on performance achievements that have been defined in the measuring 4 (four) variables, namely output achievement (43.5%), budget absorption (9.7%), efficiency (28.6%), and consistency budget absorption towards planning (18.2%). Based on the data below the level of budget performance Organizational Units in the context of delivering physical LKPP always achieved the target in the past, but in 2019 it decreased.	LKPP to confirm the findings and provide any additional data/information.	In terms of budget support provided for the last 4 years. The year 2023 is almost double that of 2022, proving that LKPP has the support of the president (Inpres No. 2 2022), that was ordering other Ministries/Institutions to create a better procurement climate.

Indicator/Sub-indicator-Criteria	Findings of the Assessment Team	Any additional input/clarification/confirmation from LKPP	Input From LKPP
(c) The institution's internal organization, authority and staffing are sufficient and consistent with its responsibilities.	The organization structure of LKPP is given as per Regulation No 1 of 2020.	LKPP to provide details on staffing and confirm that these are consistent with its responsibilities.	The LKPP organizational structure is in accordance with the MAPS indicators. Every year there are additional civil servants, proving the consistency of HR. Currently in the process of restructuring, and in discussion with several other ministries. The proposal for changes is in D2 , regarding the digital transformation of procurement. Document provided: Job Analysis. D2: Deputy for Monitoring Evaluation and Development of Information Systems
Indicator 6. Procuring entities and their mandates are clearly defined.			
Sub-indicator 6 (a) Definition, responsibilities and formal powers of procuring entities			
(d) Decision-making authority is delegated to the lowest competent levels consistent with the risks associated and the monetary sums involved.	Assessment Team is not able to make a determination	LKPP to provide details.	The reference for procurement actors is Presidential Regulation No. 16 of 2018 and its amendment No. 12 of 2021. Budget User (PA) delegates to the Budget User Proxy and several other arrangements related to delegation. There are 3 categories of job risk delegation <200 million : PP, 200 million-100M : PPK (competent), and > 100M : PA/KPA. PP: Procurement Officer PPK: Commitment-Making Officer PA/KPA: Budget User/Proxy of Budget User
(e) Accountability for decisions is precisely defined.	Assessment Team is not able to make a determination	LKPP to provide details.	Presidential Regulation 16 of 2018 is supported by LKPP Institution Regulation No. 12 of 2021, which contains details regarding the decision-making process.
Sub-indicator 6 (b) Centralized procurement body			
(a) The country has considered the benefits of establishing a centralized procurement function in charge of consolidated procurement, framework agreements or specialized procurement.	The country has not established a centralized procurement function as describe by this indicator. PPL s.75 requires that the Minister/Head of Institution/Head of Local Government must establish a Procurement Service Unit (Unit KerjaPengadaanBarang/Jasa) (UKPBJ) that has the task of carrying out the support of procurements at Ministries/Institutions/Local Governments which may include a degree of consolidation and management of procurement.	LKPP to confirm findings and provide any additional details.	We do not have a centralized procurement function. From a national scale, there is no centralized presence because Indonesia is a large country, there are 542 Regional Governments (PD) spread over 17,000 islands with various variations. Therefore, procurement institutions exist in every K/L/PD, to be more effective. However, LKPP indirectly becomes a centralized procurement agency, with electronic catalogs (national, sectoral, regional) managed by LKPP and utilized by all K/L/PD. The purchasing process is carried out by the procurement entity in each K/L/PD. K/L/PD: Ministries/Institutions/Local Government LKPP is only a procurement policy-making institution (no conflict of interest). LKPP organizes e-catalog on the basis of the absence of a formal centralized procurement agency.

Indicator/Sub-indicator-Criteria	Findings of the Assessment Team	Any additional input/clarification/confirmation from LKPP	Input From LKPP
			<p>The proposed restructuring separates electronic administration.</p> <p>It is expected that being a separate institution could become a large institution like LKPP.</p> <p>e-catalog is the market, but a more detailed contract implementation process is in the K/L/PD.</p>
Indicator 8. The public procurement system has a strong capacity to develop and improve.			
8(a) Training, advice and assistance			
<p>(a) <u>substantive</u>² permanent training programmes of suitable quality and content for the needs of the system.</p>	<p>As per feedback from IAPI:</p> <p>LKPP has developed a structured training program based on competency standard for government procurement officers.</p>	<p>In accordance with Point 33 of Article 1 of Regulation No 7 of 2021 “Education and Training Needs Analysis is the initial part of planning education and training programs needed to bridge the gap between the required competencies and the competencies possessed in carrying out their duties”</p> <p>Based on the curricula of the existing programmes:</p> <p>(i) Is there a “skill gaps inventory” to meet the needs of the system?</p> <p>(ii) Is it sufficient in terms of content and frequency? And</p> <p>(iii) Is there evaluation of training programme and monitoring of progress in addressing capacity issues?</p> <p>Deputy for Human Resources Development and Advisory – Formulate and Implement Strategy and Policy for development of human resources in Government Procurement.</p> <p><u>Where is the overall strategy for the next 5 years?</u></p> <p>As per Article 55 of Regulation 1 of 2021 Directorate of Professional and Institutional Development have the task of implementing strategy formulation and human resources development policies in the field of government procurement of goods and services and preparation of plans and national coaching programs and implementation.</p>	<p>(i) Pusdiklat (Training Center) organizes training Analysis</p> <p>(ii) Obtaining feedback from the facilitator related to the module and evaluation</p> <p>(iii) Quarterly evaluation.</p> <p>There is competency standard from Banprov (details are in the appendix to regulation no 7). (more detailed data will be followed related to training)</p> <hr/> <p>Already have a strategic plan such as the achievement of the number of procurement functional positions (ideally 60% in each K/L/PD). Cooperate with other directorates to achieve these targets.</p> <p>There is a roadmap in an SI that can be accessed by UKPBJ.</p> <p>Data will be followed.</p> <p>K/L/PD: Ministries/Institutions/Local Government</p> <p>UKPBJ: Goods/Services Procurement Unit</p>

²Please indicate in your feedback/inputs whether the Government has developed and adopted a comprehensive strategy for sustainable public procurement capacity building plans to improve the skills and competences of the procurement workforce both in public and private sectors.

Indicator/Sub-indicator-Criteria	Findings of the Assessment Team	Any additional input/clarification/confirmation from LKPP	Input From LKPP
		<p><u>What were the activities for 2020 and 2021?</u></p> <p>We got the following link: https://ppsdm.lkpp.go.id/direktorat-pengembangan-profesi/program-direktorat-pengembangan-profesi-dan-kelembagaan</p> <p>As per Article 58 of Regulation 1 of 2021 Directorate of Profession Certification is required to carry out technical policy formulation, development and implementation of professional competency testing in the field of Government Procurement of Goods/Services</p> <p><u>What is the progress?</u></p> <p>As per Article 80 of Regulation 1 of 2021, Education and Training Center for Procurement of Goods/Services have the task of implementing policy formulation, implementation, monitoring and evaluation of education and training in the field of Procurement of Goods/Services</p> <p><u>Further details and progress may kindly be provided by LKPP?</u></p> <p>Observation of MAPS Assessment Team is as under:</p> <ul style="list-style-type: none"> - Regulation No 4 of 2020 on Training for Procurement contains scope of institution regulation, accreditation, training programs. - Based on the Information Book of Training Centre PBJ (January 2021), there are 83 institutions categorized as A and B. There is an application process for accreditation. This document contains details of training objectives, what participants are expected to learn, target participants, competency development of facilitators, how participants can register electronically on PPSDM portal - There is a training calendar of 2022 and well-designed Frequently Asked Question (FAQ) on PPSDM portal. <p><u>Any further details may be provided by LKPP</u></p>	

Indicator/Sub-indicator-Criteria	Findings of the Assessment Team	Any additional input/clarification/confirmation from LKPP	Input From LKPP
(b) routine evaluation and periodic adjustment of training programmes based on feedback and need.	<p>As per feedback from IAPI:</p> <p>The training material for government procurement is well maintained and keep updated. New specific training modules are introduced. Also, all training modules will be available in computer-based training (CBT) format in the future.</p> <p>However, there are some feedbacks expecting to reduce the contents and complexity of training materials. The training materials need to be more effective in delivery.</p>	<p>We got the following link https://ppsdm.lkpp.go.id/enrollment/jadwal#PelatihanPBJ LKPP to kindly confirm and provide additional feedback.</p>	<p>Needs to be discussed further, as well as submit supporting data, examples of training/module evaluations</p> <p>Feedback while carrying out the training, is processed into material for further improvement.</p> <p>(.</p>
(c) advisory service or help desk function to resolve questions by procuring entities, suppliers and the public.	<p>As per feedback from IAPI:</p> <p>LKPP hosts the advisory service for procuring entities only for the time being. Training module for suppliers has been released with main objective to make the suppliers ready to do transactions through government procurement.</p> <p>There are still room for development of training program and advisory for suppliers to establish more robust supply chain for government procurement.</p>	<p>LKPP to kindly provide additional feedback.</p>	<p>Almost all services in LKPP are addressed to all stakeholders. There is also a module for entrepreneurs or the community. There are also account-related services.</p> <p>The legal division for the settlement of objections holds consultations even to local governments and business actors. There is also a dispute resolution service.</p> <p>(links to supporting data and consultation websites will be proposed)</p>

Indicator/Sub-indicator-Criteria	Findings of the Assessment Team	Any additional input/clarification/confirmation from LKPP	Input From LKPP
(d) a strategy well-integrated with other measures for developing the capacity of key actors involved in public procurement	<p>As per feedback from IAPI:</p> <p>LKPP has current strategic plan to modernize the government procurement practices that contributes to the development of small medium enterprises (SMEs) as well as raising the local portions for imported products. However, there are huge challenges in executing these programs to achieve the targets. A superior well-coordinated program among procurement stakeholders is mandatory.</p>	LKPP to kindly provide additional feedback	<p>In LKPP organization, the directorate of business climate focuses on SMEs.</p> <p>The number of SMEs is > 60 million, LKPP already has SME development programs such as training and seminars.</p> <p>Every year on average there are 6 training batches of entrepreneurs @ 100 participants. Before the pandemic with the on site method, but for the last 2 years online.</p> <p>Submission of materials assisted by other directorates at LKPP such as materials for new SMEs, BeLa Pengadaan.</p> <p>It is expected that SMEs that have not registered immediately register and can participate in international procurement.</p>
8(b) Recognition of procurement as a profession			

Indicator/Sub-indicator-Criteria	Findings of the Assessment Team	Any additional input/clarification/confirmation from LKPP	Input From LKPP
(a) Procurement is recognized ³ as a specific function, with procurement positions defined at different professional levels, and job descriptions and the requisite qualifications and competencies specified.	<p>As per feedback from IAPI:</p> <p>The procurement unit (UKPBJ) is designed to be a procurement center of excellence (CoE) with some strategic functions and manage the procurement specialist pools (pokja) including work assignment, performance monitoring and competency development. A government procurement maturity model has been deployed since 2018 and has a clear roadmap for implementation including integrated scoring with procurement governance index. However, it needs to be strengthened with strong demand and attractive rewards for a more impactful program</p> <p>I do not know clearly what the key program at IFPI. However, IAPI has core program to campaign the procurement as profession both to government institutions as well private sector.</p>	<p>In accordance with Article 1 of Regulation No 7 of 2021, the relevant provisions are as under:</p> <p>Point 1. State Civil Apparatus, hereinafter abbreviated as ASN, is a profession for Civil Servants and Government Employees with Work Agreements who work for Government Agencies.</p> <p>Point 2. <u>Civil Servants, hereinafter abbreviated as PNS</u>, are Indonesian citizens who meet certain requirements, are appointed as permanent state civil servants by the Civil Service Supervisory Officer to occupy government positions</p> <p>Point 9: The Functional Position of Procurement Manager of Goods/Services, hereinafter abbreviated as JF PPBJ, is a position that has the scope of duties, responsibilities, authorities, and rights to carry out Government Goods/Services Procurement activities in accordance with statutory regulations.</p> <p>In accordance with Paragraph 7 Professional Organization Article 10 of Regulation No 7 of 2021, the stipulations are as under: (1) PBJ managers are required to become members of the JF PPBJ professional organization. (2) JF PPBJ's professional organization is the Indonesian Procurement Functional Association (IFPI)</p> <p><u>LKPP to kindly provide additional feedback on IFPI role and contribution in procurement professionalization. Is there a clear road-map?</u></p> <p>Further details on charter and working of IFPI</p> <p><u>How many members, source of financing?</u></p>	<p>(Additional data)</p> <p>Procurement functional association consists of 1200 people with internal activities: routine training, discussions related to procurement in telegram groups. There is an annual membership fee. For member training, the cost is quite far below the average.</p> <p>IFPI members are more than 1200 people. The activities carried out are weekly or non-routine training at a fairly low cost for members. Annual membership fee is 300 thousand. There is a discussion forum via telegram (1416 members) which is quite active in discussing procurement and procurement professionals.</p> <p>IFPI's work plan is on the website: ifpi.or.id</p> <p>There are other sources of funding, namely the management of seminars and training where a fee is obtained.</p>
(b) Appointments and promotion are competitive and based on qualifications	<p>As per feedback from IAPI:</p> <p>There is a clear appointment procedure for a</p>	<p>Based on Article 7 of Regulation No.7 of 2021, the stipulations are as under:</p>	<p>It is true that many people stay away from this profession because of the huge risk of corruption. Since 2020 there has been a government policy to reduce structural positions from 4-5 levels to 2</p>

³As part of you inputs please indicate the IFPI role and contribution in the procurement professionalization, Is there a clear roadmap?

Indicator/Sub-indicator-Criteria	Findings of the Assessment Team	Any additional input/clarification/confirmation from LKPP	Input From LKPP
and professional certification.	government procurement specialist with some standard credit point for professional development. A robust certification program has been implemented for securing procurement process is running by the credible person. However, it needs to improve the reward package for government procurement specialist to make more attractive.	Point 1: PNS appointments to JF PPBJ are carried out through: a. first appointment; b. transfer from another position; c. promotion; d. adjustment/ <i>inpassing</i> ; and e. equalization of administrative positions into functional positions. There are further details in this Article 7 LKPP to kindly provide additional details on how the system works related to appointments and promotion?	levels. People who take part in the procurement participate in the welfare of the nation.
(c) Staff performance is evaluated on a regular and consistent basis, and staff development and adequate training is provided.	As per feedback from IAPI: There is clear pattern for staff performance evaluation that link to the staff development system. However, it needs improvement in implementation effectiveness.	LKPP to kindly provide additional details on how staff performance is evaluated?	JF PBJ's assessment related to credit figures is regulated in BKN regulation No. 21 of 2020, panRB No. 29 of 2020 regulates main and supporting tasks. Assessment is assisted by an information system to speed up the assessment.
8(c)Monitoring performance to improve the system			
(a) The country has established and consistently applies a performance measurement system that focuses on both quantitative and qualitative aspects.	As per feedback from IAPI: The procurement performance management system has been introduced for years, but it still need to be improved on its quality measures as well as the management of the performance itself.	The purpose of this sub-indicator is to evaluate the effectiveness of public procurement system from individual procurement to the system as a whole to act as major driver of performance improvements As per Article 39 of Regulation 1 of 2021, Deputy for Monitoring-Evaluation and System Development Information has the task of carrying out monitoring assessing, evaluating and providing input on implementation of Government Procurement of Goods/Services for the preparation of the process planning and budgeting as well as coaching and development of information systems for the procurement of goods/services for Government electronically (electronic procurement). <u>Is there a performance measurement system at procuring entity level?</u> <u>Is there is system developed by LKPP to harmonize, monitor and evaluate the performance of the procurement system as a whole?</u>	Performance evaluation and measurement related to procurement has been carried out, Procurement governance index. Given to each K/L/PD which has 3 indicators: utilization of the goods/services procurement system (SPSE and its support system), the ability to provide procurement human resources, and UKPBJ maturity level. ITKP has been adopted as an assessment of bureaucratic reform. In addition to monitoring and evaluating, namely how to implement procurement plans such as the ability to absorb PDN, SME products, sustainable procurement, etc. ITKP (Indeks Tata Kelola Pengadaan): Procurement Governance Index
(b) The information is used to support strategic policy	As per feedback from IAPI: Some of the information has been used to support	LKPP to kindly provide any additional input.	

Indicator/Sub-indicator-Criteria	Findings of the Assessment Team	Any additional input/clarification/confirmation from LKPP	Input From LKPP
making on procurement.	strategic policy making on procurement. Room for improvement for enriching the spectrum of data analytic to enhance more the future of government procurement policy		
(c) Strategic plans, including results frameworks, are in place and used to improve the system.	As per feedback from IAPI: Planning and monitoring & evaluation (monev) functions has been established since the formation of LKPP. The quality of integrated planning and integrated monitoring should become the next agenda to avoid silos thinking among programs.	LKPP to kindly provide any additional input.	
(d) Responsibilities are clearly defined.	As per feedback from IAPI: This is the area where government procurement needs big improvement. The formal responsibility for performance measurement is clearly defined, but the collaboration among key stakeholders to manage an effective integrated performance measurement system is rarely found.	LKPP to kindly provide any additional input.	

Sub-indicator- Criteria	Findings of the Assessment Team	Additional input/feedback from LKPP	Input From LKPP
14(c) Effective sanctions and enforcement systems			
(b) There is evidence that this system is systematically applied and reports are consistently followed up by law enforcement authorities.	<p>As per Section 77 LKPP is required to develop a complaint system for the Procurement. The system namely <i>e-pengaduan</i> provides open access through registration. The procedures for lodging the complaint is also provided in the website: https://pengaduan.lkpp.go.id/storage/286/1625020981_tatacara-menyampaikan-pengaduan.pdf. The online platform also provides information of the top-ten packages with most complaints.</p> <p>LKPP also provides other open access for reporting allegations of fraud, corruption and other prohibited practices through the national integrated complaint management system namely LAPOR https://www.lapor.go.id/tentang and whistle blowing system namely https://wbs.lkpp.go.id/ which applies to the reporting of the misconduct by LKPP's official and staffs</p>	<p>The Assessment team could not find evidence that for procurement related fraud and corruption as reported by procuring entities or others there is a consistent follow-up by enforcement authorities. LKPP to kindly provide input on number of cases reported, number prosecuted for fraudulent, corrupt or other prohibited practices</p>	<p>D4 provides data on fraud complaints which are followed up to APH.</p> <p>D4 (LKPP): Deputy for Legal Affairs and Dispute APH: Law Enforcement Officer</p> <p>They can also use data from the KPK (Directorate of Public Complaint. Please check KPK website.</p>
(c) There is a system for suspension/debarment that ensures due process and is consistently applied.	<p>PPL s.83 National Blacklist requires the PA/KPA (Budget holder/Authorized Budget Holder) to disclose information on blacklisted providers on the National Blacklist, which is maintained by the LKPP and is accessible on-line. PerlemLKPP No.4 of 2021 Guidance of business actors for government goods/services procurement, Appendix II sets out further detail on the information to be provided to the LKPP. 2020 data published by LKPP refers to 294 blacklisted firms/individuals, with 201 being from the construction works sector. The most common reason for blacklisting, in 247 cases, is failure to “perform services/works, complete the works, being terminated by the Client for non-performance.”</p>	<p>Related to due process LKPP to clarify if views of Providers are considered before blacklisting as part of due process</p>	<p>Based on Presidential Regulation No. 16 of 2018, the display of blacklist sanctions is the obligation of the PA, not LKPP. Therefore, LKPP did not carry out a clarification process to either the PA or the provider.</p> <p>LKPP conducts monitoring and evaluation of the administrative completeness of broadcasting business actors/providers who are blacklisted.</p> <p>PA : Budget User</p>
(d) There is evidence that the laws on fraud, corruption and other prohibited practices are being enforced in the country by application of stated	<p>Based on LKPP Procurement Profile of 2020, 294 firms/individuals had been blacklisted, whereas majority of them under Construction Works (68%) and for contracts above IDR 100 billion (44%). The sanction given mostly during contract implementation.</p>	<p>Data required on “Firms/individuals found guilty of fraud and corruption in procurement: number of firms/individuals prosecuted/convicted; prohibited from participation in future procurements (suspended/debarred)” for the last three fiscal years</p>	<p>Business actors/providers who are subject to blacklist sanctions related to cases of fraud and corruption occur during the procurement process (selection of providers and handover). While the cases at the KPK are cases after the procurement process is complete.</p> <p>The law on corruption is said to be corrupt if there is a loss to the state. In the procurement process until the contract was signed, no state losses had occurred, so we did not enter into this</p>

Sub-indicator- Criteria	Findings of the Assessment Team	Additional input/feedback from LKPP	Input From LKPP
penalties.	<p>The statistics shows there are nine (9) cases related to Fraud and Corruption (eight of which are collusions amongst bidders).</p> <p>Statistics from KPK showed that fraud and corruption related to procurement are amongst 21% of the overall cases in the last decade</p>		<p>area.</p> <p>If there is a post-contract fraud case, it will be handled by law enforcement officers.</p> <p>(Requested for data on the last 3 years of business actors with proven cases of fraud/corruption: amount & sanctions)</p>
14(d) Anti-corruption framework and integrity training			
(d) Special measures are in place for the detection and prevention of corruption associated with procurement.	<p>Refer to the following link</p> <p>https://www.stranaspk.id/fokus-aksi-detail.html?id=11</p> <p>Satranas PK provides specific action focus on acceleration of public procurement using electronic platform to provide direct interaction between the procuring entities and suppliers and promote public availability of accurate and integrated Beneficial Ownership (BO) data.</p>	More details required to confirm if this criterion is met	<p>In accordance with Presidential Decree 16/18, Article 7 paragraph 1 letter e and paragraph 2 letter a, what is needed is a system that can detect collusion and conflicts of interest. Through the integration of the SPSE system with the BO (Kemenkumham) detection can be made during the selection process.</p> <p>BO (Kemenkumham): Beneficial Ownership (Ministry of Justice and Human Rights)</p>
(e) Special integrity training programmes are offered and the procurement workforce regularly participates in this training.	<p>Partial information available</p> <p>Some other CSOs delivered special integrity training attended by procurement workforce. [Need to check the same program developed by KPK and LKPP]</p>	More details required on special integrity related training to the procurement workforce to establish if the criteria is met.	<p>Materials related to integrity are included in any LKPP training. (confirmation data with D3).</p> <p>D3 (LKPP): Deputy for Human Resources Development</p> <p>KPK has developed an e-learning program related to anti-corruption and integrity that can be accessed by public. (https://elearning.kpk.go.id)</p>
14(e) Stakeholder support to strengthen integrity in procurement			

Sub-indicator- Criteria	Findings of the Assessment Team	Additional input/feedback from LKPP	Input From LKPP
<p>(d) Suppliers and business associations actively support integrity and ethical behaviour in public procurement, e.g. through internal compliance measures.*</p> <p>* Recommended quantitative indicator to substantiate assessment of sub-indicator 14(e) Assessment criterion (d): - number of suppliers that have internal compliance measures in place (in %). Source: Supplier database.</p>	No details available	LKPP to kindly provide details and data if available	<p>No data is available.</p> <p>However these activities have been carried out by associations and business actors (news on BSN and Google pages).</p> <p>BSN: National Standardization Agency of Indonesia</p>
14(f) Secure mechanism for reporting prohibited practices or unethical behaviour			
<p>(a) There are secure, accessible and confidential channels for reporting cases of fraud, corruption or other prohibited practices or unethical behaviour.</p>	<p>There are provisions of public grievance related to indications of corruption (KKN) harming public finance (section 77 of Perspres 12 of 2021)</p> <p>Secure Mechanism to report prohibited practices, unethical behavior Whistle Blower Protection</p> <p>https://www.integrity-indonesia.com/blog/2017/09/14/corporate-corruption-whistleblowing-indonesia/</p>	<p>To get additional input on how the mechanism operates in practice</p> <p>Is there a functioning system that supports follow -up of cases related to fraud and corruption or other prohibited practices and unethical behavior?</p> <p>Any evidence as per KPK Annual Report of 2020</p>	<p>There is a unit in KPK that specifically handles community complaints (Directorate of Public Complaints).nformation of the number of complaints and their follow-up can be found at the link: https://www.kpk.go.id/id/statistik/pengaduan</p>
<p>(b) There are legal provisions to protect whistle-blowers, and these are considered effective.</p>	<p>There is law no.13 of 2006</p> <p>https://jdih.setneg.go.id/</p> <p>There is a Whistle Blower system on KPK website</p>	<p>How this system of whistle blower protection works in practice related to public procurement or in general?</p>	<p>The KPK whistle-blower system can be accessed at kws.kpk.</p> <p>The system technically maintains the identity and information of whistle-blowers. In order to better ensure Confidentiality, these are the things that need to be considered:</p> <ul style="list-style-type: none"> •Not filling in personal data or information that allows others to track who you are, such as your name or your relationship with the perpetrators. •Avoid using your office computer if the complaint you are about to submit involves parties within your office. <p>KPK will keep your personal information confidential as a whistleblower, as KPK only focuses on reported cases.</p> <p>Procedures and practices can be viewed at the link: https://kws.kpk.go.id</p>
<p>(c) There is a functioning system that serves to follow up on disclosures.</p>	No details available	To get details if there is a functioning system that serves to follow up on disclosures.	<p>The officer who receive the complain will verify the report/complaint in the KWS reporting system within 5 working days from the time the report/ complaint is received.</p>

Sub-indicator- Criteria	Findings of the Assessment Team	Additional input/feedback from LKPP	Input From LKPP
			<p>KWS: KPK Whistleblower's System</p> <p>Furthermore, the officer will verify the report/complaint, including checking the completeness of the documents provided and whether the submitted report/complaint is under the authority of KPK.</p> <p>If the report/complaint submitted deserves a follow-up to the next stage (review /inspection stage), the officer will inform the complaint registration number that registered in the KPK Public Complaint Handling system.</p> <p>Furthermore, the report/complaint will be further studied by KPK complaint review team.</p> <p>The reporter will receive a response both in writing and verbally on the follow-up to the results of the review carried out. During the review process, the reporting team can be contacted by the review team for coordination and extracting further information.</p>
14 (g) Codes of conduct/codes of ethics and financial disclosure rules			
<p>(a) There is a code of conduct or ethics for government officials, with particular provisions for those involved in public financial management, including procurement.*</p> <p>* Recommended quantitative indicator to substantiate assessment of sub-indicator 14(g) Assessment criterion (a): - share of procurement entities that have a mandatory code of conduct or ethics, with particular provisions for those involved in public financial management, including procurement (in % of total number of procuring entities). Source: Normative/regulatory function</p>	<p>PPL s.7 concerns Procurement Ethics. It includes reference to avoiding and preventing conflicts of interest (PPL s.7(1)(e)), preventing of abuse of power and/or collusion (PPLs.7(1)(g)) and not accepting, offering, or promising to give or receive gifts, rewards, commissions, rebates etc. PPL s.7(1)(h)) neither receiving, nor offering nor promising to give or take any gift, reward, commission, rebate and anything from to anyone known or allegedly related to Procurement</p> <p>No statistical data available on recommended quantitative indicator</p>	<p>To provide data on quantitative indicator- share of procurement entities that have a mandatory code of conduct or ethics</p>	<p>FURTHER DISCUSSION</p>

Sub-indicator- Criteria	Findings of the Assessment Team	Additional input/feedback from LKPP	Input From LKPP
<p>(b) The code defines accountability for decision making, and subjects decision makers to specific financial disclosure requirements.*</p> <p>* Recommended quantitative indicator to substantiate assessment of sub-indicator 14(g) Assessment criterion (b):</p> <ul style="list-style-type: none"> - officials involved in public procurement that have filed financial disclosure forms (in % of total required by law). <p>Source: Normative/regulatory function.</p>	No details available related to financial disclosure by officials involved in public procurement from the stage of preparation of specification till payment and certification of work	LKPP to kindly provide details	<p>Every PPK is required to report an LHKPN annually (not every procurement package)</p> <p>PPK: Commitment-Making Officer</p>
<p>(c) The code is of mandatory, and the consequences of any failure to comply are administrative or criminal.</p>	No details available	LKPP to kindly provide details	<p>Presidential Decree no. 16 of 2018 Article 82 related to sanctions for PA/KPA/PPK/Pokja/Procurement Officials.</p> <p>PA : Budget User</p> <p>KPA: Proxy of Budget User</p> <p>PPK: Commitment-Making Officer</p> <p>Pokja: Working Group</p> <p>Criminal sanctions are given if it is proven that there has been a state loss.</p> <p>Examples of PA/KPA/PPK that have been imposed with criminal sanctions</p>
<p>(d) Regular training programmes are offered to ensure sustained awareness and implementation of measures</p>	No details available	LKPP to kindly provide details	No Available Data
<p>(e) Conflict of interest statements, financial disclosure forms and information on beneficial ownership are systematically filed, accessible and utilised by decision makers to prevent corruption risks throughout the public procurement cycle.</p>	<p>Asset Declaration Compliance for official involved in procurement</p> <p>There is a procedure for Registration, Publication, and Examination of Asset Report of government Officials by Directive of Corruption Eradication No. KEP/07/IKPK/02/2005</p> <p>https://publicofficialsfinancialdisclosure.worldbank.org/sites/fdl/files/assets/law-library-files/Indonesia_Regulation%20on%20Asset%20Declaration_2005_EN.pdf</p> <p>Further there is a report by UNODC on Asset Declaration System in Indonesia</p> <p>https://www.unodc.org/documents/southeastasiaandpacific/topics/anti-corruption/Indonesia_Asset_declaration_systems_Country_report_revised_TH_1.pdf</p>	<p>Any additional information/data including Conflict of interest statements, financial disclosure forms and information on beneficial ownership are systematically filed, by officials involved in public procurement from the stage of preparation of specification till payment and certification of work. (<i>cross refer item 4 of this table</i>)</p> <p>If this information is utilised by decision makers to prevent corruption risks throughout the public procurement cycle.</p>	<p>Every PPK is required to report an LHKPN annually (not every procurement package)</p>

ANNEX 4: Immediate Response to Emergency Situation (Post COVID-19)

Procurement of Goods/Services – the immediate Response to Emergency Situation (Handling of COVID-19 situation)

1. Procurement Laws /regulations in response to emergency situation

- 1.1. PPL s.59 Emergency situations:** PPL s.59 Procurement in the handling of emergency situations allows for direct award of contracts to the nearest provider performing similar procurement or another Economic Operator that is deemed capable and qualified to carry out the similar procurement. This is permitted in specified conditions only - for the handling of emergency conditions where necessary for the safety/protection of Indonesian people or citizens residing within the country and/or abroad the implementation of which cannot be postponed and must be carried out immediately. PPL s.59(2) sets out a non-exhaustive list of “emergency conditions”. Emergency conditions concerning natural disasters, disasters other than natural disasters and/or social disasters is to be determined by provisions of legislation. PPL s.59(3) provides that emergency situations as referred to in PPL s.59(2)(a) shall be declared pursuant to laws and regulations and PPL s.59(4) provides that such emergency shall include emergency alert, emergency response and transition from emergency to recovery. According to PPL s.59(5), in management of such emergency situation PPK (Commitment Making Official, an official authorized by Budget Holder to make a decision and/or take action causing expenditure in the national/regional budget) “shall appoint the nearest Provider implementing Procurement of similar goods/services or other competent and qualified Business Actors to implement the same”.
- 1.2.** These provisions are elaborated in PerLemLKPP No.13 of 2018 Procurement under Emergency Situations. PerLemLKPP No.13 s.5 defines Emergency Criteria, referring to natural disasters, non- natural disasters and social disasters as well as declared states of emergency. There is further explanation in Appendix 1, PerLemLKPP No.13 of 2018. Procurement without competition is envisaged whilst respecting the need to ensure value for money based on principles of efficiency, transparency and accountability (Appendix 1, para.1.1).

2. Immediate Government response to COVID-19 – Presidential Instruction

- 2.1.** On March 20, 2020, Presidential Instruction No.4 of 2020 was issued concerning refocusing activities, budget reallocation and procurement of goods and services, in order to accelerate the handling of the response to COVID-19. This required: (i) prioritizing the use of existing budget allocations for activities to handle the COVID-19 crisis ; (ii) accelerating refocusing of activities and reallocation of budgets through

the mechanism of revision of the budget; (iii) speeding up the implementation of procurement of goods and services; (iv) carry out the accelerated procurement of goods and services, by involving the LKPP and BPKP (Finance and Development Supervisory Agency)⁴; and (v) carry out procurement of goods and services for health equipment and medical devices for handling COVID-19 by paying attention to goods and services in accordance with standards set by the Ministry of Health. Article 6 point 3 required the Minister of Public Works and Housing to accelerate the preparation and development of infrastructure needed to respond to the COVID-19 crisis. Article 6 point 6 required the Chairman of the LKPP to assist in the acceleration of implementation of procurement of goods and services required to respond to the COVID-19 crisis.

- 2.2.** With regard to coordination among ministries and their actions, the Presidential instruction no 4 of March 2020 required among other things: (i) Minister of Finance to facilitate the budget revision in a fast, simple, and accountable process; (ii) The Minister of Home Affairs to take further steps in accelerating the use of the Regional Revenue and Expenditure Budget (APBD) and other measurer; (iii) Minister of Public Works and Housing to accelerate the preparation and development of infrastructure; and (iv) Minister of Health to accelerate the registration of health equipment and medical devices for handling Corona Virus Disease 2019 (COVID-19) that do not have a registration number according to statutory provisions; (v) Head of the BPKP to provide financial assistance and supervision in accordance with statutory provisions for state financial accountability; and (vi) Chairman of LKPP to assist the implementation of the procurement of goods and services in the context of accelerating the handling of Corona Virus Disease 2019 (COVID-19). This shows a coordinated response.

3. Follow-up by Ministries/Agencies

- 3.1. Decree of Head of the National Disaster Management Agency (BNPB):** Head of BNPB issued Decree Number 13.A of 2020 concerning the Extension of the Status of Specific Emergency Disasters due to Corona Virus in Indonesia stipulated an extension of the status of certain conditions of disaster emergency outbreaks due to Corona Virus (COVID-19) in Indonesia.
- 3.2. LKPP Circular No.3 of 2020:** LKPP issued circular No 3 of year 2020 on March 23, 2020 to facilitate the parties following up on the Presidential Instruction an explanation needed to carry out the Procurement of Goods / Services in the context of Emergency Management Under Section 59 of Presidential Regulation Number 16 of 2018 concerning Procurement of Government Goods / Services and LKPP Regulation Number 13 of 2018 concerning Procurement of Goods / Services in Handling Emergency Situations.

In accordance with this LKPP Circular No. 3 of 2020, PPK (Commitment Making Official) were required to carry out the out the following steps: (a) appointing a Provider who, among other things, has provided similar goods / services in a government agency or as a Provider in an Electronic Catalog. The appointment of the said Provider is carried out even though the estimated price cannot be determined yet; for procurement of goods: (i) issue an Order Letter that is approved by the Provider; (ii) ask the Provider to prepare proof of the fairness of the

⁴BPKP has issued circular no. SE- 5/K/D2/2020 providing guidance concerning prioritization, review and reallocation of budgets.

price of the goods; and (iii) make payments based on the goods received. Payment can be made in advance or after the item is received (term or in full). For the procurement of construction work / other services / consultancy services (i) issue a Letter of Appointment for Goods / Services Provider (SPPBJ) and Work Start Order (SPMK); (ii) ask the Provider to prepare proof of the reasonableness of the price; (iii) sign a Contract with the Provider based on Minutes of Joint Calculations and Minutes of Handover of Work Results; and (iv) make payments based on SPPBJ; and (v) Payment can be made in advance or after the job is completed (term or all). For procurement of goods, other services and construction work, preferably using the type of unit price contract. Procurement of goods / services for emergency handling in the context of handling Covid-19 can also be carried out with self-management.

To ensure fairness of prices after payment is made, PPK requests an audit by the Government Internal Supervisory Apparatus or the Financial and Development Supervisory Agency. The parties involved in this procurement must comply with the procurement ethics by not accepting, not offering or not promising to give or receive gifts, rewards, commissions, rebates and in whatever form from or to anyone known or reasonably suspected to be related to procurement these goods / services. Ministries / Institutions / Regional Governments can further consult with LKPP. Consultation can be done through the Contact person who is available at the address <http://www.lkpp.go.id> The list of contact person was issued.

3.3. LKPP Guidelines for procurement actors: LKPP also issued a guideline for Procurement Actors in carrying out proof of qualification / clarification and negotiations on the selection of providers that relied on providing documents electronically with field visit and maintaining safety and social distancing requirements.

3.4. LKPP simplified explanatory booklet: LKPP has also issued a simplified booklet for easy understanding of all Procurement Actors.

3.5. Role of BPKP (Finance and Development Supervisory Agency): BPKP Circular no. SE- 5/K/D2/2020 was issued which delineates the steps of the review including the process of identifying, analyzing and evaluating, as well as adequate documentation of information to achieve the review objectives for: (a) ensuring that the procedures for revising the budget have been in accordance with the applicable rules and regulations; (b) ensuring that proposed new activities are arising from the results of refocusing prioritize activities that are supportive of the acceleration of COVID-19 handling by referring to the COVID-19 Handling Protocol and the Operational Plan for the Acceleration of Handling COVID-19 established by the COVID Handling Acceleration Task Force19; and (c) also ensuring that the proposed refocusing activities are not only handling public health, but also for handling the economic impact of the community through social assistance as emphasized by the President of Indonesia at the Limited Meeting via video conference on March 24, 2020

ANNEX 5: Stakeholder Analysis

1. **Objective:** Stakeholder engagement can be a complex process, but it is of extreme importance for the success of the MAPS assessment to abide by the following requirements:
 - Considering Stakeholders' interests and expectations in an optimal way to ensure the public procurement framework is credible and viable, drawing on support and identified (Government and private sector/civil society) champions who are critical to success.
 - Balancing competing Stakeholders' interests continually affected by the political economy, state of procurement markets and access to legislators.
 - Widely publishing the benefits of a sound policy and holding consultations with all stakeholders to at least consider their concerns and suggestions.
 - Aligning the public procurement framework with national economic and development goals, including provisions aiming at reducing fraud and corruption.
 - Developing a strategy and making incremental changes that lead to steady and feasible improvements.
 - Keep Stakeholders engaged after completion of the assessment for strategic planning process for future public procurement reform
2. **Process of Identification of Stakeholders:** This process was undertaken as part of preparation mission considering the following:
 - For Indonesia MAPS, the main counterpart agency LKPP was already engaged on procurement reform over last decade
 - LKPP provides support to the Government agencies in the performance of its duties and responsibilities as designated regulatory and normative public procurement agency , particularly in producing and developing various policies to ensure a credible public procurement country system and also organising the implementation of public procurement reform initiatives in Indonesia. LKPP is led by Chair of LKPP, Executive Secretariate and four Deputy Chairs (Strategy and Policy Development, Monitoring and Evaluation and Development of Information System, Human Resources Development and Legal Affairs and Complaints Handling)
 - A preparation mission was undertaken in September 2019 to inter alia identify stakeholders and discuss their roles and responsibilities at the stage of preparation of draft Concept Note

- The planning of the Indonesia MAPS assessment included an identification of relevant stakeholders as the first step, with the objective to engage them as part of the assessment and as part of the MAPS validation process and next reform initiative.

3. Main Stakeholders as envisaged/identified at the stage of Draft Concept Note

As part of the stakeholders' consultations, the Assessment Team will co-ordinate the technical inputs of the other development partners such as but not limited to Asian Development Bank and Islamic Development Bank, actively involved in the procurement reform agenda in Indonesia. Civil Society Organizations (CSOs) such as but not limited to Indonesia Corruption Watch (ICW), and Transparency International Indonesia (TII), involved in public procurement; Government oversight organizations such as Supreme Audit Institution (BPK), internal government audit agency (BPKP), are amongst the stakeholders to be consulted together with the business associations, academia and media. A tentative list shall be finalized before the Launch Workshop. Other potential stakeholders will be added to the list in consultation with the Government and the analysis of the country context. A launch workshop will be organized to bring together all stakeholders identified and seek their views/support for this important undertaking.

Stakeholders Analysis: key stakeholders and their expected contribution in improving Public Procurement System (PPS) of Indonesia

Public Procurement National Agency -LKPP:

- A strong institution in charge of the normative/regulatory function as an independent inter-agency body, with LKPP administratively reporting directly to the President.
- Keen in engaging and leading the Indonesia assessment Steering Committee.
- High level of expertise in public procurement
- Has a relatively good level of collaboration and influence on the other stakeholders directly interested in the assessment exercise and its outcomes,
- Ability to ensure and provide strong and comprehensive support to the review team at all assessment stages.

Ministry of Finance:

- Promote the sound, efficient and effective management, and utilization of government resources (i.e., technological, manpower, physical and financial) as instrument in the achievement of national socioeconomic and political development goals.

- Support the country's Public Private Partnership (PPP)
- Strong interest in public procurement reform agenda.
- Influencing role in validation and implementation of MAPS findings and recommendations

National Development Planning Agency (Bappenas):

- The Country's premier socioeconomic planning body.
- Highly regarded as the authority in macroeconomic forecasting and policy analysis and research
- Has led self-assessment Snapshot Assessment of Indonesia's Public Procurement System was carried out by the Government of Indonesia in 2007.
- Strategic interest and influence and in procurement reforms.

Minister of Public Works and Housing:

- Operational expertise in public procurement
- Strong interest and influence in the improvement of the public procurement system
- Involved in issuance of specific regulation on PPPs in the scope of its mandate
- Influencing role in validation and implementation of MAPS findings and recommendations

Minister of Transportation:

- Operational expertise in public procurement
- Strong interest and influence in the improvement of the public procurement system
- Involved in procedures for Implementation of PPP in Transportation Infrastructure Provision in Ministry of Transportation
- Influencing role in validation and implementation of MAPS findings and recommendations

Ministry of Energy and Mineral Resources

- Operational expertise in public procurement
- Strong interest and influence in the improvement of the public procurement system

- Involved in issuance of sector-related regulations concerning, for example, build-own operate transfer (BOOT) schemes for Power Purchase Agreements.
- Influencing role in validation and implementation of MAPS findings and recommendations

Other Procuring Entities:

- Authorized to procure independently [central and regional offices or any decentralized, Local Government, State Owned-Enterprises, responsible for conduct of procurement process, bid evaluation and award and contract implementation.
- Operational expertise in public procurement
- Direct interest and influence on development of public procurement system.
- Data and institutional memory information holders on actual implementation and performance of the legal and regulatory framework as procuring agencies.
- Key potential partners for bringing improvements to procurement process under LKPP leadership.
- Influencing role in validation and implementation of MAPS findings and recommendations

Procurement Committee (Pokja Pemilihan):

- Practical expertise in public procurement system
- Main driver of procurement implementation in respective agencies

Commitment Making Officers (PPK, Pejabat Pembuat Komitmen):

- Authorized person to sign the contract
- Responsible for implementing including planning, monitoring and supervising contract implementation

Supreme Audit Institution (BPK):

- High interest in well-established and functioning of Public Procurement System.
- High influence as audit/monitoring and enforcement body.
- Potential to provide useful input.

Finance and Development Supervisory Agency (BPKP):

- Authorized institution to provide advisory, supervision and assurance on the internal control mechanisms and standards
- Responsible for capacity building and competency standards of the national auditors

Corruption Eradication Commission (KPK)

- Independent state institution, which in carrying out its duties and authority is free from any power.
- Strong mandate and interest to safeguard the integrity of the county's public procurement system.
- Interest and influence for sound public procurement system reform

The Indonesian Business Competition Commission (KPPU)

- Increasing business competition and healthy partnerships to encourage a just and sustainable national economy to improve people's welfare
- Ensure the realization of legal certainty in business competition to ensure a healthy investment climate by advocating the values of fair business competition, enforcing business competition laws and supervising the implementation of healthy partnerships.

Public Services Agency (Badan Layanan Umum/BLU)

- An agency within the Government that is formed to provide services to the community in the form of providing goods and/or services that are sold without prioritizing seeking profit and in carrying out their activities based on the principles of efficiency and productivity.
- Involved in implementation of public procurement.
- Interest in system improvement

Regional Public Services Agency (Badan Layanan Umum Daerah /BLUD)

- Similar function with BLU at Local Government level

Private Sector:

- Strong interest in the public procurement system reform

- Provide fair opinion on public procurement system through survey and feedback (face-to face).
- Important influencer role in validation process and implementation of recommendations

Civil Society Organizations:

- Key CSOs who are active in the area related to procurement have been consulted and participated in the survey. They are :
 - Indonesia Corruption Watch (ICW)
 - Transparency International Indonesia (TII).
 - Indonesia Budget Center (IBC).
 - Perkumpulan Media Lintas Komunika (Medialink) .
 - Seknas FITRA.
 - Komite Pemantauan Pelaksanaan Otonomi Daerah (KPPOD).
 - Article 33 Indonesia.
 - Sajogyo Institute;
 - SMERU Research Institute, and
 - AKATIGA

Academia and Training institutions:

- Partner in training procurement cadre
- Influence trainees on good procurement practices
- The Indonesian Procurement Professional Association (**IAPPI**, Ikatan Ahli Pengadaan Indonesia) is directly associated in the public procurement certification to improve national capacity on procurement

Media:

- Potential interest in public procurement oversight
- Influence on the public opinion.

4. **Actual Engagement of Stakeholders:** Apart from representatives from LKPP, the World Bank and Asian Development Bank the table below presents the list of key Stakeholders which attended the Indonesia MAPS Launch Workshop on October 10, 2019

Key Stakeholders that attended MAPS Launch Workshop on October 10, 2019	
11. Ministry of Finance 12. Ministry of National Development Planning 13. Others Line Ministries, Agencies, and Local Governments 14. National Oversight and Internal Control Authorities (KPK, BPK and BPKP)	15. National Public Procurement Agency (LKPP) 16. National Election Commission, 17. National Intelligence Agency 18. Supreme Court 19. Development Partners

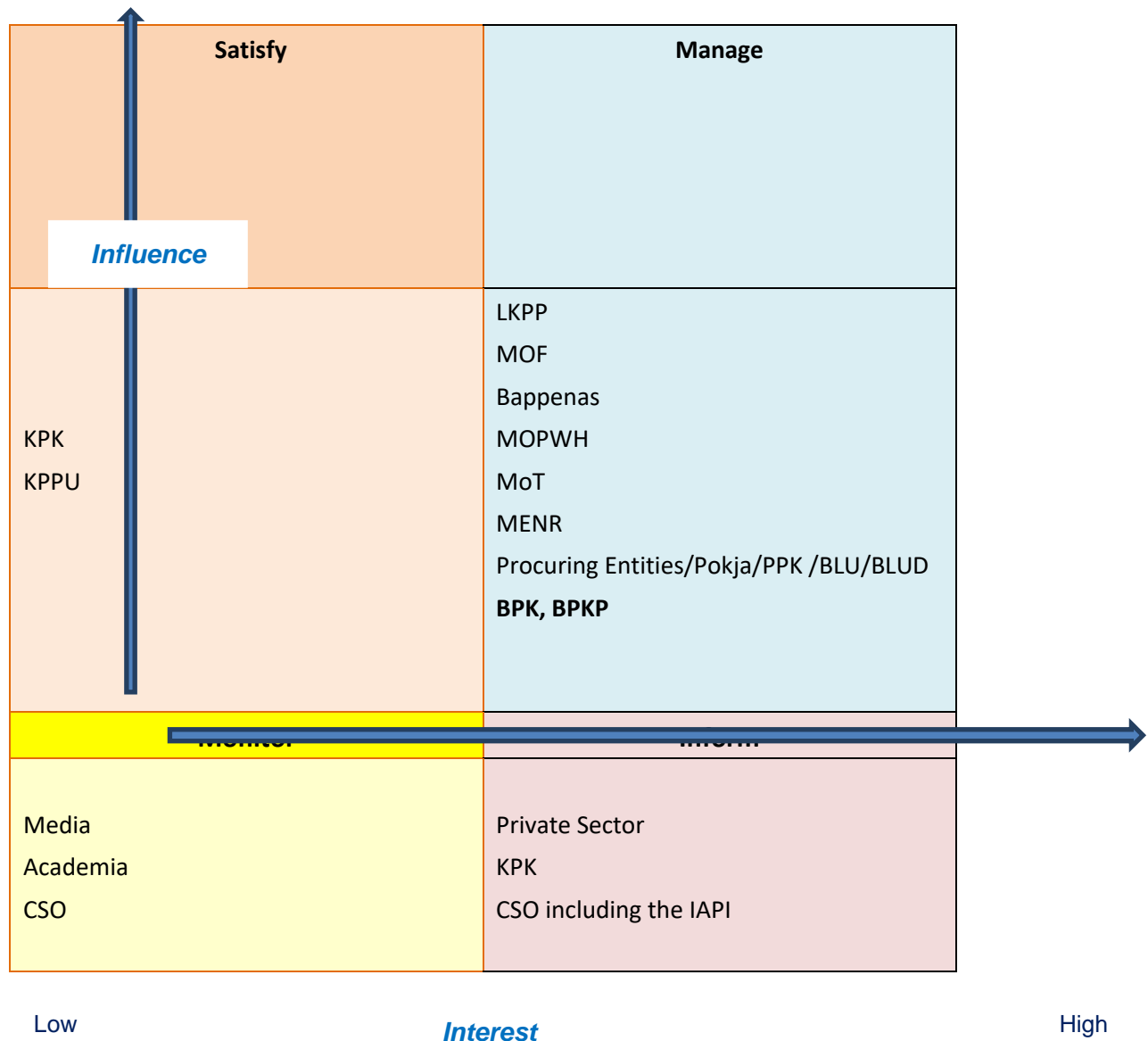
All the above representatives and other will be invited for the Stakeholder Validation Workshop by **27June2022**

The Assessment Team had active engagement with key stakeholders through face-to-face interaction till December 2019 and through virtual means thereafter (due to pandemic situation)

The Stakeholder analysis prior to the launch workshop on October 10, 2019 was critical in planning the meetings, interviews, and survey with the identified stakeholders and very helpful in the validation process of the assessment outcomes and recommendations for the implementation of the prioritized improvements.

5. Conclusion

The conclusions of the stakeholder's analysis are summarized in the figure below. The Analysis has informed the planning of the MAPS assessment meetings, interviews, and survey with the identified stakeholders. It is expected that that the role of these stakeholders will be very key for the validation process of the assessment outcomes and recommendations for the implementation of the reform priorities improvements.



ANNEX 6: Result of Private Sector Survey

Methodology of Survey (As intended at the start of the Assessment)

Objective of the Survey: MAPS assessment methodology requires use of survey to seek feedback from private sector and other stakeholders on the following aspects:

- (i) Perception that the normative and regulatory body (Public Procurement Authority) is free from **conflict of interest in its functions and responsibilities** that provides for separation of duties such as regulation, monitoring, oversight, procurement audit, complaints review with clarity (sub-indicator 5(d) on Avoiding Conflict of Interest);
- (ii) Perception of **openness and effectiveness of the public sector** in engaging with the private sector (sub-indicator 10 (a) on dialogue and partnership between public and private sector);
- (iii) Perception about the appropriateness of conditions in the **public procurement market** such as access to credit, procurement methods and procedures, contracting provisions, fair payment provisions, existence of effective appeals mechanism and dispute resolution in the law (footnote 30 of indicator 10 (b) on private sector's organization and access to public procurement);
- (iv) Further to the above, a perception that **in practice the appeals system is trust worthy** and appeal decisions are consistent with the findings of the case and with the available remedies provided in the legal/regulatory framework (sub-indicator 13 (c) on decisions of the appeals body);
- (v) Admission about **indulgence in unethical practices** including making gifts (sub-indicator 14(c) on Effective sanctions and enforcement system; and
- (vi) Perception of favorable opinions by the public on the **effectiveness of anti-corruption measures** (sub-indicator 14(d) on Anti-corruption framework and integrity training).

Complimentary to the above requirement as per MAPS methodology, as part of overall assessment of public procurement system in the country, a closer examination will be useful in following areas: (a) a better understanding of the reasons that may lead to low participation in the bidding process; (b) to understand if there is a mismatch between contract size and capacity of local contracting industry leading to 'fake' joint ventures with foreign firms; (c) assessing business and integrity-related concerns regarding the bidding process; (d) evaluating awareness of the applicable mechanisms for handling complaints about procurement and fraud and corruption; and finally (e) understanding factors that are barrier to competition and how competition could be improved.

In brief, the objectives of the survey are as under:

- Evaluate contractors, suppliers and consultants' experience as to awareness on bidding opportunities when bidding in government or donor-financed contracts;
- Assess the reasons that may encourage or discourage firms from submitting bids;
- Determine awareness of government or donor agencies on complaint mechanism;
- Gauge firms' perceptions regarding fraud and corruption risks in procurement; and
- Overall, how to facilitate the dialogue and partnerships between public and private sector through outreach and training programs to improve public procurement system in the country

3. Suggested Target Audience: To include: a) Contractors: such as Building contractors, road construction/rehabilitation, irrigation and water supply contractors; b) Suppliers: IT equipment, medical equipment, furniture, vehicles (cars, machinery such as tractors, bulldozers etc.); and c) Consultants: architectural design, construction supervision, finance and business etc. Target mix of the firms who purchased the bidding documents, but did not bid. A mix of firms (large, medium and small size) registered in the capital city and other major cities. Professional organizations like Confederation of Chamber of Commerce and National Construction Industry Council may like to suggest names of firms that should receive questionnaire. Public Procurement Authority in consultation with the World Bank to randomly select about 100 such target audience out of a list of contractors/suppliers/consultants.

4. Methodology of Survey and Use of Feedback: The survey shall be carried out as per following steps:

- i. Public Procurement Authority to distribute the questionnaire to the identified firms by sending the questionnaire electronically to the targeted audience;
- ii. Firms to send their response confidentially without identification of source of response to the World Bank Country Office (the WB coordinator to set up a website/e-mail account);
- iii. Based on the results of surveys, Assessment Team shall prepare a report /presentation highlighting the main issues identified and analyze the issues;
- iv. Validate the results of survey in the proposed outreach by conducting a half-a-day consultation workshop with private sector on: “ **Public Procurement in the country -Improving Competitive Effectiveness of Private Sector**” – the workshop may be hosted jointly by Public Procurement Authority and the World Bank with participation of other development partners as well;
- v. In the above consultative workshop the participants may also be requested to provide additional feedback confidentially through one-on-one interaction with the Bank staff; and
- vi. Results of survey, interview and face-to-face interaction to be used for MAPS Assessment Report.

Actual Survey and Results

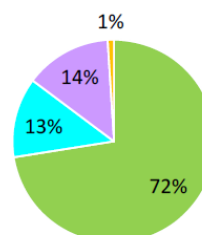
An electronic survey was launched on October 5, 2021 with 42 questions. The results of survey as per November 30, 2021 are as under:

Survey on the Perception of Private Sector of the Government Procurement System in Indonesia

NUMBER OF REpondent = 598

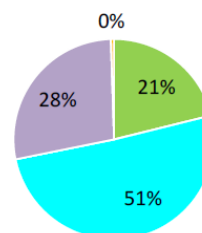
1. RESPONDENT POSITION IN COMPANY

■	Director/General Manager/Commissioner	432
■	Manager/Head/Supervisor	76
■	Officer	82
■	Others	6



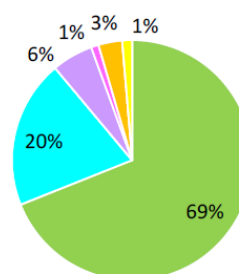
2. LOCATION OF COMPANY

■	Jakarta Area	126
■	Jawa & Bali	302
■	Outside Jawa & Bali	165
■	No Response	3



3. NUMBER OF EMPLOYEE

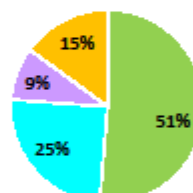
■	2 - 10	411
■	11 - 50	119
■	51 - 250	33
■	251 - 500	6
■	> 500	19
■	No Response	8



Survey on the Perception of Private Sector of the Government Procurement System in Indonesia

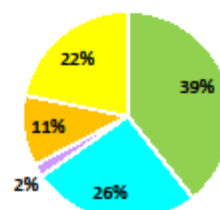
4. ANNUAL GROSS INCOME (In MILLION IDR)

■ < 1.000	295
■ 1000 - 15.000	143
■ > 15.000	51
■ No Response/Unclear answers	86



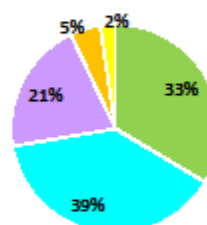
5. BUSINESS CATEGORY

■ Supplier	234
■ Construction	155
■ Consulting Services (Individual)	12
■ Consulting Services (Corporate)	65
■ Other Services	130



6. A. NUMBER OF PARTICIPATION IN BIDDING PROCESS (REGISTERED BIDDERS) IN 2018

■ None	200
■ 1 to 10 times	231
■ 11 to 80 times	123
■ > 80 times	28
■ No Response	14

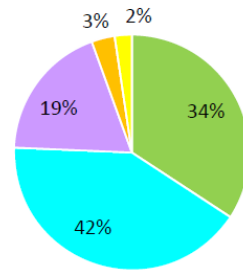


MAPS INDICATOR 10

Survey on the Perception of Private Sector of the Government Procurement System in Indonesia

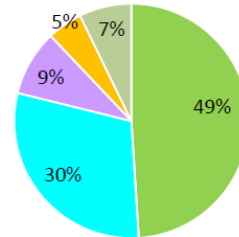
6. B. NUMBER OF SUBMITTING BIDS IN 2018

■ None	204
■ 1 to 10 times	247
■ 11 to 80 times	112
■ > 80 times	19
■ No Response	14



7. PERCENTAGE OF WINNING BIDS IN 2018 AGAINST NUMBER OF BIDS SUBMITTED

■ 0%	292
■ 1 - 49%	178
■ 50 - 99%	54
■ 100%	29
■ No Response/Unclear answers	43

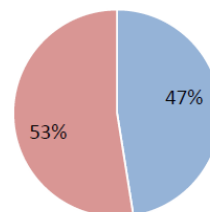


8. FROM THE OFFERS YOU WON IN 2018, HOW MANY JOB LOCATION ARE LOCATED WITHIN & OUTSIDE THE PROVINCE/DISTRICT WHERE YOUR COMPANY REGISTERED.

-Many answers do not correspond to the question-

9. ARE THERE ANY FACTORS THAT HINDER THE BIDS PARTICIPATION OUTSIDE THE DISTRICT/ PROVINCE OF YOUR COMPANY BEING REGISTERED?

■ YES	283
■ NO	313

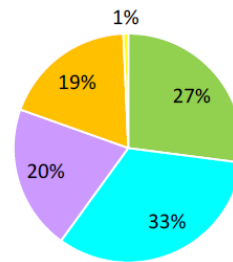


MAPS INDICATOR 10

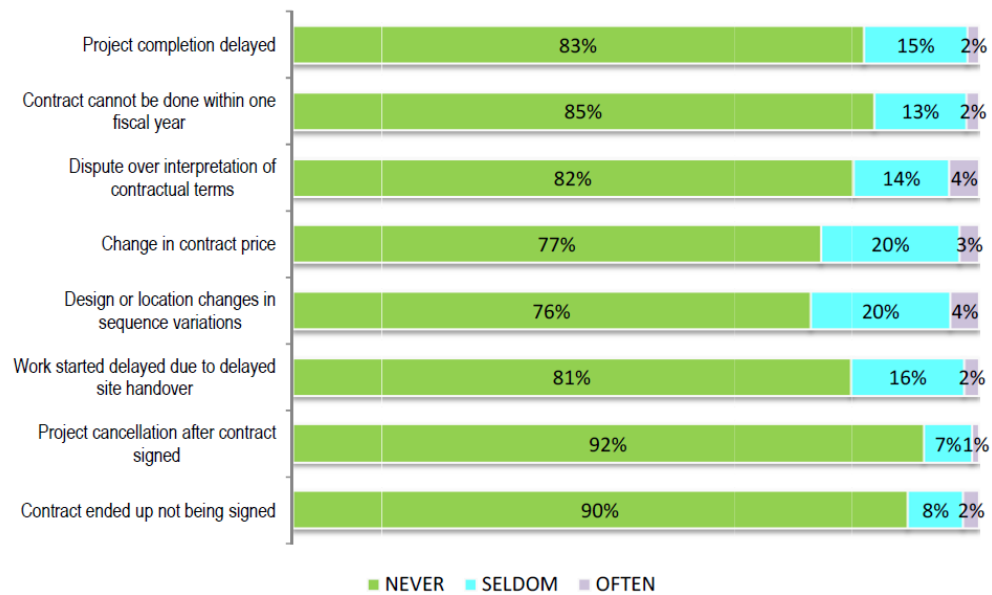
Survey on the Perception of Private Sector of the Government Procurement System in Indonesia

10. IF YES, WHAT ARE THE INHIBITING FACTORS

Higher cost to participate	119
Require additional resources & fund	145
Not familiar with local regulation	90
Other	83
No Response	3



11. DURING THE CONTRACT IMPLEMENTATION IN 2018, HOW OFTEN DID YOU EXPERIENCE



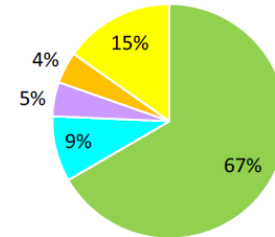
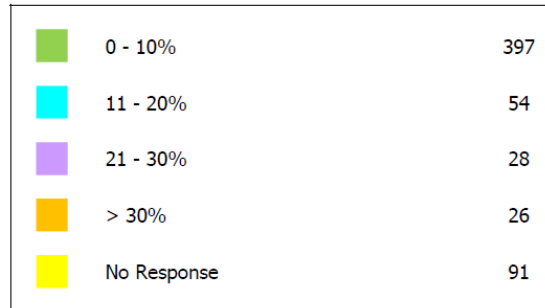
12. THE COMPLETION OF A PROJECT IS SOMETIMES OR OFTEN DELAYED, FROM EXPERIENCE, ON AVERAGE HOW LONG IS THE DELAY?

-Many answers do not correspond to the question-

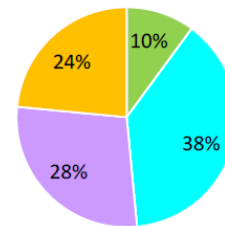
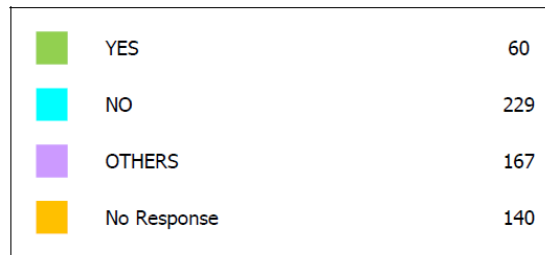
MAPS INDICATOR 10

Survey on the Perception of Private Sector of the Government Procurement System in Indonesia

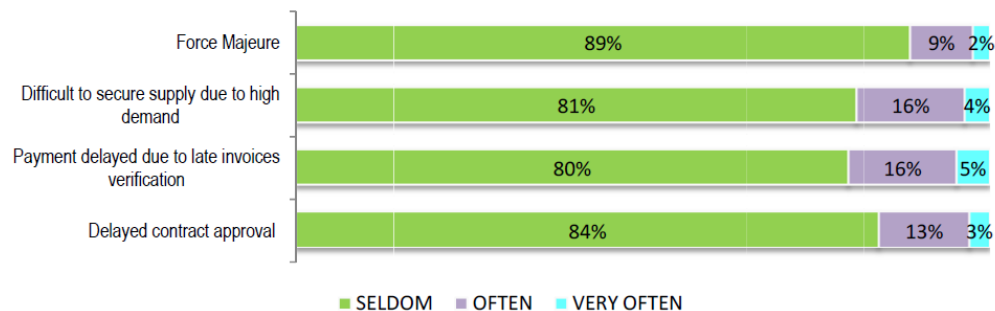
13. THE COMPLETION OF A PROJECT IS SOMETIMES OR OFTEN DELAYED, FROM EXPERIENCE, ON AVERAGE HOW MUCH DOES IT COST?



14. THE COMPLETION OF A PROJECT IS SOMETIMES OR OFTEN DELAYED, FROM EXPERIENCE, ON AVERAGE IS THIS BECAUSE YOU ARE CONSIDERED NOT TO MEET CERTAIN STANDARDS?



15. HOW OFTEN THE FOLLOWING FACTORS CAUSE DELAYS IN CONTRACT IMPLEMENTATION?

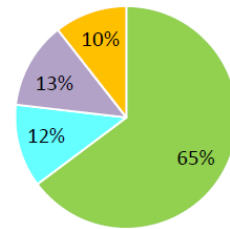


MAPS INDICATOR 10

Survey on the Perception of Private Sector of the Government Procurement System in Indonesia

16. DO YOU THINK THERE IS A CONFLICT OF INTEREST IN GOVERNMENT PROCUREMENT IN LKPP?

■	No conflict of interest	386
■	Slightly conflict of interest	72
■	There are conflicts of interest	75
■	Many conflict of interest	63



17. GIVE THE REASON FOR YOUR ANSWERS ABOVE

A. NO CONFLICT OF INTEREST

Never participated bidding / No experience	111
Follow SOP & Regulation	34
Good, appropriate and profesional	25
Transparent, Fair and Open	22
Using Electronic System	7
Independent & No intervention	4
Other reasons	9
No Response/Unclear answers	174

B. SLIGHTLY CONFLICT OF INTEREST

Arrangement of bidding (process & winner)	22
Terms and Specification of Package	10
Coordination (Internal & External)	9
Implemetation condition (Not transparant & Timing)	9

Survey on the Perception of Private Sector of the Government Procurement System in Indonesia

Scale of bidders company and competitiveness	5
Contracts often not comply with the law	3
Price Related	2
No Response/Unclear answers	12

C. THERE ARE CONFLICTS OF INTEREST

Politic Interests, Collusion & Nepotism	34
Terms and Specification of Package	9
SOP & Regulation not carry out properly	7
Money Politic	6
Implemetation condition (Not transparant & Timing)	6
Scale of bidders company and competitiveness	3
No Response/Unclear answers	10

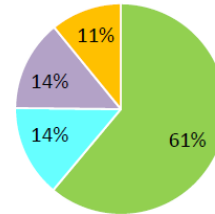
D. MANY CONFLICTS OF INTEREST

Politic Interests, Collusion & Nepotism	39
Terms and Specification of Package	7
Implemetation condition (Not transparant & Timing)	5
Scale of bidders company and competitiveness	4
SOP & Regulation not carry out properly	3
No Response/Unclear answers	5

Survey on the Perception of Private Sector of the Government Procurement System in Indonesia

18. DO YOU THINK THERE IS ANY CONFLICT OF INTEREST IN GOVERNMENT PROCUREMENT WITHIN PROCUREMENT ACTORS?

■	No conflict of interest	364
■	Slightly conflict of interest	84
■	There are conflicts of interest	83
■	Many conflict of interest	65



19. GIVE THE REASON FOR YOUR ANSWERS ABOVE

A. NO CONFLICT OF INTEREST

Never participated bidding / No experience	87
Follow SOP & Regulation	39
Good, appropriate and profesional	20
Independent & No intervention	13
Transparent, Fair and Open	11
Using Electronic System	4
No Response/Unclear answers	190

B. SLIGHTLY CONFLICT OF INTEREST

Arrangement of bidding (process & winner)	29
Terms and Specification of Package	13
Coordination (Internal & External)	6
Implemetation condition (Not transparant & Timing)	5
Money Politic	3
Scale of bidders company and competitiveness	2
Price Related	2
No Response/Unclear answers	4

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C. THERE ARE CONFLICTS OF INTEREST

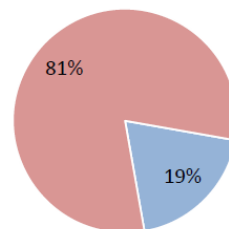
Politic Interests, Collusion & Nepotism	34
Implementatation condition (Not transparant & Timing)	15
Terms and Specification of Package	11
Coordination (Internal & External)	5
Money Politic	4
No Response/Unclear answers	14

D. MANY CONFLICTS OF INTEREST

Politic Interests, Collusion & Nepotism	29
Implementatation condition (Not transparant & Timing)	15
Money Politic	9
Terms and Specification of Package	3
No Response/Unclear answers	9

20. IN THE CONTEXT OF GOVERNMENT PROCUREMENT, HAVE YOU EXPERIENCED SITUATION WHERE LKPP FACES/CONDUCTS CONFLICT OF INTEREST?

■	YES	116
■	NO	480



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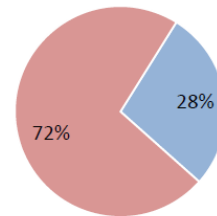
21. IF YES, WHAT KIND OF CONFLICTS OF INTEREST?

A.	Using positions for personal /group/group interests, including (1) receiving gratuities or awarding/receiving gifts	59
B.	Using positions for personal /group/group interests, including (2) provide special access to certain parties without following the proper procedures	66
C.	Using positions for personal /group/group interests, including (3) use/provide confidential information related to the procurement of goods/services and the implementation of contracts	50
D.	Using positions for personal /group/group interests, including (4) PPK/working Group Election/Procurement Official either directly or indirectly controlling or running the company (business entity) that submitting bids	38
E.	Unclear duties segregation between procurement actors/agencies, where (1) (1) the Board of Directors, Commissioners, or core personnel in company, concurrently as Directors, Commissioners, or core personnel in other companies that submit the same Tender/Selection	16
F.	Unclear duties segregation between procurement actors/agencies, where (2) consultant planners/supervisors in construction work act as contractors	18
G.	Unclear duties segregation between procurement actors/agencies, where (3) construction management consultants act as consultant planners	17
H.	Unclear duties segregation between procurement actors/agencies, where (4) PPK/working Group Election/Procurement Official either directly or indirectly controlling or running the vendor's company	16
I.	Unclear duties segregation between procurement actors/agencies, where (5) several business entities participating in the same Tender/Selection are controlled either directly or indirectly by the same party, and/or their share ownership is more than 50% (fifty percent) controlled by the same shareholder	13
J.	Members/managers of a cooperative institution are simultaneously assigned as PPK/Working Group Selection/Procurement Officers in the execution of contracts at the relevant Ministries/Institutions/Regional Government	12
K.	Having a family or personal relationship;	42
L.	Having certain political interests	48
M.	Others / No Response	14

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22. IN THE CONTEXT OF GOVERNMENT PROCUREMENT, HAVE YOU EXPERIENCED SITUATION WHERE PROCUREMENT ACTORS FACES/CONDUCTS CONFLICT OF INTEREST?

■	YES	165
■	NO	431



23. IF YES, WHAT KIND OF CONFLICTS OF INTEREST?

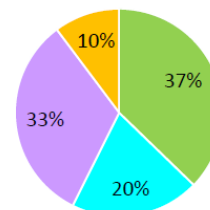
A.	Using positions for personal /group/group interests, including (1) receiving gratuities or awarding/receiving gifts	82
B.	Using positions for personal /group/group interests, including (2) provide special access to certain parties without following the proper procedures	88
C.	Using positions for personal /group/group interests, including (3) use/provide confidential information related to the procurement of goods/services and the implementation of contracts	64
D.	Using positions for personal /group/group interests, including (4) PPK/working Group Election/Procurement Official either directly or indirectly controlling or running the company (business entity) that submitting bids	49
E.	Unclear duties segregation between procurement actors/agencies, where (1) the Board of Directors, Commissioners, or core personnel in company, concurrently as Directors, Commissioners, or core personnel in other companies that submit the same Tender/Selection	21
F.	Unclear duties segregation between procurement actors/agencies, where (2) consultant planners/supervisors in construction work act as contractors	21
G.	Unclear duties segregation between procurement actors/agencies, where (3) construction management consultants act as consultant planners	17
H.	Unclear duties segregation between procurement actors/agencies, where (4) PPK/working Group Election/Procurement Official either directly or indirectly controlling or running the vendor's company	26
I.	Unclear duties segregation between procurement actors/agencies, where (5) several business entities participating in the same Tender/Selection are controlled either directly or indirectly by the same party, and/or their share ownership is more than 50% (fifty percent) controlled by the same shareholder	20

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J.	Members/managers of a cooperative institution are simultaneously assigned as PPK/Working Group Selection/Procurement Officers in the execution of contracts at the relevant Ministries/Institutions/Regional Government	14
K.	Having a family or personal relationship	52
L.	Having certain political interests	56
M.	Others / No Response	24

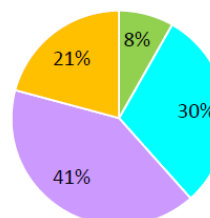
24. DOES THE GOVERNMENT COMMUNICATE/SOCIALIZE THE CHANGE IN GOVERNMENT PROCUREMENT POLICY/REGULATION TO THE BUSINESS ASSOCIATION?

■	Always	222
■	Often	120
■	Seldom	193
■	Never	61



25. DO YOU FIND ANY DIFFICULTY TO KEEP UP WITH CHANGES IN GOVERNMENT PROCUREMENT POLICIES/REGULATIONS?

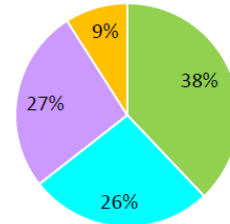
■	Always	49
■	Often	180
■	Seldom	243
■	Never	124



Survey on the Perception of Private Sector of the Government Procurement System in Indonesia

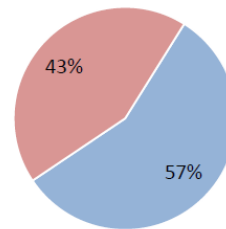
26. DO YOU HAVE CONMPETENT RESOURCES THAT YOU CAN FOLLOW THE CHANGES IN GOVERNMENT PROCUREMENT POLICIES/REGULATIONS?

■	Always	226
■	Often	158
■	Seldom	158
■	Never	54



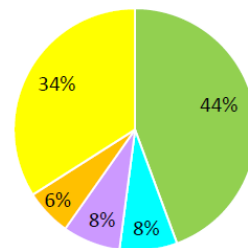
27. DOES THE GOVERNMENT ASSIST YOU IN FOLLOWING THE GOVERNMENT PROCUREMENT REFORMS?

■	YES	338
■	NO	258



28. IF YOUR ANSWER IS YES, HOW?

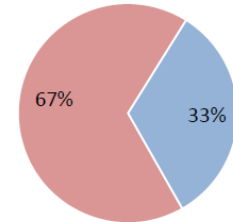
■	Information and socialization	150
■	Training and Consultation	26
■	Procurement process through E-catalogue and Online Media	26
■	By keeping up with the regulations and applicable law	21
■	No Response/Unclear answers	115



Survey on the Perception of Private Sector of the Government Procurement System in Indonesia

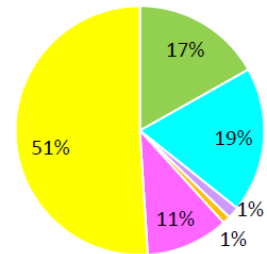
29. DO YOU KNOW ABOUT CAPACITY BUILDING/TRAINING PROGRAMS FOR BUSINESSES AND MSME'S RUN BY THE GOVERNMENT?

■ YES	196
■ NO	400



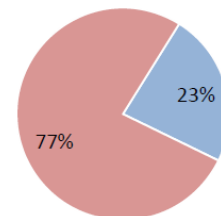
30. IF YOUR ANSWER IS YES, HOW?

■ Public Information	33
■ Training programs & Seminar	37
■ Through organization (INKINDO)	3
■ Through regional government	2
■ Through MSME's Media	21
■ No Response/Unclear answers	100



31. IF ANSWER NUMBER 30 IS YES, HAVE YOU EVER PARTICIPATED IN THE CAPACITY BUILDING/TRAINING PROGRAM?

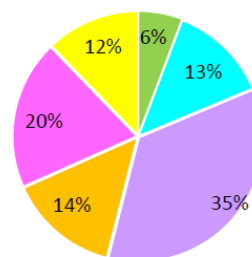
■ YES	139
■ NO	457



Survey on the Perception of Private Sector of the Government Procurement System in Indonesia

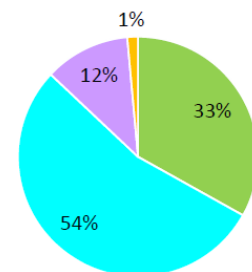
32. IF ANSWER NUMBER 31 YES, WHO IS THE ORGANIZER?

■	Association (INKINDO, LPJK, KADIN)	8
■	Ministries & Agencies	18
■	Local Government	49
■	LKPP	20
■	Others	27
■	No Response/Unclear answers	17



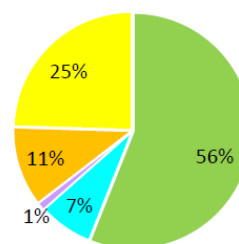
33. HOW EFFECTIVE IS THE EVENTS?

■	Highly Effective	46
■	Quite Effective	75
■	Not too Effective	16
■	Not Effective	2



34. IF ANSWER NUMBER 31 NO (NOT PARTICIPATED), WHY?

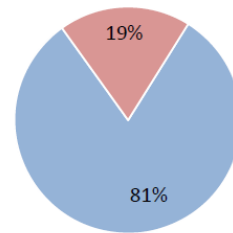
■	No information/Not invited	256
■	Not interested/No Time	34
■	Has to Paid	5
■	Others	50
■	No Response/Unclear answers	112



Survey on the Perception of Private Sector of the Government Procurement System in Indonesia

- 35. DO YOU THINK THE PUBLIC PROCUREMENT IS WELL CREATED AND THEN CREATES ACCESS FOR PARTICIPATING IN OPEN COMPETITION FOR PUBLIC CONTRACTS?**

■	YES	484
■	NO	112



- 36. IF YOUR ANSWER NUMBER 35 IS YES, PLEASE CHOOSE THE FOLLOWING CONDITIONS THAT OCCUR IN THE PUBLIC PROCUREMENT THAT YOU CONSIDER TO HELP YOU TO PARTICIPATE IN OPEN COMPETITION**

A.	Access to financing	154
B.	Fair payment terms	152
C.	Effective mechanisms for appeal and dispute resolution	123
D.	Propositional procurement method between risk and value of procurement package	276
E.	Simple and flexible rules	253
F.	Provisions in contract that help distribute risks fairly (particularly risks associated with the performance of the contract)	187

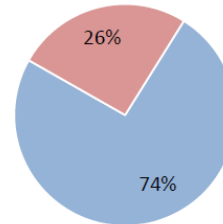
- 37. FROM THE POINT OF PRIVATE SECTOR VIEW, WHAT CONDITIONS SHOULD BE IMPROVED IN GOVERNMENT PROCUREMENT?**

Fairness, Transparency, Openness	Business certainty
Incentive for MSME	Fair financing
Simple and flexible rules	Competency & Human Resources
Improved bureaucracy & permits management	Improved electronic procurement system
Competitive & Rational Price	E-catalogue management

Survey on the Perception of Private Sector of the Government Procurement System
in Indonesia

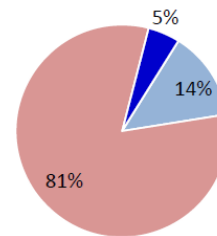
38. HAVE YOU EVER PARTICIPATED IN GOVERNMENT PROCUREMENT BIDS IN MINISTRIES/INSTITUTIONS/LOCAL GOVERNMENT?

YES	443
NO	153



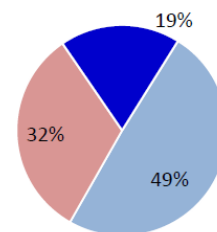
39. HAVE YOU EVER APPEALED THE RESULTS OF GOVERNMENT PROCUREMENT BIDS IN MINISTRIES/ INSTITUTIONS/LOCAL GOVERNMENT?

YES	81
NO	486
No Response	29



40. DO YOU THINK THE APPEALS SYSTEM IS TRUSTWORTHY AND FAIR?

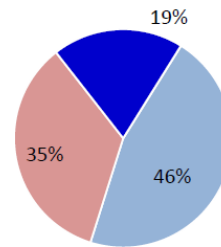
YES	294
NO	192
No Response	110



Survey on the Perception of Private Sector of the Government Procurement System in Indonesia

41. DO YOU TRUST THE APPEAL DECISION CONSISTENT?

■ YES	274
■ NO	206
■ No Response	116



42. IF YOUR ANSWERS TO NUMBER 38 & 39 NO, PLEASE PROVIDE EXPLANATIONS

Never appealed

Appeal is spend time (time-consuming mechanism)

Appeal did not give solution nor change the decision.

Lack of transparency and having personal interests

Bid winner has been set

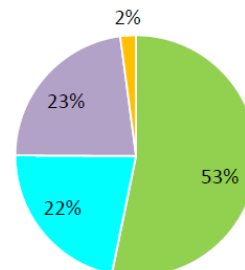
Private sector always lose against Government

Special qualifications for bids that company cannot participate directly

The winner is mostly determined only by the price factor

43. WHAT IS THE REASON YOU NEVER APPEALED THE TENDER RESULTS

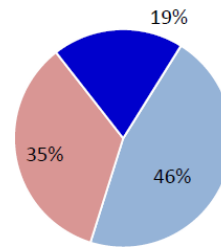
■ The bid result is fair and no reason to appeal	329
■ The decision of PA/KPA, PPK or working group selection unfair and do not trust the system of handling appeals	135
■ Other Answer	141
■ No Response/Unclear answers	13



Survey on the Perception of Private Sector of the Government Procurement System in Indonesia

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■ NO	206
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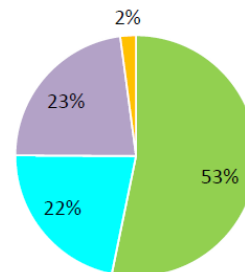
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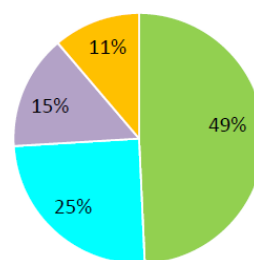
■ The bid result is fair and no reason to appeal	329
■ The decision of PA/KPA, PPK or working group selection unfair and do not trust the system of handling appeals	135
■ Other Answer	141
■ No Response/Unclear answers	13



Survey on the Perception of Private Sector of the Government Procurement System in Indonesia

44. IN GENERAL, HOW DO YOU ASSESS THE SYSTEM OF HANDLING APPEALS IN GOVERNMENT PROCUREMENT (INCLUDING CONSISTENCY)

■	Entire system implemented comply with applicable law	338
■	Most of decisions taken in system comply with applicable law	170
■	Some decisions taken in system comply with applicable law	101
■	Decisions taken are not comply with applicable law	77

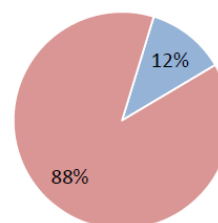


45. WHAT DO YOU THINK CAN BE IMPROVED THE GOVERNMENT PROCUREMENT'S APPEALS SYSTEM?

Fairness, Transparency, Openness	Objectivity assessment / Relevance
Free from conflicts of interest	Quality Standarization
The system implemented according to the rules	Data validity
Reduce appeal costs	IT system upgrade

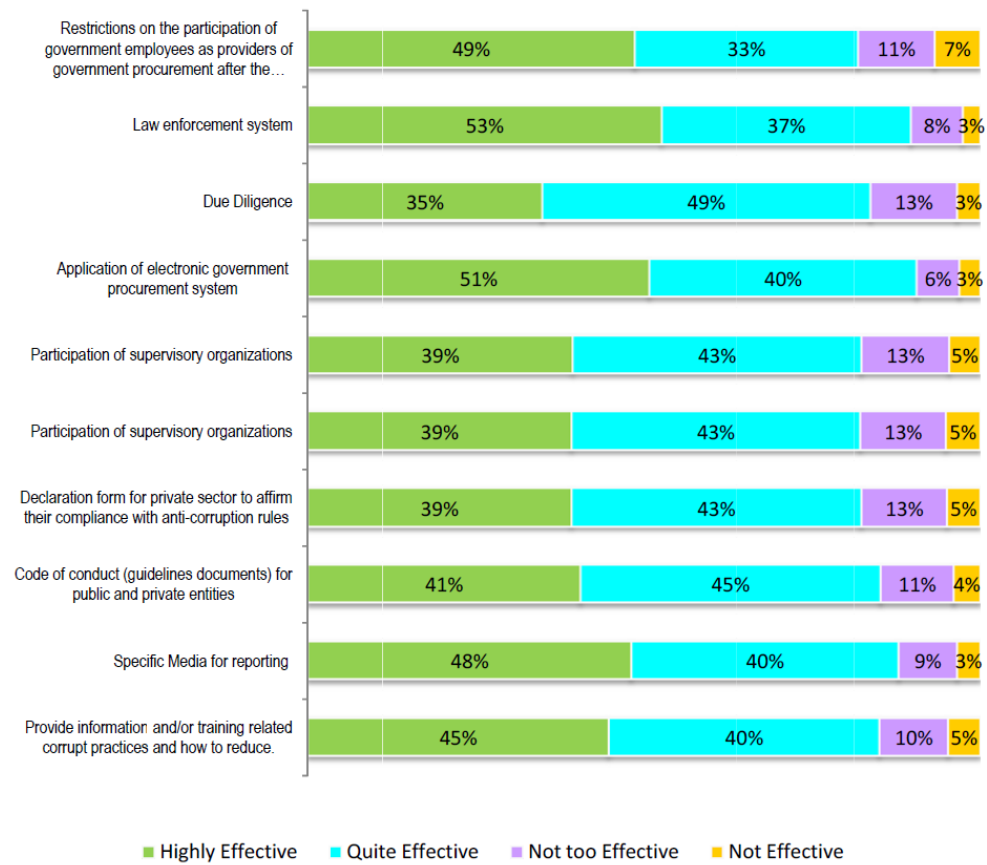
46. DO YOU CONSIDER THAT COMPANIES MUST GIVE GIFTS TO OBTAIN GOVERNMENT PROCUREMENT CONTRACTS?

■	YES	70
■	NO	526



Survey on the Perception of Private Sector of the Government Procurement System in Indonesia

47. HOW EFFECTIVELY DO YOU THINK THE FOLLOWING METHODS CAN REDUCE CORRUPTION PRACTICES IN GOVERNMENT PROCUREMENT?



Survey on the Perception of Private Sector of the Government Procurement System in Indonesia

48. IF YOU HAVE ANY OTHER CRITERIA THAN THE ABOVE QUESTION, PLEASE SPECIFY

Same perception of regulatory changes that are quite fast and overlapping

Integrity pact of government civil servant to anti-corruption

Transparency of Procurement Process that can be publicly monitored

Media and Security for whistle blowers

Standardization of the technical requirements that it does not lead to a particular provider

Enhancements of Electronic Procurement System (SPSE)

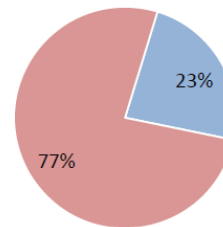
49. WHAT WILL BE YOUR TOP THREE PRIORITIES IN ORDER TO IMPROVE THE EFFECTIVENESS OF ANTI-CORRUPTION MEASURES IN INDONESIA?

<ul style="list-style-type: none"> • Government Commitment to Law Enforcement • Fair Law Enforcement • Robust law enforcement system • Appropriate punishment for deterrent effect • Briefing for corruption prevention • Supervision and coaching • Mental Education • Providing information and training related to anti-corruption • Protection of Whistleblowers or Witnesses • Good and clean bureaucracy • No monopoly • Rejecting Nepotism • Transparency • Fairness • Healthy competition • Accountability of administration and public services • No political interests • MSME development • Supervisory organizations • Increasing Civil Servant Wages 	<ul style="list-style-type: none"> • Good understanding on procurement rules and regulation • Good technical knowledge • Open Assessment & Evaluation (by system) • Simple procurement documents • Independent and Objective Procurement Actors • e-Catalog system • Fair Procurement System and Collusion-free • Honesty • Integrity • Discipline • Profesional and Competence • Trustworthy • Ethical • Implementing code of conduct of anti-corruption • Implementing system operational procedure • Corruption complaints system
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Survey on the Perception of Private Sector of the Government Procurement System in Indonesia

- 50. ARE YOU AWARE OF ANY SOCIAL COMMUNITY (NGOs/KSM) THAT ACTICELY PROVIDE SOCIAL SUPERVISION AND CONTROL IN THE GOVERNMENT PROCUREMENT?**

■	YES	140
■	NO	456

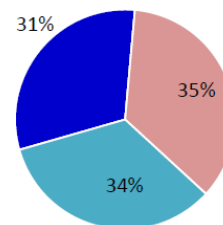


- 51. IF YOUR ANSWER NUMBER 50 IS YES, PLEASE MENTION.**

Indonesian Corruption Watch (ICW)	Malang Corruption Watch
Forum Indonesia untuk Transparansi Anggaran (FITRA)	Independen Pembaharu Indonesia
Masyarakat Anti Korupsi Indonesia (MAKI)	Lumbung Informasi Rakyat (LSM LIRA)
Jaringan Advokasi Kebijakan Anggaran (JANGKAR)	LSM Tvkor, LSM LIRA, LSM Cakra, etc

- 52. IF YOUT ANSWER NUMBER 50 IS NO, DO YOU THINK INVOLVEMENT OF NGO's/KSM IN OVERSEEING GOVERNMENT PROCUREMENT CAN BE USEFUL IN THE FUTURE? WHY?**

■	YES	184
■	NO	211
■	No Response/Unclear answers	201



Survey on the Perception of Private Sector of the Government Procurement System in Indonesia

REASON FOR ANSWERING YES :

- Monitor government procurement intensely
- As an independent party that oversees procurement intensely
- To follow up and report if there are corrupt practices

REASON FOR ANSWERING NO :

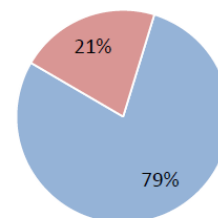
- Political and conflict of interests
- Untrustworthy and Subjective
- Opening a loophole for corruption

53. IN YOUR OPINION, WHAT ARE THE OBSTACLES (IF ANY) OF NGO's/KSM INVOLVEMENT IN OVERSEEING THE GOVERNMENT PROCUREMENT IN THE CURRENT ECONOMIC AND POLITICAL SITUATION?

- Work becomes slow as work is disrupted
- Certain political interests
- Complicated and intervention occurs
- Money oriented
- Partisanship factor
- Increase expenses/costs

54. IN YOUR OPINION HAS THE ELECTRONICAL PROCUREMENT SYSTEM REDUCED CORRUPTION PRACTICES?

■	YES	469
■	NO	127



MAPS INDICATOR 10

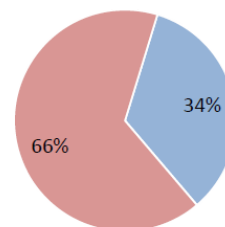
Survey on the Perception of Private Sector of the Government Procurement System in Indonesia

55. PLEASE EXPLAIN YOUR ANSWER NUMBER 54 ABOVE

<i>REASON FOR ANSWERING YES :</i>
<ul style="list-style-type: none"> Ensuring the availability of information, business opportunities, encouraging healthy business competition and realization of justice (non discriminative) for all businesses engaged in government procurement More Transparent and Monitorable Easily reached and accessed anytime, anywhere, and by anyone. Bid can be followed by any eligible participant More Efficient, Effective and accountability of state money expenditures Reduce offline meetings and negotiations outside the system Reduce procurement document replacement Avoid cheating, corruption and data manipulation Prevent excessive mark ups
<i>REASON FOR ANSWERING NO :</i>
<ul style="list-style-type: none"> Unindependent working group (cooperation in favor of certain parties) The system has not been set and implemented yet Discriminative behaviour Technical specifications directed at specific products

56. IN YOUR OPINION, DOES ELECTRONICAL PROCUREMENT SYSTEM CAUSE THE LOSS OF MSME's OPPORTUNITIES DUE TO DIFFICULTIES IN ENTERING OFFERS ELECTRONICALLY?

■	YES	203
■	NO	393



MAPS INDICATOR 10

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57. PLEASE EXPLAIN YOUR ANSWER NUMBER 56 ABOVE

<i>REASON FOR ANSWERING YES :</i>
<ul style="list-style-type: none">• Opening period of registration for e-catalogue is too long so that the newly grown MSMEs do not have the opportunity to register their products• Limitations of capital and information related to electronic procurement system application• Difficulty to access, and lack of skilled-human resources• Incapable of competing• Limited skills

<i>REASON FOR ANSWERING NO :</i>
<ul style="list-style-type: none">• MSMEs can participate in e-catalogues• MSMEs can follow the electronic bidding process• Open and easy procurement process• More Transparent and Monitorable• Fairness and Free competition• More Accessible• More Efficient and Effective• Save Costs

ANNEX 7: Summary of feedback from CSO consultations

The objective of consultation among other things was to explore how (i) CSOs could act as safeguard against inefficient and ineffective use of public resources; (ii) CSOs could help public procurement to be more competitive, fair, transparent, improve contract performance and secure results; (iii) to use Open Contracting Data by CSOs; and; (iv) to improve engagement of CSO through participation, monitoring and oversight, all related to public procurement system in Indonesia. Based on MAPS methodology participants were requested to respond to questions for a written response, and once responses are received, there shall be need for face-to-face interaction in a consultation workshop (or a VC in the current COVID-19 situation) to be organized in near future

Questions for the participants related to Public Procurement System in Indonesia

- Is there a transparent and consultative process when changes are formulated to the public procurement system?
- Are CSOs permitted or encouraged to act as observers in procurement proceedings?
- Whether programs are in place to build capacity of CSOs to support participatory public procurement?
- How to create more opportunities for dialogue and partnership with CSOs to improve public procurement system in Indonesia?

The summary of responses is given as under:

INDONESIA MAPS

Summary of Responses from Civil Society Organization (CSO) - Indicator 11

QUESTION NO.1

Is there a transparent and consultative process when changes are formulated to the public procurement system?

No.	CSO	Participant Responses
1.	Indonesia Corruption Watch (ICW)	There is already a transparent and consultative process, but it is still limited to the development of Central Information Commission Regulations regarding Public Information Service Standards. In other policy making process, including the drafting of Presidential Regulation No. 16/2018 and its implementing regulations (Peraturan Lembaga) issued by LKPP, has not engaged civil society.
2	Transparency International Indonesia (TII)	LKPP as the authorized body to formulate policies on the Public Procurement System are quite open and informative in the procurement policy preparation process. LKPP in formulating the Perpres No.16 in 2018 fairly accommodated the input from CSOs. Some FGDs performed by LKPP in the process of the preparation provides opportunities for the CSOs to provide their inputs and recommendations. On the other hand, these are contradicted with what the other governments units have made in promoting transparency and accountability in public procurement. The issuance of Perpres No.1 in 2020 for anticipating Covid-19 pandemic has been an impediment for these efforts as it may protect the government for any misconduct and prohibited practices in the procurement process of Covid-19 management program.
3	Perkumpulan Media Lintas Komunitas (MediaLink)	Not yet fully transparent and consultative in formulating Public Procurement System. We have only been involved in the preparation of the Regulation of the Head of LKPP related to Guidelines for Compiling a List of Public Information related to Information and Documentation of Procurement of Goods/Services in LKPP internally. We have not been involved in other policies formulation. The public is also not involved in an inclusive manner
4	Indonesia Budget Center (IBC)	IBC has never received information and/or invitations from government agencies regarding the formulation of Public Procurement System.
5	Sekretariat Nasional - Forum Indonesia untuk Transparansi Anggaran (Seknas FITRA)	Quite transparent, even though the level of transparency has decreased during the pandemic . The Public Procurement System process is also not consultative yet
6	Komite Pemantauan Pelaksanaan Otonomi Daerah (KPPOD)	There is a transparent and consultative process.
7	Article 33 Indonesia	I think that community organizations are involved in formulated to the public procurement system
8	Sajogyo Institute	Not well socialized
9	SMERU Research Institute	To a certain extent, there is a transparent and consultative process regarding the formulation of public procurement system policies. For example, SMERU, through the Knowledge Sector Initiative, was involved in providing input for the revision of LKPP Regulation no. 8/2018 regarding Type III Swakelola. This kind of thing need to be continuously improved, so that the inputs given can be followed up.
10	AKATIGA	Our answer is to represent community groups such as foundations and associations, not community groups such as farmer groups. Throughout 2016, there has been a consultative process related to the formulation of the public procurement policies. This is evidenced by the several times we have been involved and even coordinated the consultation process with LKPP. LKPP has also been a resource person several times and has taken the consultation process as input for changes to public procurement policies.

INDONESIA MAPS

Summary of Responses from Civil Society Organization (CSO) - Indicator 11

QUESTION NO.2

Are CSOs permitted or encouraged to act as observers in procurement proceedings?

No.	CSO	Participant Responses
1.	Indonesia Corruption Watch (ICW)	If referring to the rules concerning the procurement of goods/service by the Government (PBJP), it is not explicitly mentioned the role of in the process of planning, preparation, election, and implementation of the PBJP, although it is mentioned in article 71 paragraph 3 that the other SPSE support system includes management of community participation. But until now the implementation of community participation management is still limited to the presentation of information in online platforms as well as management of community complaints. The process of monitoring the PBJP that has been carried out by ICW, together with its network, is an independent initiative without any request from certain agencies.
2	Transparency International Indonesia (TII)	For regions that are included as TI-Indonesia working areas, the local governments are relatively open and willing to cooperate in their procurement process. For example, the City Government of Makassar and Semarang, who are quite responsive and open to input and corrections from CSO. As for other regions as well as line ministries and government agencies, the procurement process is relatively closed. This can be quickly seen from their compliance to inform their procurement planning in SIRUP of the LKPP. Ministries and Agencies tend to protect their procurement information, and they usually upload procurement information in SIRUP shortly before the bidding process so that the vendors may not be well prepared for the bidding, while the civil society as well as LKPP are not able to optimize their control. Only vendors who have proximity with the government are well-informed and usually they are also the winners of the bidding process.
3	Perkumpulan Media Lintas Komunitas (MediaLink)	Opportunities are given only at certain times, such as CSOs being asked for input on the Regulation of Head of LKPP related to Guidelines for Compiling a List of Public Information PBJ internal to LKPP, but are not involved in formulating policies on the Public Procurement System.
4	Indonesia Budget Center (IBC)	As far as we know the regulations allow it but in practice IBC has not yet received monitoring access from the government agency that organizes the procurement. IBC monitors the Government Procurement through the e-procurement system developed by LKPP but the available information is very limited and not all government agencies update the budget and procurement plans every year.
5	Sekretariat Nasional - Forum Indonesia untuk Transparansi Anggaran (Seknas FITRA)	Yes, CSOs can monitor Public Procurement.
6	Komite Pemantauan Pelaksanaan Otonomi Daerah (KPPOD)	Yes
7	Article 33 Indonesia	The bidding is done openly, but in the process it seems that there is no CSO involved
8	Sajogyo Institute	Normatively there is, but less substantive
9	SMERU Research Institute	As far as SMERU's knowledge and experience, in general, CSOs have not been given the opportunity to monitor the government procurement process. Procurement decisions are made internally, although procurement information has been made openly in SIRUP. In addition to procurement information, SIRUP also needs to publish information on executors, implementation, performance, and completion of contracts. So that CSOs can monitor the PBJ process independently through the website. Although CSOs' understanding of the PBJ process in government may be a major challenge in involving CSOs as observers, monitoring by CSOs still needs to be done. At a minimum level, CSOs can be involved as observers in auction activities, presentations by providers or become "critical friends" in the implementation of Procurement activities.
10	AKATIGA	It is not directly provided, but we see that the monitoring role is carried out only by CSOs who have had the opportunity to try out the Procurement process. For example, there are several CSOs who enter into a procurement process competition, in that process CSOs participate will certainly monitor transparency and can ask the government directly if there is a strange or unclear process. Even if there are CSOs who do that, it is the CSOs whose work is focused on procurement supervision.

INDONESIA MAPS

Summary of Responses from Civil Society Organization (CSO) - Indicator 11

QUESTION NO.3

Whether programs are in place to build capacity of CSOs to support participatory public procurement?

No.	CSO	Participant Responses
1.	Indonesia Corruption Watch (ICW)	In 2019, LKPP together with ICW conducted a series of capacity building activities and monitoring of the PBJP for journalists and Civil Society Organization (CSO) in 4 regions (Semarang, Bojonegoro, Blitar, Yogyakarta) as well as 1 activity at national level. However, this activity was only a year program supported by donors and has not become a routine activity.
2.	Transparency International Indonesia (TII)	LKPP together with TII, ICW and other institutions have conducted several monitoring trainings for civil society in these areas. However, with the development of procurement regulations and systems, it is important to update and expand the training participants in the regions.
3.	Perkumpulan Media Lintas Komunitas (MediaLink)	It has been done several times by providing training, capacity building to CSOs regarding the public procurement mechanism and how to monitor Public Procurement. However, it needs to be carried out periodically by LKPP.
4.	Indonesia Budget Center (IBC)	LKPP has carried out capacity building for IBC regarding the Government Procurement system and its supervision
5.	Sekretariat Nasional - Forum Indonesia untuk Transparansi Anggaran (Seknas FITRA)	The capacity building program for CSOs carried out by LKPP already exists but is very limited, it needs to be improved
6.	Komite Pemantauan Pelaksanaan Otonomi Daerah (KPPOD)	It seems that this program does not exist yet.
7.	Article 33 Indonesia	Not Yet
8.	Sajogyo Institute	Less participative
9.	SMERU Research Institute	SMERU has never specifically received information regarding the capacity building program for CSOs to support participatory government procurement. Our own search on the internet shows the existence of LKPP e-learning procurement on Youtube. However, we never specifically obtained information about the validity or relevance of these infos to us. There is a possibility that this is because previously CSOs legally did not have a channel to government procurement (only starting in 2018 there was ST3).
10.	AKATIGA	What we know is that there are MADANI (USAID) and KSI (DFAT) programs that have programs to support the capacity of CSOs to participate in public procurement. However, the capacity building of CSOs can also be increased apart from the program, for example by following the invitation for consultation and socialization by LKPP regarding the rules of public procurement, etc. At least the knowledge of CSOs has increased, for example, there are more participatory in public procurement regulations.

INDONESIA MAPS

Summary of Responses from Civil Society Organization (CSO) - Indicator 11

QUESTION NO.4

How to create more opportunities for dialogue and partnership with CSOs to improve public procurement system in Indonesia?

No.	CSO	Participant Responses
1.	Indonesia Corruption Watch (ICW)	<p>Some things that could be encouraged to create a community participation space in the process procurement of goods and services are:</p> <ul style="list-style-type: none"> • enhance the disclosure of information on the PBJP in e-procurement platforms • strengthen capacity building activities for Civil Society Organization (CSO) in monitoring the procurement process. • establish community committee representative in each LPSE (UKPBJ) represented by community councils or other beneficiaries with the role of conveying development proposals from the community, ensuring the benefits to the community of the projects implemented, enquiring projects indicated misappropriation. • strengthen the feedback system managed by LKPP with wide-ranging authorization to respond to community reports so that it can be reliable and widely use.
2	Transparency International Indonesia (TII)	<p>LKPP as a policy maker in public procurement is quite open and participatory to civil society. However, as a policy-making institution, LKPP have no authority to give sanction on prohibited practices and potential misprocurement.</p> <p>For example the E-KTP cases. Prior to the incident of the mega-corruption in the procurement process, LKPP has sent a letter to the Ministry of Home Affairs (MOHA) to stop the bidding process because it had indicated potential corruption. However, the recommendations from LKPP was not followed up by MOHA, which resulted in the corruption practices that cost the country trillions of Rupiah.</p> <p>In addition, the Ministry of Finance (MOF) can be a strategic partner for LKPP and civil society to promote transparency and accountability in procurement. MOF need to provide information about state budget account (up to account unit three) to LKPP and civil society. This information can be used by civil society and LKPP to analyze and monitor the government procurement plan to minimize potential corruption and misused of fund.</p>
3	Perkumpulan Media Lintas Komunitas (MediaLink)	<p>LKPP needs to involve CSOs from the beginning of planning, preparation, discussion, implementation and implementation as well as their evaluation. CSOs are not only involved in consultative forums, but moreover, there is collaboration between the Government (LKPP) and various CSOs to carry out co-creation in formulating policies from the start to the joint evaluation process for improvement (co-evaluating), so that future policy revisions will be of higher quality because they accommodate input from various perspectives, especially from CSOs who continue to oversee the public procurement process and frequently review field findings.</p> <p>It is also very important to open space for active CSO involvement in monitoring public procurement with an Open Contracting policy, so that the public can clearly assess the accountability and quality of public procurement implementation.</p>
4	Indonesia Budget Center (IBC)	<p>There are still weaknesses in the regulation regarding public procurement which is only regulated at the level of a Presidential Regulation (Perpres). In the future it needs to be upgraded in a higher regulation, the Law (UU).</p>
5	Sekretariat Nasional - Forum Indonesia untuk Transparansi Anggaran (Seknas FITRA)	<p>It is necessary to build a coalition of CSOs and LKPP to regularly discuss policies and implementation of public procurement</p>
6	Komite Pemantauan Pelaksanaan Otonomi Daerah (KPPOD)	<p>Systematic socialization and technical assistance for all stakeholders, both at the central and regional levels.</p>
7	Article 33 Indonesia	<p>There needs to be forums that provide opportunities for both parties to communicate with each other and share experiences and knowledge in the procurement of goods/services.</p>
8	Sajogyo Institute	<p>Need a more open socialization process</p>

ANNEX 8: Sample Cases- Approach for Sampling

Objective: The objective of this indicator is to collect empirical evidence on how procurement principles, rules and procedures formulated in the legal and policy framework are being implemented in practice. It focuses on procurement-related results that in turn influence development outcomes, such as value for money, improved service delivery, trust in government and achievement of horizontal policy objectives as per guidance provided under MAPS2018.

Scope of the assessment, approach for case samples: The assessment of Indicator 9 requires the selection and review of a sample of actual procurement transactions (files). The assessment has covered 120 number of procurement cases sampled from 10 government ministries, government departments and parastatals as listed below:

Final list proposed by LKPP below (as discussed with WB and ADB during the mission and updated to the draft Chairman's Decree sent to WB on Dec 23, 2019).

Central Government: (Total number of sample cases in bracket)

2. Ministry of MPWH (24 samples)
3. Ministry of Agriculture (13 samples)
4. Ministry of Education and Culture (10 samples)
5. Ministry of Energy and Mineral Resource (11 samples)
11. BMKG (15 samples)

Sub-National Government:

1. Aceh Province (17 samples)
2. Rokan Hilir District (0 sample)
3. Bandung City (4 samples)
4. Pinrang District (13 samples)
5. Rote Ndao District (13 samples)

Method of Collection of Information:

A template was sent to each agency to collect the information for each sample case to cover the following information. The assessment has covered areas related to key decision making during the course of the procurement process: Procurement planning, Selection and contracting and Contract management. The assessors prepared a case file for each procurement included but not be limited to the following information:

(An excel table was prepared for all cases where all the information was consolidated, and findings reflected under Indicator -9 of the Assessment Report. This Excel table is available for reference and record).

- (i) All documents related to the initiation and approval of the procurement and method of procurement; including budget, estimates technical specifications, letter of no objection and others as applicable;
- (ii) All documents related to the solicitation of bids including copies of request for proposals/quotations, advertisements, notices as applicable;

- (iii) All documents related to the bidding process including the bid documents; bid document approval; records of bid documents issuance, receipt and opening;
- (iv) All documents related to the evaluation including approval of evaluation committee; evaluation report, approval of evaluation report; letters of no objection to award;
- (v) All documents related to the contract award, implementation and monitoring, including contract document, purchase orders, delivery notes, payment terms and payments;
- (vi) All minutes of various meetings and discussions and correspondences amongst all parties.
- (vii) Below are the total sample cases by procurement category and procurement method.

PROCUREMENT CATEGORY	NCB	PROCUREMENT METHOD								
		Tender	Quick Tender	Simplified Tender	Limited Tender	Single Source/ Direct Appointment	Direct Procurement	Selection	Simplified Selection	TOTAL
Works	51	44	2	0	1	4	0	0	0	51
Goods	36	25	3	7	0	0	1	0	0	36
Consultancy Services	15	0	0	0	0	0	0	14	1	15
Non-Consultancy Services	18	15	0	3	0	0	0	0	0	18
TOTAL	120	84	5	10	1	4	1	14	1	120

ANNEX 9: Procurement by State Owned Enterprises in Indonesia

Procurement by State Owned Enterprises in Indonesia

1. Overview of State-Owned Enterprises in Indonesia

State-owned Enterprises (SOEs) in Indonesia⁵ involve business and economic activities and are either General /Public Companies (Perum- Perusahaan Umum) or Limited Liability Companies (Persero). The Perum, is a public-benefit corporation, its capital is wholly owned by the State (no shareholders), with ultimate goal of serving the public interest through providing high quality goods and/or services as well as seeking profits based on corporate management. It is led by directors, with civil servants employees. When Perums lose money, the government feels obliged to sell some shares to the public- go public and change their status to Limited Companies⁶.

A Persero, on the other hand, has capital divided into shares, at least 51% of the shares are state-owned. Typically, these companies list shares in the stock exchange to be traded. Founding capital is derived partly or entirely from State assets in the form of shares. Its main objective is profit (commercial) in addition to providing services to the public. The company is referred to as Perseroan Terbatas (PT) followed by name of Company Limited. The Persero is led by directors, with private employees.

In addition, there are companies in which the government holds less than 51% of equities, and others classified as other state business entities. The limited liability companies (Persero) are subject to general PT laws, and similar to ordinary PTs their establishment and amendments to their articles of association, including increases to their capital, must be executed before a civil law notary with notarial act, unlike Perums where their [Articles of association](#) (including amendments and capital increases) are directly legislated.⁷

As of June 2020 Indonesia has 108 SOEs with 800 subsidiaries and affiliates. These include 13 Perum and 80 Persero, the remaining 14 are classified as other state business entities. Most of the SOEs are managed by the Ministry of State-Owned Enterprises (MSOEs), while several others are under the Ministry of Finance (MOF). A few strategic, independent institutions are responsible directly to the president. SOEs under MSOEs are increasingly subject to consolidation⁸. SOEs are presented on the <https://bumn.go.id/> website, with links to key information about their activities.

Indonesia is unique in having SOEs ministry-level ownership structure⁹. The 'Department of SOEs' was established in 1998 and regulated under the MOF. It was dissolved in 2000 and re-established in 2001 as a separate ministry under the name Ministry of State Owned Enterprises.

Indonesian SOEs cover six core economic sectors: energy, mineral extraction, financial service, highway infrastructure/construction, property (real estate) and food. They are divided into 12 clusters: energy, oil & gas; manufacturing; mineral & coal; food & fertilizer; plantation & forestry; health; insurance services & pension funds; infrastructure services; financial services; logistics services; tourism & support services;

⁵ Indonesia Law No. 19/2003 defines State Owned Enterprises (SOEs) as business entities wholly or largely (with at least 51% of the shares) owned by the Republic of Indonesia through a direct share-ownership that is derived from the State separated assets.

⁶ Government Regulation Number 72/2016

⁷ State-owned enterprises of Indonesia, Wikipedia, the free encyclopedia, State-owned enterprises of Indonesia - Wikipedia

⁸ SPECIAL REPORT- Differentiated Support for Indonesian SOEs amid Consolidation, 15 Sep, 2021- Differentiated Support for Indonesian SOEs amid Consolidation (fitchratings.com)

⁹ World Bank, 2014, p. 82

telecommunications & media services.¹⁰

SOEs constitute a good Source of State Revenue, have an important effect in the State economy and critical role in public service delivery. They make up around a quarter of the Indonesia Stock Exchange's market capitalization, a sign of their economic Power¹¹.

Like in many countries, SOEs in Indonesia are entrusted with important public policy mandates and objectives that include delivery of a large share of public services, using public funds. The achievement of the mandate and objectives, as well as the implementation of SOEs business activities and investment programs, depend greatly on the procurement of goods and services (G&S). According to the international best practice¹², SOEs should follow rigorous rules for public procurement, just like other public institutions.

2. Review of SOEs Public Procurement Legal Framework

As part of the Indonesia MAPS assessment, a brief and limited desk review¹³ of SOEs procurement framework, has been conducted against specific indicators under Pillars I and II of the MAPS methodology (volume II of this report). The review used a sample of two SOEs, namely PLN- a company that conducts electricity business and PT Pelabuhan Indonesia (Pelindo) – a company operating in the field of port services.

2.1 Procurement Framework Elements

The general perspective, based on the assessment of indicators 1(a) and 1(l) under Pillar I, is that SOEs in Indonesia are not governed by the Public Procurement Law (PPL- Presidential Regulation- PR No. 16 of 2018 and its amendment PR No. 12 of 2021)¹⁴. Their procurement is rather regulated by a separate framework which consists primarily of MSOEs Procurement Regulation No. PER-08/MBU/12/2019 (revoked Reg. No. PER-05/MBU/2008 and its amendment No. PER-15/MBU/2012). The Procurement Regulation provides general guidelines for G&S procurement that is carried out by SOEs (SOEs Procurement Guidelines).

In addition to SOEs Procurement Guidelines, the documents that establish the legal and regulatory framework for implementation of procurement within SOEs include, among others (i) Laws No. 5/1999 & 8/1999 respectively on business competition and activities that are 'clean and free from corruption, collusion and nepotism' (ii) Law No. 3/2014 on industrial affairs (iii) Law No 19/2003, Law No. 40/2007 & Government Regulation (GR) No. 45/2005 respectively on SOEs limited liability companies and establishment, management & and dissolution of SOEs (iv) Law No. 19/2016 on Information and Electronic Transactions (v) Presidential Regulations including PRs No. 67/2005, 13/2010, 56/2011 and 38/2015 governing the procurement of Public Private Partnership (PPP). There are other documents specific to subsectors, and others that provide framework for acquiring land for infrastructure projects including Law No. 2/2012 and its implementing regulation PR No. 71/2012 on land procurement for public interest developments. The hierarchy and order of precedence of the documents are established in Article 7 of Law No.12/2011.

Considering their specificities, Article 10 of SOEs Procurement Guidelines requires individual SOEs to regulate their own procurement procedures as adopted by their respective boards of directors (BODs). On this basis, PLN and Pelindo established their internal procurement guidelines respectively through PLN BOD Decree No. 0022.P/ DIR/2020 (as amendment to Decree No. 0620.K/DIR/2013 and its revisions), and Pelindo BOD Decree No. HK.01/8/6/1/ADP/UT/PI.II-2020 (revoked Decrees Nos. HK.01/1/3/1/ADP/UT/PI.11-19; PD.02/20/12/1/ADP/UT/PI.11-19 and PD.02/20/12/2/ADP/UT/PI.11-19). The order of precedence of SOEs

10MSOEs Reg. No. Per-4/MBU/03/2021

11Indonesia to digitalize state-owned enterprises for competitiveness; SHOTARO TANI, Nikkei staff writer September 2, 2020; [Indonesia to digitalize state-owned enterprises for competitiveness - Nikkei Asia](#)

12 Public Procurement in Kazakhstan : Reforming for Efficiency –2019 OECD; <https://www.oecd.org/countries/kazakhstan/public-procurement-in-kazakhstan-c11183ae-en.htm>

13The assessment is based on information available in the public domain. The Bank was not granted access to documents that allow complete MAPS assessment

14The subject of the PPL, as defined under Article 1, does not cover SOEs and other State non-commercial legal entities

Procurement Guidelines and SOEs own guidelines appears to be clearly established, whereas the latter supplements and details the provisions of the former.

While SOEs Procurement Guidelines are easily and freely accessible to the public, for the two SOEs in the reviewed sample, only Pelindo's guidelines are accessible to the public at no cost.

2.2 Scope of application and coverage

SOEs Procurement Guidelines and the respective supplementary guidelines cover procurement of goods, construction works, and consultancy services (professional expertise services in various fields, such as technical, management and construction). 'Other services' are also covered including non-consulting services or services that require equipment, special methodologies and/or skills. SOEs Procurement Guidelines cover procurement with funds sourced from State capital (State budget, regional revenue and expenditures budget), loans from the government and funds for implementation of public service obligations. They are also applied where the source of funds is directly given to SOEs from foreign and/or domestic loans and grants, as long as procurement is not otherwise regulated in the lender's agreement text¹⁵ (PLN extends the applicability of its internal procurement guidelines in this case as well)¹⁶.

2.3 Procurement Methods and Standard Competitive Procedures

Four procurement methods are covered including competitive, less competitive and noncompetitive methods, following a hierarchical level set by sequence (i) Tender/General selection as an open tender (ii) Limited tender / Limited selection that entails certain level of competition by selecting among a limited number of providers (iii) Direct appointment, by appointing one provider or designation through a beauty contest upon satisfying the requirements set in the SOEs Procurement Guidelines (iv) Direct procurement, which refers to purchases of goods that are available in the marketplace, where value of the goods is based on market prices, including E-purchasing.¹⁷ Consulting services providers are selected through either 'Quality and Cost', 'Quality', 'Lowest Cost' or direct appointment.¹⁸ In addition, procurement strategies include self-management (Swakelola) and 'Special Procurement' such as Independent Power Producer (IPP), leasing and insurance services.¹⁹

The conditions under which each of the procurement methods can be used are defined. The conditions set for using 'direct appointment' and 'limited selection' methods follow generally similar approach in line with the PPL. Regulation No. 50/2017 of the Ministry of Energy and Mineral Resources (MEMR), grant additional flexibilities by allowing use of 'direct selection' as default procurement method for most types of renewable energy projects. The disclosure of the basis for using a less competitive or non-competitive procedures is not explicitly required, specifying the type of procedure is sufficient. PLN requires applying the concept of Value for Money (VfM) which is not always based on price.²⁰ Pelindo, on the other hand, has 'document requirements' for selecting providers which entail justification according to the respective selection method requirements including consideration of the value limit.²¹

2.4 Rules on participation and competition

The requirements that determine bidders' eligibility and capability to participate in procurement processes, including prospective providers from abroad, are set out in the SOEs Procurement Guidelines and the respective supplementary guidelines. Qualification assessment, commonly conducted through online prequalification system, must be based on legal, administrative, technical and financial criteria. In order to prioritize providers

¹⁵Article 2 of MSOE Reg. No. PER-08/MBU/12/2019

¹⁶ Article 1.2.2 of PLN Perdir No. 0022.P/ DIR/2020.

¹⁷ Article 10 of MSOE Reg. No. PER-08/MBU/12/2019

¹⁸ Article 4.3.6.2 of PLN BOD Decree No. 0022.P/ DIR/2020 and para 3 of Article 18 of Pelindo BOD Decree No. HK.01/8/6/1/ADP/UT/PLI.II-2020

¹⁹ Para 1&2 of Article 12 of Pelindo BOD Decree No. HK.01/8/6/1/ADP/UT/PLI.II-2020 and Article 1.12.5 of PLN BOD Decree No. 0022.P/ DIR/2020

²⁰Articles 2.1.4 & 2.7 of PLN BOD Decree No. 0022.P/ DIR/2020

²¹Articles 1, 8, 12, 13, 14, 15 & 17 of Pelindo BOD Decree No. HK.01/8/6/1/ADP/UT/PLI.II-2020

who have a proven profile, track records that individual SOEs prepare during contract implementation are used, together with existing lists from other SOEs and Government agencies. SOEs also utilize track record data, available on MSOEs website to exclude blacklisted providers.²²

Entry barriers seem to exist within SOEs legal and regularity framework. These could prevent open eligibility and could pose obstacles to competition, result in discriminatory monopolistic practices and unlikely to achieve the best VfM. The impending barriers include:

- **Utilization of domestic production, improvement of national business actors role and increasing opportunities for small businesses:** in the context of encouraging the growth of the domestic industry, SOEs Procurement Guidelines seek to foster the utilization of domestic production, improvement of the role of national business actors and the increase of opportunities for small businesses. BODs of the respective SOEs are required to establish a 'domestic component level team' to monitor and ensure the utilization of domestic components in the procurement of G&S. The prioritization of domestic productions involves, in one hand, incentives for use of domestic products and, on the other hand, administrative sanctions for violations of local content obligations. Bidding documents must include, as mandatory qualification for G&S procurement, a provision for a maximum of 25% price preference for domestic products and 7.5% price preference in context of construction for services carried out by domestic companies. This is in addition to a requirement for foreign companies to conduct business cooperation with national companies that have capabilities in the relevant field as mandatory qualification for procurement of G&S.²³²⁴
- **Creating synergies and prioritizing business cooperation among SOEs:** SOEs Procurement Guidelines and the respective supplementary guidelines, promote creating synergies and prioritizing business cooperation among SOEs, their subsidiaries and affiliated companies. In this context, a subsidiary of an SOE is defined as a company more than 50% of its shares are owned by the SOE, while an affiliated company is a company more than 50% percent of its shares are owned by a subsidiary, joint subsidiary, or joint subsidiaries of the SOE. An SOE is allowed to directly appoint another SOE, subsidiary or affiliated company for procuring G&S, without launching a tender provided justification by the procuring SOE of the quality, price and purpose of the supplied goods or services. Although subsidiaries and affiliated companies have the option not to adopt the requirements under the SOEs Procurement Guidelines, it is not clear whether this would make them lose the articulated appointment privilege. The publicly accessed web-based SOEs tender information and the Small & Medium Enterprises (MSME) Digital Market (PaDi UMKM) are examples of recent initiatives by MSOEs and the Ministry of Industry (MOI) that aim to promote MSMEs as fostered partners and support coordination and synergies among SOEs.²⁵

The Government's Synergy Programme, could be perceived from the perspective of openness at the SOEs level, as maintaining a limited level of competition and likely not leading to monopolistic situations. Yet, the privileged treatment of SOEs and the potential anticompetitive effects of the synergy programme were flagged by the Indonesian Competition Commission (ICC) as a detrimental

²²Article 18 of MSOEs Reg. No. PER-08/MBU/12/2019; PLN BOD Decrees No 0022P/DIR/2018, 0062P/DIR/2020 and Article 2.4.3 of 0022.P/ DIR/2020; Articles 1, 6, 22 & 30 of Pelindo BOD Decree No. HK.01/8/6/1/ADP/UT/PLI.II-202

²³Articles 85 to 90 of Law No. 3/2014; MEMR Reg. No. 05/2017, MOI Regulations No. 16/M-IND/PER/2/2011, No. 54.M-IND/PER/3/2012, No. 03/M-IND/PER/1/2014, No. 5/M-IND/PER/2/2017; Articles 3,4,5, 7,8 &9 of MSOEs Reg. No. PER-08/MBU/12/2019; Articles 2.4.7 & 4.3.1 of PLN BOD Decree No. 0022.P/ DIR/2020; Articles 4&26 of Pelindo BOD Decree No. HK.01/8/6/1/ADP/UT/PLI.II-2020

²⁴The PPL has equivalent provisions on use of domestic products, price preference and conditions for foreign bidders' participation in procurement. See analysis, Gaps and Recommendations at Volume II Matrix, indicator 1(d)(b) and summarised in Volume I Report.

²⁵Articles 3, 4, 13, 16 & 17 of MSOEs Reg. No. PER-08/MBU/12/2019, MSOEs Reg. No. PER-07/MBU/04/2021; Articles 1.1.6& 2.7.3 of PLN BOD Decree No. 0022.P/ DIR/2020 and Article 4 of Pelindo Decree No. HK.01/8/6/1/ADP/UT/PLI.II-2020.

factor against competition²⁶. Whether or not SOEs are given privileged treatment by the Indonesian Competition Law is debated. Based on the definition under Article 1(e) of the Law, both private and public businesses, including SOEs, fall within the category of business actors²⁷ and are therefore subject to the Competition Law. Article 50, on the other hand, governs the exclusion from the Law and SOEs are not mentioned among those excluded. Nevertheless, Article 51²⁸ implies that SOEs can be exempted from the rules of the Law.²⁹

- **SOEs bidding as private partners competing with private firms:** Indonesia set up regulations (PR No. 78/2010 and MoF Regulations No. 135/2019, No. 38/2006 & 170/2015 No. 223/2012) that allow SOEs to enter bids as private partners competing with private firms, they may also represent the public side. This could be perceived as violation to the principles of business competition. Being controlled by the Government, SOEs market competitiveness can be enhanced in different ways including (i) financial treatment (outright subsidies, concessionary financing and guarantees such as Indonesia Infrastructure Guarantee Fund- IIGF and the Viability Gap Fund- VGF, easy access to fiscal facilities from state-owned banks, etc.); (ii) asymmetrical regulation (monopolies and advantages as incumbents, exemptions from compliance with disclosure requirements and antitrust enforcement or preference in accessing public procurement); (iii) corporate governance (lack of structural separation and captive equity).³⁰. Though such privileges might be justified by the public service role the SOEs perform, still it can be argued that SOEs compete in markets where other private business actors operate or would be willing to operate. This could generate conflict of interest and result in questioning the legitimacy of the procurement process.

Considering OECD ‘competitive neutrality concept’ definition³¹, SOEs should be regulated by the same legal norms of business competition in order to realize a business environment conducive to the state economy. As such, and in the absence of specific guidelines and conditions for managing SOEs’ participation in public tenders (see below), revision of the relevant procurement regulations could help in achieving equity and competitive neutrality. The option of not allowing SOEs participation versus setting up specific guidelines to regulate such participation, could also mitigate measure for the negative effects of unfair competition and risks related to neutrality concerns. It should be noted, however, that analysis of Indicator 1(d)(d), Volume II, Matrix and summarized in Volume I, Report identifies as a Gap the lack of rules of general application to government procurement regulating the participation of SOEs to ensure a level playing field and promote fair competition in support of competitive neutrality. The linked recommendation is to consider introducing rules and/or guidelines on participation of SOEs of different types as bidders in public procurement to ensure a level playing field and promote fair competition.

- **The conditions for ‘direct appointment’ and ‘limited selection’ methods:** the challenges of the Indonesian SOEs procurement system emerge also in the wide range of conditions for exceptions in the procurement guidelines that allow direct appointment and limited selection. There are new conditions

²⁶ ICC letter to the Ministry of SOEs No. 63/K/V/2014

²⁷ ‘Business Actor’ is “Any individual or business entity, whether in the form of legal entity or non-legal entity, established and domiciled or conducting activities within the jurisdiction of the Republic of Indonesia, who is conducting various business activities in the field of economy, either alone or jointly through agreements”.

²⁸ “Monopoly and/or concentration of activities related to the production and/ or distribution of goods and/or services affecting the livelihood of the public and important production branches for the state shall be regulated by law and shall be carried out by a State-Owned Enterprise and/or a body or institution which is formed or appointed by the Government”.

²⁹ See Analysis, Gap and Recommendation on Procurement by SOEs using public funds, at Volume II Matrix Indicator 1(a)(b) and summarised in Volume I Report.

³⁰ OECD (2021), OECD Competitive Neutrality Reviews: Small-Package Delivery Services in Indonesia [oe.cd/comp-asean](https://www.oecd.org/comp-asean)

³¹ “Competitive neutrality” concept defined as “a regulatory framework within which public and private enterprises face the same set of rules and where no contact with the state brings competitive advantage to any market participant”. Ref.: OECD (2021), Ownership and Governance of State-Owned Enterprises: A Compendium of National Practices 2021, <https://www.oecd.org/corporate/ownership-and-governance-of-state-owned-enterprises-a-compendium-of-national-practices.htm>

introduced by MSOEs in 2019 to restrict the use of direct appointment³²; nevertheless as mentioned above, Reg. No. 50/2017 of MEMR, still grants additional flexibilities by allowing use of ‘direct selection’ as default procurement method for most types of renewable energy projects. Abusing the application of these provisions would result in a lower use of the ‘general selection’ method which should be the standard method for procurement, and could therefore restrict competition from both local and foreign potential providers.

- **Unjustified fractioning of contracts for the purpose of limiting competition:** while this is explicitly prohibited by Pelindo’s own procurement guidelines³³, no particular provisions are included in SOEs Procurement Guidelines or PLN guidelines.

2.5 Selection and Contracting

Standardization including development of Standard Bidding Documents (SBDs) and forms of contracts, along with their standard parts and terms is a requirement under the SOEs Procurement Guidelines. Bidding documents should take into consideration occupational health & safety, environment and responsibility towards society and customers in line with the applicable laws and regulations and must include clear specifications sufficient for potential providers to prepare their bids. Clarifications from potential providers are allowed before bid submission deadline. The SBDs set out conditions and requirement provisions for bid submission, receipt, opening and method (deadline, one/two stages, one/two files, submission via e-procurement system, opening in presence of bidders, etc.).³⁴

Standard competitive procedures involve invitation announcement through mass media stipulating necessary requirements that allow potential providers to participate in the tender. The ‘sufficient time’ requirement for preparing bids is set forth without specifying the minimum duration requirement, and could therefore result in invitations with short deadlines that may impose risks of competition and quality of submission.³⁵

Fair evaluation and award criteria and weightings which do not favor a particular bidder must also be included in the bidding document, as basis for bids evaluation and selection of the successful bidder. In addition to the ‘lowest price’ criteria, SOEs adopt ‘total cost of ownership’ approach for procurement of strategic G&S having significant value, and the economic ‘life cycle cost system’ for evaluating procurement of complex goods and construction works. Quality is given major consideration (up to 80% of weight) for consultancy services using ‘quality and cost’ evaluation method.³⁶ Confidentiality of information should be maintained including clarification of the substance of technical offers and/or price. SOEs require signing a non-disclosure agreement by G&S users and providers who make a ‘statement of interest’. Unjustified disclosure of confidential information to other parties is considered severe violation, with disciplinary measures sanctions. Procurement results must be announced and displayed through SOEs website/e-Procurement portal/bulletin board.³⁷

The SOEs Procurement Guidelines and the respective supplementary guidelines set deadlines for filing and responding to objections, specify matters that are subject to review, and conditions under which a disclaimer

³²The conditions as per MSOEs Reg. No. 9/2019 (certain amount at certain price determined by the BOD and approved by the BOC; consultancy services not planned in advance for issues that require immediate response)

³³Article 8 of Pelindo BOD Decree No. HK.01/8/6/1/ADP/UT/PI.II-2020

³⁴Articles 15 of MSOE Reg. No. PER-08/MBU/12/2019; Article 11-13 of PLN BOD Decree No. 0076.P/DIR/2020; Articles 1.8.1 , 3.5 and 3.6.1,2&3 ,4.3.6, 4.3.7 6.1.5&7.3.5&10 of PLN BOD Decree No. 0022.P/ DIR/2020and Articles 6,8, 9,12,18, 20&Para 1,2,3 of Article 13of Pelindo BOD Decree No. HK.01/8/6/1/ADP/UT/PI.II-2020and Sections I & Para II.1.8&9 of Pelindo ‘Standard Provider Selection Document’

³⁵Chapter 3 of PLN BOD Decree No. 0022.P/ DIR/2020; Article 6 of Pelindo BOD Decree No. HK.01/8/6/1/ADP/UT/PI.II-2020

³⁶Articles 4& 19 of MSOE Reg. No. PER-08/MBU/12/2019, Articles 3.8&9, 4.2&4.3.6 of PLN BOD Decree No. 0022.P/ DIR/2020 and Articles 1, 4, 6, 8, 9 and 18 of Pelindo BOD Decree No. HK.01/8/6/1/ADP/UT/PI.II-2020

³⁷Article 6 (b) of MSOE Reg. No. PER-08/MBU/12/2019; Articles 1.3.39, 1.7.2, 1.8.3, 3.3.3.12.2 , 2.7.4 ,3.16, 3.20&4.3.6,7,&9 of PLN BOD Decree No. 0022.P/ DIR/2020 and Articles 4,6of Pelindo BOD Decree No. HK.01/8/6/1/ADP/UT/PI.II-2020

can be accepted. While PLN responds to appeals objections by the upper management in charge of the procurement implementing officer, the established procedures for Pelindo require complaints to be received and reviewed by the procurement implementing officer/ director of organizing the procurement selection process at the head office or the general manager for the selection at branch offices as applicable.³⁸ This could involve potential conflict of interest due to lack of independence of the concerned personnel and thus entails revisions of roles and segregation of duties.

2.6 Contract Management

MSOEs issued guidelines for quality control inspectorate supervision. Work procedures, contract management organization and responsibilities, project control and integration are also defined. Respective SOEs establish committees for inspection of work results, either internally or from independent institutions. Similarly, SOEs establish their own contract monitoring applications. Pelindo, for example, carries out contract management electronically through Contract Management System (CMS).³⁹

The General terms of contract provide for implementation schedule regulating provisions with regard to contract validity period, time for work start and submission; sanctions, liquidated damages for unjustified late completion, etc. The terms also set out conditions for contract amendment defining the signing authorities, time limit and value thresholds for its application. Similarly, the dispute resolution mechanisms are defined in the contract. Contracts are governed by and subject to the laws and regulations of the Republic of Indonesia, waiving all provisions of Indonesian law which allow the application of laws from other jurisdictions, unless stipulated otherwise in the lending agreement. Construction services are governed by Law No. 18/1999. If additional considerations regarding legal standing or Alternative Dispute Resolution (ADR) methods are required, concerned SOEs may ask for opinion of relevant Agency authorities, such as State Attorney, State Audit Board & Development (BPKP), Arbitration Board and Indonesian Construction Arbitration & ADR Board (BADAPSKI).⁴⁰

The acts or actions of prospective providers that may be subject to sanctions are defined in the bidding document. A termination clause must be included in the contract in case the G&S provider is proven to commit corruption, collusion & nepotism. Administrative sanctions for violation are enforced as per the respective SOE's internal provisions and in case of violation of laws the issue is referred to the concerned authorities.⁴¹

3. Institutional Framework and Management Capacity

3.1 Institutional Framework

SOEs management system involves a Board of Directors (BOC) and a BOD responsible to the General Meeting of Shareholders (GMS) as the highest governance organ. The BOD is responsible for the day-to-day management and operations of the SOE, whilst the BOC supervises the BOD. The two boards function in accordance with a board manual prepared based on individual SOE's Articles of Association. Each SOE prepares its 'standard

38Article 14 of MSOE Reg. No. PER-08/MBU/12/2019 ; and Articles 1.8, 2.5& 3.17 of PLN BOD Decree No. 0022.P/ DIR/2020Articles 19& 22 of Pelindo Decree No.HK.01/8/6/1/ADP/UT/PLI.II-2020; Para II.1.16&17 of Pelindo 'Standard Provider Selection Document'

39MSOEs Reg. No. PER- 05/MBU/04/2015; Articles 1, 20 &31 of Pelindo BOD Decree No. HK.01/8/6/1/ADP/UT/PLI.II-2020; Pelindo BOD Decree No HK.01/14/8/1/MKR/UT/PLI.II-2020; Article 1.3.14, 6.1.10 & 6.12.1 and Article 11 of PLN BOD Decree No. 0022.P/ DIR/2020

40Article 20&31 of Pelindo BOD Decree No. HK.01/8/6/1/ADP/UT/PLI.II-2020; Para 7.1.3, Para 7.2.7 & 8.11 of Pelindo 'Standard Provider Selection Document' and Article 6.1.10 of PLN BOD Decree No. 0022.P/ DIR/2020

41PLN BOD Decree No. 0076.P/DIR/2017 and 122.P/ DIR/2019; Articles 1,6&22 of Pelindo BOD Decree No. HK.01/8/6/1/ADP/UT/PLI.II-2020 and Pelindo 'Standard Provider Selection Document'

operating procedures' (SOPs) in accordance with MSOEs established guidelines.⁴²

The internal governance, procurement, financial management and legal organizational structure determine the adequate number, role and competences of employees for managerial and non-managerial setups in addition to outsourcing service providers. Individuals' performance is evaluated, through digital means, based on quarterly reported Key Performance Indicators (KPIs), and is used as basis for staff incentives (career development, capacity building, compensation/bonuses, etc.). Procurement service performance is managed utilizing Vendor Management System (VMS) integrated with reporting and financial systems.⁴³

MSOEs as well as Pelindo and PLN supports the strengthening of institutional capacity and Human Resources for the Procurement of G&S. MSOEs established e-Procurement Academy, as a digital-based learning platform, to build and improve the capacity of procurement personnel and regulate the procurement learning process among the different SOEs. The capacity building of procurement workforce took different forms including guidance, awareness, training manuals and tailored training programs based on development plan for each procurement position. Over and above, the two SOEs arrange competency development programs and professional certificates for the Internal Audit Unit (IAU) and audit committee members.⁴⁴

Periodic reporting involves reporting on procurement activities, work plan and budget, procurement monitoring framework indicators, spend profile and procurement audits. Annual reports include parts on sustainability, anti-corruption, integrity efforts and policies and GCC implementation assessment results. Reporting to BOC covers results of G&S procurement of a substantial nature (non-routine) that exceeds the BOD authority limits. In addition, BOD submits to the GMS financial statements audited by external auditors and accountability reports on public service and community development programs. Other reports can be submitted upon request by BOC, regulators or shareholders. Reports approved by BOC and GMC are sent to MSOEs.⁴⁵

The 'Assessment Criteria for Performance Excellence in SOEs (KPKU-BUMN)', developed by MSOEs, constitutes a framework and institutional basis for mandatory fiscal year performance evaluation. The evaluation covers seven areas including, among others, procurement processes and performance. KPKU-BUMN provides feedback to SOE strategies, guides the development and effective implementation of corporate plans and is used as a tool for conducting SOEs' self-assessments.

3.2 Information System

MSOEs established policy for information management and documentation that determines what information SOEs should or could publicly disclose, excluding information which by its nature must be kept confidential. MSOEs further set up governance Information Technology (IT) principles, electronic service procedures and guidelines for developing IT Management System. This involves utilizing computer network-based technology and web applications including electronic submission of reports and documents. E-Procurement portals, which can be accessed at no cost through the respective SOEs websites, include updated information on the entire procurement cycle from the announcement of the list of providers (DPT) to the final DPT lists and procurement

⁴²Law No. 40/2007; PLN board manual; MSOEs Reg. No. PER-4/MBU/03/2021 (considering the provisions of Article 37 of PR No. 81/2019); Article 11 of MSOE Reg. No. PER-08/MBU/12/2019; Articles 11 of PLN BOD Decree No. 0076.P/DIR/2020; PLN BOD Decree Reg. No. 0051.P/DIR/2018; Article 1.8 of PLN BOD Decree No. 0022.P/DIR/2020; Pelindo BOD Decrees No. HK.01/14/8/2/KPP/UT/PL.II-2020 & OT.01.03/13/8/1/PSO/UT/PL.II-20; Articles 6 of Pelindo BOD Decree No. HK.01/8/6/1/ADP/UT/PL.II-2020

⁴³Article 11 of MSOEs Reg. No. PER-08/MBU/12/2019; PLN BOD Decree Reg. No. 0051.P/DIR/2018; Articles 3, 4 & 11 of PLN BOD Decree No. 0076.P/DIR/2020; Article 1.8 of PLN BOD Decree No. 0022.P/DIR/2020; Pelindo BOD Decree No. OT.01.03/13/8/1/PSO/UT/PL.II-20; Articles 1, 4 & 6 of Pelindo BOD Decree No. HK.01/8/6/1/ADP/UT/PL.II-2020

⁴⁴ Training focused on most common thematic areas, e.g. 'Certificate of Procurement of G&S', 'Qualified Internal Auditor (QIA)' certificate issued by Qualified Internal Auditor Certification Board (DSQIA), 'Certified Risk Management Professional' (CRMP) Certification, 'Certified Internal Auditor (CIA)' issued by the Indonesia IIA and ISO 37001:2016 SMAP Awareness.

⁴⁵Article 11 of MSOEs Reg. No. PER-08/MBU/12/2019; Article 1.15 of PLN BOD Decree No. 0022.P/DIR/2020; Article 32 of Pelindo BOD Decree No. HK.01/8/6/1/ADP/UT/PL.II-2020 and Article 19 Paragraph (1) of Pelindo Articles of Association

results.⁴⁶

The SOEs internal procurement guidelines consider the application of e-procurement for all types of procurement as mandatory. The legal framework considers both electronic and paper documents which can be used together. The SOEs developed and are managing centralized online platforms and e-procurement systems. The operationalized systems consist of several modules: VMS, e-tender, e-documents, e-catalog, and CMS. Information System 'General control' covers data center operations, software procurement & maintenance systems and security access. Steps for registering and use of full accessed e-procurement application are available in the respective SOEs websites. The system takes into consideration privacy, security of data and authentication and monitors the implementation of audit process. 'Application Control' is utilized to ensure correctness and proper authorization of transactions management programs.⁴⁷

Both SOEs apply the Indonesian Financial Accounting Standards (PSAK), converged gradually with the International Financial Reporting Standards (IFRS). The accounting system is computerized and is incorporated in a SAP-based Enterprise Resource Planning (ERP) system.⁴⁸

3.3 Internal Control and Audit Systems

Monitoring mechanism on the adequacy and effectiveness of internal control uses the 'Three Lines Model' developed by Institute of Internal Auditors (IIA): managing and monitoring risks in addition to internal audit as independent assurance. The management system refers to ISO 31000 of 2018 standard as a guideline to manage risks, basically with three main elements: principles, framework and processes. On the other hand, the conceptual framework of the 'Committee of Sponsoring Organizations of the Treadway Commission' (COSO) is adopted as a comprehensive framework to measure effectiveness of internal control and improve reporting as basis for decision making. It involves enforcing accountability, demonstrating commitment to integrity and ethics, responding rapidly and imposing sanctions upon violation against integrity and ethics.⁴⁹

The audit committee assists the BOC in ensuring internal control system effectiveness, and operates based on a charter that is linked to the IAU charter. The BOD is supported by an accountant tasked to perform external audits and a public assessor that conducts nationally and internationally recognized GCG assessment based on indicators and parameters set by MSOEs. Audits are conducted based on auditing standards established and endorsed by the Indonesian Institute of Certified Public Accountants (IAPI) in the Professional Standards of Certified Public Accountants (SPAP). The IAU is in charge of managing external audit relationship- the Indonesian Supreme Audit Agency (BPK) and the Public Accounting Firm (KAP) appointed by the GMS. The IAU utilizes electronic audit systems and delivers annual audit work program (PKPT) for approval and inclusion in the annual work plan and budget (RKAP). The IAU follows-up risk-based audits as well as investigative audits (based on previous audits or as a follow-up on reports from whistleblowers). In order to promote central management of procurement, the audits cover head office, subsidiaries and affiliates. The IAU periodically submits audit reports to the audit committee. The BOC follows up and monitors the implementation of Audit and BPK's recommendations.⁵⁰

46MSOEs Regulations No. PER-9/MBU/08/2020, PER-02/MBU/02/2018, PER-03/MBU/02/2018, PER - 05/MBU/12/2016, PER-18/MBU/10/2014 and PER-02/1VIBU/2013

47 Article 7.2.3 of PLN BOD Decree No. 0022.P/ DIR/2020; Article 11.5 of PLN BOD Decree No. 0076.P/DIR/2020 and Articles 1& 4 of Pelindo BOD Decree No. HK.01/8/6/1/ADP/UT/PL.II-2020

48 Program Fiduciary Systems Assessment- Asian Development Bank - <https://www.adb.org>; PLN 2020 Annual Report; Pelindo 2020 Annual Report

49 MSOEs Regulations No. PER - 12/MBU/09/2014 & No PER-19/MBU/2012; Pelindo BOD Decrees Nos. HK.01/29/12/1/AIR/UT/PL.II-20 & 56/6/19/PL.II-2013 ; PLN BOD Decree No. 0117.p/DIR/2019

50 MSOEs Reg. No. SK-16/S.MBU/2012; PLN BOC Decision No. 01/SK/ DK-PLN/2015; Article 11 of PLN BOD Decree No. 0076.P/DIR/2020; Article 8.3.4 of PLN BOD Decree No. 0022.P/ DIR/2020; Pelindo BOC Decrees Nos. 17/DK/PL.II/I-2002, 153/DK/PL.II/VIII-2008, No. 09/KEPDK/ PL.II/VII-2017, No. OT.01.03/13/8/1/PSO/UT/PL.II-20 and BOC letter No. 70/DK/PL.II/X-2020

Considering the above, it may be concluded that there is no evidence on that the Indonesian SOEs Procurement Framework is actually delivering in accordance with the core principles of efficiency, fairness, open eligibility and transparency embraced in international best practice and adopted under Article 4 of the SOEs Procurement Guidelines. Whether or not the performance of its implementation is adequately monitored and assessed is also not evidenced. See analysis, Gap and Recommendation at Indicator 1(a)(b) Volume II, Matrix and summarized in Volume I, Report

ANNEX 10: List of Documents Reviewed

Key documents referenced or referred to in preparation of legal input for Matrix summer 2020, with updating to reference PerPres 12_2021 and related LKPP implementing Regulations (2021), plus information on procurement archives (2022). This list is not exhaustive.

Number / Reference	Short Title or Description / Subject Matter
Constitution	1945 Constitution as amended
Civil Code	
Penal Code	
Law (Undang-Undang)	Indicative title (all as amended)
UU 11_1980	Criminal Act of Bribery
UU 5_1986	Administrative Court
UU 30_1999	Arbitration and Alternative Dispute Resolution
UU 31_1999	Eradication of Criminal Act of Corruption (Corruption. Collusion, Nepotism "KKN")
UU 1_2004	State Treasury
UU 2_2004	Industrial Relations Disputes
UU 28_2004	Amending Law on Foundations 16_2001
UU 17_2007	Long-Term National Development Plan 2005-2025
UU 14_2008	Public Information Disclosure
UU 43_2009	Archiving
UU 48_2009	Judicial power
UU 8_2010	Prevention and Eradication of Crime of Money Laundering
UU 12_2011	Hierarchy of Laws
UU 23_2014	Local Government
UU 30_2014	Government Administration
Peraturan Presiden (Presidential Decree)	
PerPres 106_2007	Establishing LKPP
PerPres 157_2014	Amending PerPres 106_2007 Establishing LKPP
PerPres 54_2010	<i>And amendments - Revoked</i> [2010 PPL]
PerPres 16_2018 [PPL]	Regulation on Government Procurement (PPL)

	[2018 PPL – amended by PerPres 12_2021]]
PerPres 17_2019	Procurement in Papua/West Papua
PerPres 12_2021	Amending PPL, PerPres 16_2018
Peraturan Menteri PUPR (Minister of Public Works and Housing Regulations)	
PermenPUPR 14_2020	MPWH Decree Guidelines on procurement of construction works and related services [PPR W]
PermenPUPR 07/PRT/M/2019 (Replaced 2021)	Standards and guidelines for procurement of construction services
PermenPUPR 1_2020 (Replaced 2021)	Standards and Guidelines for the procurement of integrated construction works and building (Including standard documents - Lampiran I, II, III)
Circular letter 10/SE/M2018	Enforcement of the standard procurement of service selection documents
Peraturan Lembaga LKPP <i>Core LKPP guidelines 2018/2021</i>	
PerlemLKPP 06_21	Guidelines for development and management of action plan for the fulfilment of goods/services procurement management
PerlemLKPP 08_21	Procedures for selecting business entity panels and selection of implementing business entities in national strategic projects
PerlemLKPP 07_2018	Planning of procurement for goods and services Revoked pursuant to PerlemLKPP 11_2021
PerlemLKPP 11_2021	Planning of procurement for goods and services
PerlemLKPP 08_2018	Self management guidelines (Swakelola)
PerlemLKPP 03_2021	Self management guidelines (Swakelola)
PerlemLKPP 09_2018	Guidelines on procurement of goods/services through supplier [PPR G&S] Revoked pursuant to Perlem LKPP 12_2021
PerlemLKPP 12_2021 [PPR 2021]	Guidelines for implementation of government procurement of goods/services through providers [PPR 2021]
	Guidelines
	Appendix I Guidelines on implementation of procurement of goods/other services/non-construction consultancy services through providers
	Appendix II Guidelines on implementation of procurement of construction services through providers <i>Covering procurement of construction works and construction related consultancy services</i>
	Appendix III Guidelines on implementation of procurement of integrated design and build construction works through providers <i>Covering procurement of design & build and integrated construction works</i>
	Model documents (sampled)

	Appendix IV Documents for the procurement of goods/other services/non-construction consultancy services through providers
	Appendix V Documents for the procurement construction services through providers
	Appendix VI Documents for the procurement of procurement of integrated design and build construction works through providers
PerLemLKPP 10_2018	International tender selection
PerLemLKPP 11_2018	Electronic catalog as amended by PerLemLKPP 07_2020 Revoked pursuant to PerLemLKPP 09_2021
PerLemLKPP 09_2021	Online store and electronic catalog
PerLemLKPP 12_2018	Excluded goods and services Revoked pursuant to PerLemLKPP 05_2021
PerLemLKPP 05_2021	Exempted goods/services guidelines
PerLemLKPP 13_2018	Emergency procurement
PerLemLKPP 14_2018	Goods and services procurement work unit Revoked pursuant to PerLemLKPP 10_2021
PerLemLKPP 10_2021	Goods/services procurement work units
PerLemLKPP 15_2018	Goods and services procurement agent as amended by PerLemLKPP 19_2019 Amendments to PerLemLKPP 15_2018
PerLemLKPP 16_2018	Procurement agency
PerLemLKPP 17_2018	Blacklist sanctions Revoked pursuant to PerLemLKPP 04_2021
PerLemLKPP 04_2021	Guidance of business actors for government goods/services procurement (including Blacklisting sanctions)
PerLemLKPP 18_2018	Contract dispute settlement service
PerLemLKPP 19_2018	Development of systems and policies
<i>Selected LKPP guidelines</i>	
PerLemLKPP 05_2019	Measurement of procurement work unit Revoked pursuant to PerLemLKPP 10_2021
PerLemLKPP 06_2019	Certification of government procurement of goods and services revoked pursuant to PerLemLKPP 07_2021 (but transitional provisions in period to January 2022 – see A.32 PerLemLKPP 07_2021)
PerLemLKPP 07_2021	Human resources for procurement of goods/services – including certification
<i>Other issuances</i>	
PerLemLKPP 07_2019	Payment of performance allowances In force at 27 August 2021
PerLemLKPP 08_2019	Technical competencies modified by PerLemLKPP 6_2020

PerLemLKPP 09_2019	Functional competencies of LKPP In force at 27 August 2021
PerLemLKPP 10_2019	Strategic plan (amendments to PKLKPP 08_15) Revoked by PerLemLKPP 12_2020 Strategic Plan of LKPP for 2020-2024
PerLemLKPP 11_2019	Organization and work of LKPP Revoked by PerLemLKPP 01_2021 Organization and Work Procedures of LKPP
PerLemLKPP 12_2019	Procurement of G&S at village level In force at 27 August 2021
PerLemLKPP 13_2019	Code of Ethics In force at 27 August 2021 [
PerLemLKPP 14_2019	Handling public complaints In force at 27 August 2021
PerLemLKPP 15_2019	Conflicts of interest In force at 27 August 2021
PerLemLKPP 18_2019	Whistleblowing system In force at 27 August 2021
PerLemLKPP 19_2019	PerLemLKPP 19_2019 Amendments to PerLemLKPP 15_2018 In force at 27 August 2021
PerLemLKPP 14_2016	Establishment of Dispute Resolution Service
PerLemLKPP 06_2016	Electronic Catalog and e-purchasing
BLU (Public Service Agency)	
PMK 08_2006	BLU MOF Procurement by BLU
Permandagri 79_2018	BLU Procurement by BLUD (local government) plus notes
Surat Edaran 29-2020	LKPP Circular letter Guidelines for drafting Procurement Regulations of goods/services on BLU
KIP (Central Information Commission)	
Perki 1_2021	Public Information Service Standards (SLIP)
PPP	
Bappenas website	
PerPres 67_2005	Infrastructure (revoked)
Perpres 38_2015	Cooperation between government and business entities in infrastructure provision
PerLemLKPP 19_2015	Procurement of PPP Infrastructure
PerLKPP 29_2018	Procedures for PPP

	In force at 27 August 2021
PPP Book 2018	PPP Infrastructure Projects Plan in Indonesia, Bappenas, 2018
SOE	
Permen 08_MBU_12_2019	SOE procurement guidelines Revoking 05_2008 & 15_2012
Permen 05_2008	<i>revoked</i>
Permen 15_2012	Amending Permen 05_2008 <i>revoked</i>
KPK (Anti-corruption)	
UU 20_2001	Anti-corruption law
	Modul-7-Pengelolaan-Konflik-Kepentingan OneD
Domestic products	
PP 29_2018	Empowerment of Industry
54/M-IND/PER/3/2021	Regulation of Minister of Industry Guidelines on utilization of domestic products for development of electricity infrastructure & Amendment 05/M-IND/PER/2/2017
COVID-19	
Inpres No.4	Presidential Instruction
	LKPP circular letter no.3_2020
	LKPP circular letter no.4_2020
	BPKP circular letter no.5_2020 SE- 5/K/D2/2020
	LKPP Guidelines on Emergency Procurement Procedures
LKPP	
PP 106_2007	Policy Institution for goods/services revoked by Peraturan Presiden (PP) 157_2014
PP 157_2014	Amending 106_2007 [checked 27Aug2021 – still in force] https://jdih.lkpp.go.id/regulation/peraturan-presiden/peraturan-presiden-nomor-157-tahun-2014
Profil Pengadaan	2018, 2019, 2020
Strategic Plan 2015-2019	
PerLemLKPP 09_2019	Functional competencies of LKPP In force at 27 August 2021
PerLKPP 10_2019	Strategic plan (amendments to PKLKPP 08_15)

	Revoked by PerLemLKPP 12_2020 Strategic Plan of LKPP for 2020-2024
PerLKPP 11_2019	Organization and work of LKPP Revoked by PerLemLKPP 01_2021 Organization and Work Procedures of LKPP
Public Expenditure Review 2020	Spending for Better Results (WB)
National Archives	
PerkaANRI 13_2016	Procurement Archives Retention Regulation
PerkaANRI 6_2021	Regulation on Electronic Archive Management
SPP	
Medium Term National Development Plan 2015-2019 National Long Term Development Plan 2005-2023	
PerPres 59_2017	Sustainable development goals
LKPP Circular Letter 16_2020	Green products, supporting implementation of Ministry of Environment and Forestry Regulation no.5 of 2019

Remarks: The above is a partial list of key documents and websites. All documents which were reviewed are listed as footnotes at the relevant paragraph of the Main Report and the Detailed Matrix (Volume I and II of the Report)