INDONESIA THRESHOLD PROGRAM

END TERM EVALUATION

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ACKNOWLEDGEMENTS

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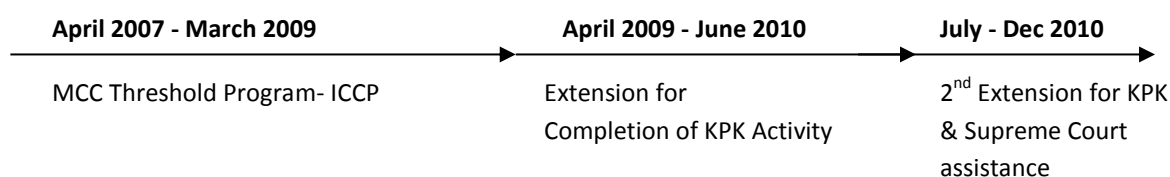|	
AusAid	Australia Agency for International Development
BAPPENAS	National Development Planning Agency
C4J	USAID-funded Changes for Justice Program
EU	European Union
GoI	Government of Indonesia
HR	Human Resources
ICCP	Indonesia Control of Corruption Project
ICITAP	United States Department of Justice International Investigative Training Assistance Program
IT	Information Technology
KPK	Corruption Eradication Commission (*Komisi Pemberantasan Korupsi)*
KYC	Know Your Customer
LKPP	National Public Procurement Policy Office (*Lembaga Kebijikan Pengadaan Barang/Jasa Pemerintah*)
LPSE	Electronic Tendering Service (*Layanan Pengadaan Secara Elektronik)*
MCC	Millennium Challenge Corporation
MenPan	Ministry for the Empowerment of State Apparatus (*Kementerian Pendayagunaan Aparatur Negara*)
MoF	Ministry of Finance
NBFI	Non-Bank Financial Institutions
NEPS	Nationwide Electronic Procurement System
PPATK	Indonesian Financial Transaction Reports and Analysis Center
PSA	Public Service Announcements
SIAP	USAID-funded Strengthening Integrity and Accountability Program
SOAG	Strategic Objective Grant Agreement
STR	Suspicious Transaction Reports
TCP	Threshold Country Plan
TETRA	Terrestrial Trunked Radio System
TI-I CPI	Transparency International Indonesia Corruption Perception Index
UNDP	United Nations Development Program
USAID	United States Agency for International Development
USG	United States Government

EXECUTIVE SUMMARY

The Indonesia Threshold Program constituted a $55 million program to strengthen anti-corruption efforts and increase immunization rates as a means to improving Indonesia's performance on the MCC's Compact eligibility indicators. Investment for the Anti-Corruption component was $35 million and was intended to reduce opportunities for public corruption through administrative reforms, and:

- Increase transparency in the judiciary;
- Increase enforcement capacity to fight money laundering;
- Increase capacity to prosecute cases of public corruption; and
- Modernize public procurement systems.

The primary Government of Indonesia (GoI) counterparts were the Supreme Court (which oversees Indonesia's judicial system), the Financial Transactions Reports and Analysis Center (PPATK), the Corruption Eradication Commission (KPK), and the National Public Procurement Policy Office (LKPP) under the coordination of the National Development Planning Agency. The program was managed by USAID and implemented by Chemonics, for judicial reform, procurement, and some activities under money laundering and corruption prosecution, and the United States Department of Justice International Investigative Training Assistance Program (ICITAP), for work on law enforcement related to corruption. The bulk of activities were implemented from April 2007 to April 2009, with an extension through December 2010 to complete an activity with KPK. Unused funds from the initial Threshold period were reallocated during the extension period (June-December 2010) for additional work with the Supreme Court and Transparency International Indonesia (TI-I). The timeline of the program is shown below.

April 2007 - March 2009	April 2009 - June 2010	July - Dec 2010
MCC Threshold Program- ICCP	Extension for Completion of KPK Activity	2nd Extension for KPK & Supreme Court assistance

The MCC commissioned this ex post Performance Evaluation in December 2010 to provide an objective and rigorous assessment of the effectiveness of the Anti-Corruption component of the Indonesia Threshold Program. (The health component is not covered by this evaluation.) The evaluator examined whether activities were fully executed and resulted in intended, or unintended, outcomes; whether results have proved sustainable; and identified lessons learned. Data collection methodologies included document review, key informant interviews, and a small-scale survey of private sector vendors who provide goods and services to GoI. The evaluation did not include the use of a counterfactual and very limited collection of pre-post monitoring data hinders the evaluation's ability to chart a change in trends over time corresponding to the Threshold Program.

Indonesia became Compact eligible towards the end of 2008, approximately 18 months into the Threshold program. For various methodological reasons, the indicator improvements that allowed for Compact eligibility cannot be attributed to Threshold Program interventions. [1]

A summary of the findings per activity (in bold) is as follows:

1. **Increasing Transparency in the Judiciary** ($14.4 million planned, $16.4 million actual)[2] - Available judicial data indicates that Threshold activities contributed to increased transparency and accountability within the Courts. Strengthening of complaint mechanisms has generated higher numbers of complaints regarding misconduct by judges and other Court staff and an increase in disciplinary measures of judges and other senior personnel. Court decisions are being published with software Threshold helped design, and technical assistance to increase compliance with wealth reporting requirements has increased reporting from a baseline of 66% to 90%. Court staff report that technical assistance on human resource (HR) management continues to inform existing practices, that response to public inquiries has become timelier, and that the budget is now submitted to the Ministry of Finance (MoF) on time as a result of improved capacity of Budget Officers in lower, regional courts. The commitment of the Supreme Court to making these changes was motivated in part by a Ministry for the Empowerment of State Apparatus (MenPan) bureaucratic reform effort which promised increased allowances of up to 70% if certain criteria were met. It is therefore likely that some of these results would have occurred without Threshold assistance, although respondents state the assistance was valuable in helping them meet their goals. Absent a counterfactual, it is not possible to disentangle the magnitude of the effect of the Threshold assistance as compared to the MenPan allowance incentive.

   However, there have been some challenges, primarily related to IT support. Human resource management software was not adopted outside of the Supreme Court, as originally conceived. The system is in use and data on staffing, employee performance, and disciplinary actions from regional courts, religious courts, etc. are being input manually by staff at the Supreme Court. This has allowed the Court to improve its tracking of the court system's human resources, but not in real time as intended. The budget data transmission software developed for the Budget Office could not be used approximately one year after the Threshold Program because no provisions were made to ensure compatibility with annual software upgrades to the supporting Ministry of Finance budget planning software. The budget and HR activities related to the overall functioning of the court system rather than corruption per se.

2. **Increased enforcement capacity to fight money laundering** ($2.1 million planned, $1.7 million actual) - Training to non-bank financial institutions (NBFIs) appears to have contributed to a very large increase in the number of NBFIs (from 39 to 188) now complying with legal requirements

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[1] The Eligibility Criteria are primarily made up of indices, reflecting a large number of variables, and in some cases based on public perception of governance issues. This makes it difficult to reasonably attribute changes to discrete interventions. Other methodological issues that reduce the confidence of causality include data lag, meaning indicator information may reflect experiences/perceptions 1-2 years prior to Threshold and the composition of the indices can change from year to year, sometimes leading to retroactive adjustments to scores.

[2] Inclusive of approximately $1 million during the 2010 MCC Threshold extension which was implemented as one task of an ongoing USAID project, Changes for Justice (C4J).

to report suspicious transactions. No data is available on whether increased reporting is resulting in higher levels of prosecution, although respondents state anecdotally that there have been a few such cases. The procurement of an electronic information exchange system (budgeted at $460,000) to share information between PPATK and KPK was abandoned at GoI's request one year into the program. Computer equipment to store and analyze suspicious transactions - costing $62,000 - was procured but has never been used; the request was made in anticipation of new reporting requirements that have not yet come into effect rendering the equipment unnecessary, to date.

3. **Increased capacity to prosecute cases of public corruption** ($10.7 million planned, $8.5 million actual) - The Corruption Eradication Commission (KPK) requested two technical systems to improve their investigation capacity. One was for a communication intercept (wire tapping) system; that procurement was abandoned approximately halfway through the Threshold Program due to sensitivities related to the procurement modality. The second was for an advanced radio system which suffered from significant delays, requiring two program extensions to allow the work to be completed. The system, which cost approximately $4 million, was handed over in November 2010 but as of October 2011 has still not been deployed because KPK does not feel it meets their specifications. There is therefore no impact on the intended result of enhanced investigation and prosecution of corruption as neither system is operational. Although legal aspects were thoroughly vetted, there appears to have been no discussion of United States Government (USG) procurement requirements or roles and responsibilities during the design phase. Cooperation with KPK was complicated during the Threshold period by the fact that KPK found itself under significant political pressure, which made it difficult for them to engage fully.[3]

A smaller part of the work with KPK involved funding Transparency International Indonesia (TI-I) to conduct two public opinion surveys on public corruption to help GoI focus its anti-corruption efforts (budgeted at $1.2 million with an additional $1 million for a 2010 round under the extension). In addition, KPK conducted their own Public Integrity Survey in 2008 with assistance from MCC ICCP. That survey was used by KPK to identify government departments that were potential hotspots for investigation. KPK also requested audiovisual equipment to monitor the performance of regional Corruption Courts. The equipment is in use, but according to KPK staff, the universities responsible for recording and analyzing the sessions are not systematically analyzing the tapes to identify irregularities in judicial proceedings as KPK intended and no new investigations have resulted from this activity, although the tapes have reportedly been useful to judges in the place of transcripts.

4. **Modernized public procurement systems** ($6.5 million planned, actual costs of $633,000 for hardware plus staff and consultant fees making up an unspecified portion of $3.6 million[4]) - The Threshold Program assisted LKPP to develop an electronic procurement (online tendering)

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[3] During the Threshold Program, KPK leadership was involved in legal proceedings that made it difficult for senior management to devote time to Threshold activities.

[4] Chemonics financial reports aggregate expenditures for work with the LKPP and KPK. It is therefore impossible to determine how much of this total was allocated to work with LKPP.

software and to deploy the system in 5 provincial governments.[5] In a survey of approximately 120 vendors in 4 of the 5 threshold-supported provinces, suppliers feel the system has improved transparency compared to manual tenders by reducing informal expenses to obtain bidding documents, increasing availability of information on tenders, and reducing the ability of tender committee members to collude with firms and/or tamper with bids. However, the majority of respondents reported that the system has not had a significant impact on the size of bribes to the tender committees or the purchasing departments. Very limited data and the methodology used by LKPP, which compares estimated prices to actual prices rather than baseline/current prices, does not permit a calculation of savings in government purchase of goods, works and services. Both government officials and vendors report that the primary challenge to using the system is slow internet speeds and power outages, particularly off Java.

In summary, the evaluation finds inferences that the program contributed to ongoing transparency efforts in the court system and the public procurement of goods and services. In the court system, a doubling in disciplinary actions against judges and other senior court personnel for ethical infractions, a threefold increase in complaints received and investigated, increased compliance with wealth reporting requirements by court personnel, and the publication of court decisions are positive indicators of increased transparency and efforts to combat corruption. Several of these outcomes are the result of new regulations that received technical assistance from MCC, for example a Supreme Court regulation linking promotion to compliance with wealth reporting and new regulations on handling complaints that call for publication of disciplinary actions.

In public procurement, achievements include lower transaction costs for vendors to bid on public contracts (e.g. they don't need to "purchase" tender documents because they can be downloaded) and reduced opportunities for collusion between bidders and tender committee members, although the frequency of bribes post-award, which represents a larger cost to firms, does not appear affected. In addition, program activities may have contributed to increased compliance with reporting of suspicious financial transactions by NBFIs. Although there is no data linking increased reporting by NBFIs, or of assets by senior court personnel, to increased conviction rates by either PPATK or KPK, compliance helps build a culture of rule of law which is an important part of Indonesia's overall anti-corruption efforts.

The Threshold Project has thus far not contributed to improved investigation and prosecution by KPK as two of the three activities (secure online data sharing between KPK and PPATK, and intercept equipment) were dropped and the radio system has not been deployed. Incurred costs for all three activities were approximately $6.6 million (roughly $4 million of which was for the radio system). KPK's capacity would be improved should they choose to use the system in future. Their continued investment in maintaining the radio system is a sign that the system may eventually be put to use. GoI was able subsequently to budget internal funds for the equipment not purchased under Threshold, indicating that MCC investment was not essential to fulfilling some intended objectives.

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[5] Seven additional sites deployed the same system without Threshold assistance as part of LKPP's implementation of regulation that requires all public tenders be conducted electronically by 2014. Those sites did not receive any hardware.

INTRODUCTION

The Millennium Challenge Corporation (MCC) seeks to reduce global poverty through the promotion of sustainable economic growth. For a country to be selected as eligible for an MCC assistance program, it must demonstrate a commitment to policies that promote political and economic freedom, investments in education and health, the sustainable use of natural resources, control of corruption, and respect for civil liberties and the rule of law, as measured by 17 different policy indicators divided into three categories: Ruling Justly, Investing in People, and Economic Freedom (i.e. the "Eligibility Criteria").[6] At the time of the Indonesia Program, Threshold program investments were intended to support a country's overall efforts to meet the indicator criteria to become eligible for a MCC Compact to help reduce poverty and stimulate economic growth. Threshold Programs are two to three years in duration and are typically implemented under the day-to-day management of the country's United States Agency for International Development (USAID) mission.[7] The possibility of Compact assistance, much larger grants for economic growth investments, is intended to incentivize Threshold Program and broader government reforms.

The Indonesia Threshold Program constituted a $55 million program to strengthen anti-corruption efforts and increase immunization rates.[8] At the time Indonesia was informed they were eligible for Threshold assistance, they were failing indicators related to control of corruption, rule of law, starting a business, and health and education expenditures, including the immunizations indicator. The Threshold Country Plan (TCP), which laid out proposed interventions to promote improvements in these areas, was developed by the Government of Indonesia (GoI), with coordination by the National Development Planning Agency (BAPPENAS), and substantial involvement by USAID. The Corruption Eradication Commission (KPK) played an important role in designing activities for the Anti-Corruption component. The immunization component was developed by the GoI Ministry of Health.

The MCC- investment for the Anti-Corruption component was an estimated $35 million, of which $24 million was awarded to Chemonics for the Indonesia Control of Corruption Project (ICCP) to:

- Strengthen ongoing judicial reforms being undertaken at the Supreme Court. This included training judges in the existing Code of Conduct, increasing compliance with existing wealth reporting requirements, developing uniform job descriptions and other human resource reforms, improving the transparency of court budgets, conducting inventories of physical assets, and improving public outreach and access to information. This was the largest component of the ICCP in terms of budget;

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[6] For more information on changes to the intent of Threshold programs and changes to the eligibility criteria used at the time of Indonesia's selection, see http://www.mcc.gov/mcc/selection/index.shtml

[7] Due to the size of the Indonesian Threshold program - which was approximately double the level of investment typical for threshold programs - USAID created a separate MCC Management Office, staffed primarily with personnel transferred from USAID's normal operations. The MCC Office was closed by USAID in October 2009 after the original Threshold period activities had been closed out. Responsibility for managing an extension was transferred to the Democracy and Governance Office in USAID.

[8] Threshold programs more typically are investments in the $15-25 million range. Indonesia is the largest Threshold Program to date.

- Support the Financial Transaction Reports and Analysis Center (PPATK) to conduct a "know your customer" campaign aimed at increasing suspicious transaction reporting by non-bank financial institutions and provide computer hardware to allow analysis of this information;
- Support KPK's anti-corruption activities by procuring courtroom audio/video equipment to help monitor corruption cases and expanding Transparency International Indonesia's (TI-I) Corruption Perception Index (CPI); and
- Establish 5 regional pilot electronic procurement centers in support of the National Public Procurement Policy Office (in Indonesian, *Lembaga Kebijikan Pengadaan Barang/Jasa Pemerintah*, (LKPP).

The remaining $11 million was allocated to the United States Department of Justice International Investigative Training Assistance Program (ICITAP) to:

- Install a secure online communication system between PPATK and law enforcement agencies for anti-money laundering investigations; and
- To bolster the KPK's capacity to investigate corruption by providing communications intercept equipment and a comprehensive radio communications system.

The bulk of activities under the Indonesia Threshold Program were implemented from April 2007 to April 2009. The $20 million investment in the Immunization component was awarded to Partnership for Child Health Care, Inc. (The health component is not covered by this evaluation.)

Indonesia became Compact eligible towards the end of 2008, approximately 18 months into the Threshold program. The Eligibility Criteria are primarily made up of indices, reflecting a large number of variables, and in some cases based on public perception of governance issues. This makes it difficult to reasonably attribute changes to discrete interventions. Other methodological issues that reduce the confidence of causality include data lag, meaning indicator information reflect experiences/perceptions 1-2 years prior to Threshold and the composition of the indices can change from year to year, sometimes leading to retroactive adjustments to scores. The indicator improvements that allowed for Compact eligibility therefore cannot be attributed to the Threshold activities.

MODIFICATIONS

Approximately half-way (one year) into implementation, two of the planned procurements by ICITAP were formally dropped from the program. These were the:

- Secure online communications system between PPATK and law enforcement agencies; and
- Communications monitoring [intercept] equipment for KPK.

The online communications system was dropped following protracted delays in finalizing inter-agency agreements on how to share the necessary information and determine technical specifications for the system. By the time these issues could be resolved, approximately one year after program inception, PPATK had identified internal sources of funding for the system and requested in 2008 that the procurement be discontinued.

The intercept equipment procurement was also dropped in 2008, after it was agreed that sensitivities surrounding the procurement precluded a competitive bidding process (as required by United States Government (USG) regulations). The legality of including such a sensitive procurement in the program had been thoroughly vetted by both sides but it seems that discussion of how to procure equipment had not been discussed during program development.

At the time the two procurements were cancelled, the third procurement - for the radio communication system procurement for KPK - was not yet awarded. The procurement and installation of the radio communication system experienced delays that required two extensions to allow for delivery and installation of the equipment. During the extension period, unspent funds were allocated to follow-on support to the Supreme Court and an additional round of TI-I CPI data collection. Thus, all program activities ended as of December, 2010.[9]

METHODOLOGY

Purpose of the Evaluation

This ex post Performance Evaluation (hereafter, Performance Evaluation) is being carried out to provide an independent, objective assessment into the effectiveness and efficacy of the Indonesia Threshold Program counter-corruption activities, using qualitative methods. The program evaluation serves three purposes: to provide lessons to MCC, the Government of Indonesia, and other program donors; uphold MCC's institutional commitment to measuring program results; and provide practical lessons for current and future Threshold Program partners in developing and implementing Threshold Program activities. An international consultant, assisted by an Indonesian researcher, was hired to evaluate the anti-corruption component of the Threshold Program (the Immunization Component is not covered by this evaluation). The evaluation was conducted in a series of field visits between December 2010 and October 2011. The evaluation examined three key questions:

1. Were activities fully executed and did they result in intended, or unintended, outcomes (meaningful changes in practice, knowledge, or attitudes)?
2. Have those outcomes and pilot activities proved sustainable?
3. What lessons learned can be drawn from these activities?

Methodology

The Evaluator used the following methodologies to conduct the evaluation:

- **Document review** - All relevant Chemonics, ICITAP, USAID, MCC and GoI reports, including planning documents, annual workplans, the performance monitoring plan, quarterly and annual reports, budgets, and, where available, baseline and evaluative reports, were reviewed (see Annex 3 for a list of documents). GoI reports included administrative records and internal documents related to the activities;

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[9] The original Agreement between the MCC and the Government of Indonesia was signed in November 2006. On September 29, 2008, the Completion Date of the Agreement was extended from May 31, 2009, to September 30, 2009. On April 30, 2009, the Completion Date was further extended to May 31, 2010. In August 2009, the Completion Date of the Agreement was further extended to December 31, 2010.

- **Open-ended and semi-structured key informant interviews** - These were administered to GoI staff, implementers (USAID, implementers), MCC, and relevant third-parties such as donors and private sector representatives. A total of 65 respondents were interviewed including: 12 Supreme Court staff, 7 KPK staff, 17 LKPP and regional electronic procurement staff, and 4 PPATK staff. In addition 13 staff members of implementing agencies USAID, ICITAP and Chemonics were interviewed (see Annex 2 for a list of those interviewed). Interviews covered the relevance of program interventions to the stated goals of the Strategic Objective Grant Agreement (SOAG) (the bbilateral agreement), the extent to which activities were undertaken and completed, and quantitative or qualitative evidence regarding the effectiveness of the interventions;

- **Vendor surveys** - The evaluator conducted a small survey of approximately 120 registered vendors in four of the five pilot provinces (30 per province) to assess vendor perceptions and experiences with electronic procurement in their respective province. The full report is attached in Annex 4.

Limitations of the Study

The evaluation encountered a number of methodological challenges including:

- **Difficulty of obtaining reliable data on corruption**. Evidence as to whether activities prevented or reduced corruption was particularly difficult given the paucity of data measuring corruption and low response rates to direct questions regarding administrative corruption.

- **Measuring qualitative outcomes** (e.g. changes in behavior, capacity, or quality). Potential biases in responses related to qualitative outcomes, i.e. changed behavior, are triangulated with data from interviews, to the extent possible. However, the lack of a counterfactual and systematic collection of monitoring data to chart changes in time related to the program goals preclude a comparison of before and after changes for most activities. Recall of respondents is often used to understand the baseline scenario and this is flawed due to the significant time lapse.

- **Lack of baseline data**. Baseline data for some activities such as wealth reporting and disciplinary actions was available for a very limited number of years prior to Threshold. No baseline data was available for the electronic procurement work, with only one of the 5 provinces (West Java) having collected any baseline data on manual tenders prior to the launching of the electronic procurement system although this was an explicit activity called for in the bilateral agreement. In addition, no review of the quality of baseline data was conducted for the evaluation.

- **Difficulty in attributing outcomes**. All of the GoI counterpart institutions were receiving assistance from multiple donors during the Threshold period, sometimes on issues and activities closely related to the Threshold scope of work. Further, many activities conducted under Threshold were continued with other donor support. In addition, many government offices were implementing reforms without external assistance (for example, the Province of Gorontalo had installed an electronic procurement system with their own funds one year prior to receiving the new system from MCC). These factors, and the absence of a counter factual, often made it difficult to attribute results directly to Threshold interventions. The evaluator has noted GoI or donor programs as relevant.

- **Limited coverage of Supreme Court activities**. Although a number of the court reform activities under Threshold sought to improve the quality of regional courts, due to resource constraints, the

evaluator interviewed only Supreme Court staff and did not travel outside Jakarta. The evaluation cannot therefore speak to the impact of interventions among Appellate Courts and other courts operating at the sub-national level. In addition, the court system remains relatively decentralized and it was therefore not possible to ascertain, for example, how many of the computers given to regional courts remain in service.

EVALUATION FINDINGS

I.   INCREASING TRANSPARENCY OF THE JUDICIARY

INVESTMENT: Incurred costs of $16.4 million.

BACKGROUND: The Indonesian judicial system suffers from perceived wide spread corruption and inefficiencies.[10] Management of the court system - including administrative, general (civil and criminal cases), military and religious courts - was moved from the Ministry of Justice to the Supreme Court in 2004, just prior to establishing Threshold eligibility. Thus, at the time the Threshold Program was designed, the Indonesian Supreme Court had assumed responsibility for 370 district courts, 30 high courts and employed approximately 27,000 employees (including roughly 8,000 judges). The Supreme Court developed a Blueprint for Reform in 2003 intended to address the court system's weaknesses, and had been identified by the Ministry for the Empowerment of State Apparatus (MenPan) as a pilot institution for civil service reform, eligible to receive substantial additional allowances if certain criteria were met. Threshold program assistance was intended to support this reform process, with emphasis on increasing judicial transparency and strengthening human resource and financial management. Assistance was thus highly relevant to the Supreme Court's reform efforts. Planned activities included:

- Training judges and other senior-level personnel on the Code of Conduct and wealth reporting requirements and establishing a monitoring system to ensure compliance;
- Capacity building in human resources (HR) including uniform job descriptions for court positions, minimum qualifications and performance standards, a staffing plan, and a human resource database;
- Capacity building in court budget preparation and management of the court system's physical assets;
- Enhancing public access to information including publishing all Supreme Court decisions online, implementing a public complaints procedure, and developing outreach programs on court activities, procedures and fees.

Funds not expended during the original two–year Threshold period due to the cancellation of the KPK and PPATK activities were re-programmed for additional activities with the Supreme Court under a six-month extension from July-December 2010.[11] A timeline for technical assistance to the Supreme Court is shown in Figure 1. Planned activities under the extension focused on public access to court information and included:
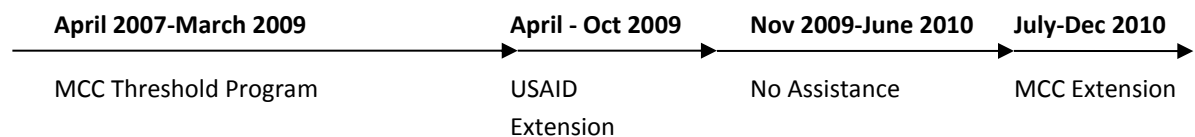
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[10] According to Transparency International's Global Corruption Barometer 2010, the legal system and courts are perceived by Indonesian households to be among the most corrupt public institutions in the country. More than one in ten surveyed households who had contact with the judiciary in 2009 reported having paid a bribe.

[11] In addition to the MCC extension in 2010, USAID funded its own six-month extension of ICCP that directly followed the completion of the original Threshold program. The USAID extension, called ICCP Extension, ran from April – October 2009 and was meant to provide continuity between MCC-funded activities with the Supreme Court

- Improving the Supreme Court's Public Relations functions, including a study tour to Singapore;
- Assisting three district courts to install information desks and deploy a case management system.

FIGURE 1: TIMELINE OF TECHNICAL ASSISTANCE TO SUPREME COURT

April 2007-March 2009	April - Oct 2009	Nov 2009-June 2010	July-Dec 2010
MCC Threshold Program	USAID Extension	No Assistance	MCC Extension

COMPLETION OF OUTPUTS: All outputs were completed with the exception of implementation of the staffing plan which was not carried out because the Supreme Court was not ready to grapple with retrenchment and other integral issues. The case management system in three district courts during the extension period was not completed before the end of the program, but was subsumed under an existing USAID program and deployed in 2011, four months after the end of the Threshold Program.

ACHIEVEMENT OF OUTCOMES:

Based on interviews with 12 Supreme Court personnel, relevant third parties, and reports provided by the Supreme Court, the evaluation finds that activities contributed to intended outcomes as follows:

Impact on Corruption

- **Nearly 90% of relevant judges and senior court staff are now in compliance with wealth reporting requirements -** At the Threshold program's inception, the Indonesia Anti-Corruption Commission (KPK) had issued regulations requiring senior level staff (judges and Grade I-III civil servants) to disclose their assets but the reporting mechanism had not been developed. According to Supreme Court leadership, MCC assistance was instrumental in building cooperation with KPK and developing procedures for wealth reporting. Supreme Court staff report that KPK has replicated this model to other government institutions. A regulation issued by the Chief Justice in 2009 requiring that judges be in compliance with wealth reporting requirements to be eligible for promotion, is viewed by staff as the key factor in achieving this outcome. Between 2008 and 2010, there was a 20 percent increase in reporting among senior officials at the Supreme Court based on government records, from 66% compliance with the reporting requirements in 2008 to 86% compliance in 2010.

    However, the Supreme Court is not aware of any investigations and/or convictions by KPK using the wealth reports. Interviews with legal experts indicate that KPK lacks sufficient resources to routinely analyze the data.
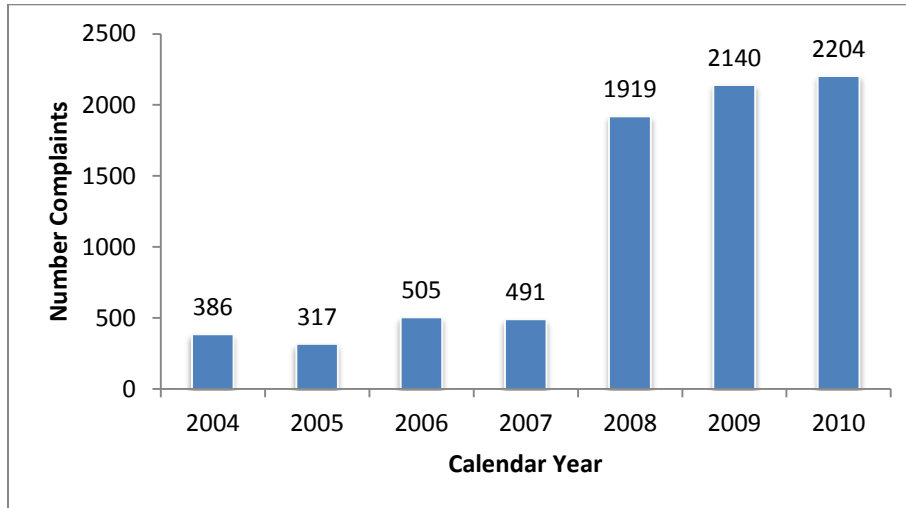
- **Number of disciplinary cases doubled during the Threshold Program and continues to grow –** Work under the Threshold Program to install public complaint systems and establish procedures for handling disciplinary cases are contributing to significantly higher numbers of complaints being received by the Court and disciplinary actions being taken as a result. The number of complaints received tripled during the Threshold period, as shown in Figure 3 below. Staff of the Supervision Body, which handles

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and a forthcoming USAID funded project (C4J) which was awarded in May 2010. The USAID extension explicitly sought to institutionalize some aspects of the MCC Threshold program that were not yet completed in the areas of HR management and budget and financial management. Chemonics was awarded both the extension and the C4J contract. MCC's extension activities were subsequently added to the C4J work as an additional task.

disciplinary matters, attribute the increased number of complaints to improved dissemination of information on how to lodge a complaint and the creation of Public Information Desks at all courts (four with Threshold Program assistance) making it easier for the public to approach the courts.
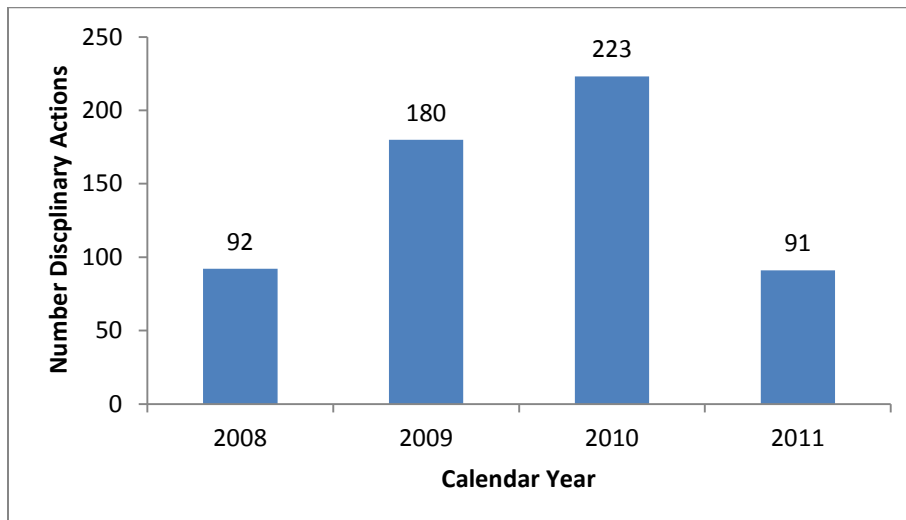
Source: Supreme Court 2008 & 2010 Annual Reports. All complaints for the court system are channeled to the Supervisory Body.

The increased complaints, and improved handling procedures set up during the Threshold period, has contributed to the number of disciplinary cases doubling between 2008 and 2010, as shown in Figure 4.

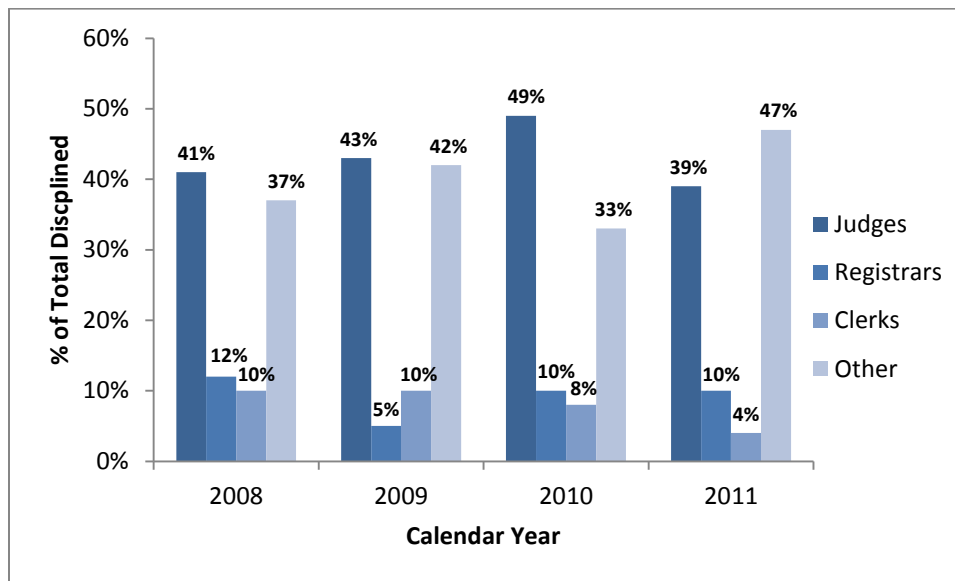Source: Supreme Court Supervisory Body staff. Note that 2011 data covers January – August only.

The majority of disciplinary actions are taken against Judges, followed by Registrars, Clerks, and other staff, as shown in Figure 5. Most common infractions are violations of military rules (presumably in the military courts which are under the Supreme Court) followed by breach of the Code of Ethics.

FIGURE 4: RANK OF PERSONNEL DISCPLINED (% OF TOTAL)

Source: Supreme Court Supervisory Body data.

- **Publishing of court decisions online has accelerated and become more systematic**. Supreme Court staff state this reduces petty corruption by lower level staff in the Registrar's office who previously could "sell" decisions before they were made public. Table 1 shows the number of newly registered cases and the number of decisions published online annually.[12] The higher number of decisions reflects backlogs in the courts.[13]

TABLE 1: NUMBER OF COURT DECISIONS PUBLISHED ONLINE

Year	Registered Cases	Published Decisions
2007	732	1,397
2008	1,432	7,264
2009	3,845	7,329
2010	16,148	5,819
2011	19,018	50,668
Total	N/A	72,477

Source: Supreme Court webmaster. Note: the large increase of decisions published in 2011 is due to the launch of publications by regional courts (after AusAid assistance) whereas with MCC assistance only the Supreme Court published its decisions online.

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[12] The information is available at http://putusan.mahkamahagung.go.id/.

[13] Supreme Court cases are not deliberated in public; even parties to the case must wait until the decision is announced. This gave significant power to lower level personnel who would deliberately delay processing the decision paperwork in order to extract bribes to release the decision. Staff of the Court's Reform Team, which coordinates international assistance to the Supreme Court, report that corruption also occurred whereby staff would receive payment to delay issuing decisions to allow defendants time to flee the country (i.e. before the file rejecting their appeal was sent to the Police ordering their arrest). The automatic publication of decisions reduces these kinds of manipulations.

The 2008 passage of a Freedom of Information Act – unrelated to the Threshold Program - was a central factor in the willingness to make court decisions widely available. In addition, efforts to publish court decisions pre-date the Threshold Program and the website developed under the Threshold Program was modified in 2009 with AusAid assistance, making it difficult to attribute progress to the program. IT staff that host the website report that from July 2010 to October 2011, when they began tracking this data, there were 97,011 visits to the website, of which 52,131 unique visitors.

Improved Financial and Human Resource Practices

A secondary objective of support to the Supreme Court was to improve budget management and personnel systems at the Court as part of the broader integration of the Court system occurring at that time. These reforms (and some of the transparency steps discussed above) were also part of efforts by MenPan to use the Supreme Court as a pilot site for ongoing administrative reforms in GoI.[14] As such, court officials were eligible for significant additional allowances if they reached certain benchmarks related to personnel and financial functions. Threshold implementing partners state that this incentivized leadership; Supreme Court respondents state that all staff became eligible for up to a 70% increase in allowances on top of base salary in 2008 as a result of meeting most of these benchmarks. Outcomes in the area of budget and personnel reforms supported by Threshold included:

- **Timely submission of the annual budget to Ministry of Finance** - Budget officers who oversaw the training effort report that capacity improvements among regional Budget Officers and a new budget data report transmission software system in combination with Ministry of Finance (MoF) budget planning software have contributed to this outcome. They report that MoF now cites the Supreme Court as one of the best performers in terms of timely submission. Prior to the computerized system, the budget was compiled manually and budget officers had widely varying capacity to plan and carry out budget preparation and monitoring. The budget planning software, funded by MoF, and the budget data transmission software, funded by MCC, fully automated the process and had resulted in much higher reporting speeds. However, MoF updates its budget software annually and no provisions were made to update the budget data transmission software to ensure continued compatibility.[15] Thus within a year of Threshold ending, The Supreme Court had to suspend use of the budget data transmission system, but is using the 200+ computers distributed to Budget Offices to compile information and email it to the Supreme Court. Partial automation means the process is faster than before but is slower than when they could use the MCC software. The Supreme Court is seeking assistance to address the compatibility issue.

- **Improved Human Resource Management Practices** - Supreme Court staff report that Threshold assistance to develop job descriptions for all court staff positions (nearly 800 job descriptions) has been very helpful with recruitment and promotion policies and that methodologies for assessing performance continue to inform current practices. The Supreme Court was held up by the MenPan as a model

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[14] Beginning in 2008, the Ministry of Administrative Reform and the Ministry of Finance began experimenting with raising salaries as one way of combating corruption among civil servants. See "Roadmap toward Bureaucratic Reform" (2009), and "Guidance for Civil Service Reform" (2010). In 2010, the President appointed the Vice President's office to lead civil service reform efforts.

[15] No due diligence with MoF was done on this activity prior to Threshold with the MoF; Supreme Court officers apparently were unaware that annual updates to the MoF software needed to be accommodated when they requested the support from MCC.

institution on HR management following Threshold support. During the administrative reform exercise, the Supreme Court was one of only a few institutions able to fully report their staffing status as a result of the review conducted under Threshold.

Less successful was the HR management system, which was deployed throughout the Court system but never adopted outside the Supreme Court, despite trainings on how to use the system conducted under the USAID-funded extension period. The system was intended to create a centralized database on staffing (positions opened and filled, performance reviews, etc.) that connected all courts throughout the system. However, no provisions were made to migrate legacy data from district court HR systems and poor bandwidth connections have made it difficult for remote users to upload data. These factors dissuaded regional courts from using the system as intended, which means Supreme Court does not have real time data on staff. However, the HR Dept within the Supreme Court uses the system for positions filled centrally and is manually inputting data received from regional courts to attempt to build a complete picture of staffing status, requirements, etc.

HR staff attribute the poor outcome to a lack of communication with the software developer, an unnecessarily sophisticated program (hence using more bandwidth), and limited communication between the IT consultants and regional Court staff during system development.

SUSTAINABILITY: The Supreme Court remains committed to reform and recently issued an updated Blueprint for Reform which will continue and deepen earlier transparency initiatives. Systems set up with Threshold Program assistance remain in operation with two exceptions: the budget data transmission software which fell out of use in 2010 and the HR database which was not adopted in district courts. The Supreme Court could not provide a centralized list of hardware and because most of the computers were distributed to district courts, could not say how many of the computers provided are still in service. Staff report that regional courts outside major cities had difficulty servicing hardware. In November 2011, Supreme Court remote access to KPK's database on wealth reporting compliance was cut off due to a technical problem although they report that the issue is being addressed. In some cases, budget constraints means that trainings have not been replicated and many of the Public Affairs efforts under Threshold (printing of brochures, television campaigns for public outreach) have also not been continued.

SUMMARY OF IMPACT:

Threshold assistance contributed to the Supreme Courts anti-corruption measures by helping establish mechanisms for reporting and handling breaches of the code of conduct resulting in greatly increased disciplinary actions and complaints handled. Increased transparency of information through public information desks, and online publication of decisions has anecdotally helped to reduce petty corruption in the court system (i.e. interested parties no longer need to "buy" copies of the decision) although no data is available to support these claims. Capacity building for district courts has improved the timeliness of budget submission and helped improve HR practices. Efforts have largely been sustained post-Threshold (sometimes with other donor support).

Despite these achievements, and the Supreme Court's stated commitment to reform, the scale of the problem remains enormous. Transparency International's Global Corruption Barometer 2010 found that the courts continue to be perceived by Indonesian households as among the most corrupt public institutions in

the country and the survey found that more than one in ten surveyed households who had contact with the judiciary in 2009 reported having paid a bribe. Thus although transparency may have improved with the new measures, bribery remains widespread, indicating that the problem is a long-term one that could not be addressed within the timeframe of the Threshold program. It is difficult in that context and without corresponding data or a counterfactual, to determine whether Threshold activities had any appreciable impact on corruption. However, as part of the Government's overall strategy to raise remuneration to combat corruption (i.e. address the "push" factor), the systems Threshold helped establish to increase accountability and enforce transparent behavior could prove valuable in the future if implemented aggressively.

II. Improving the Capability of the Financial Transaction Reports and Analysis Center (PPATK)

INVESTMENT: Incurred costs by Chemonics of $1.7 million, of which $1.25 million for staff and consultant fees and $410,000 for procurement and local consultants. A planned secure electronic information exchange system with a budget of $460,000 (per the TCP) was cancelled in 2008.

BACKGROUND: The Financial Transaction Reports and Analysis Center (PPATK), established in 2002, is the focal point in combating money laundering in Indonesia. It is an independent agency reporting directly to the President. Threshold assistance was intended to assist PPATK to better serve its anti-money laundering mandate by:
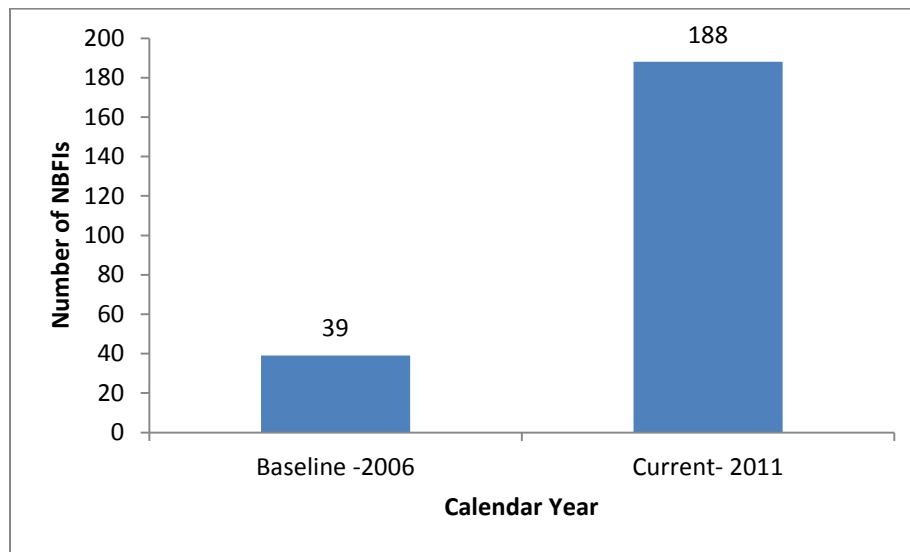
- Expanding "Know Your Customer" training and public awareness to non-bank financial institutions' (NBFI), replicating a successful outreach campaign with banks under a prior USAID program;
- Increasing PPATK's capacity to receive and analyze increased numbers of suspicious transaction reports (STR) by providing software and hardware and technical assistance; and
- Establishing an electronic information exchange system between PPATK and law enforcement (KPK, the National Police and the Attorney General's Office) to share information on anti-money laundering investigations.

COMPLETION OF OUTPUTS: The electronic information exchange activity was dropped in May 2008, after one year of activity to design the system and establish Memorandum of Understanding (MOUs) between the relevant agencies, following a decision by the PPATK Executive Board that the system should be funded internally. PPATK has since secured internal funds for this activity and a prototype of the system is being tested. All other deliverables were completed as planned.

ACHIEVEMENT OF OUTCOMES:

1. **Increase reporting of suspicious transactions by NBFIs -** Baseline figures given for June 2006 show a total of 39 NBFI reporting 159 suspicious transaction reports (STR) and 40 cases of financial analysis were transmitted for investigation in the period January- June 2006. The "Know Your Customer" (KYC) campaign targeted a wide range of NBFIs, including money changers, brokerage and insurance firms. PPATK data from February 2011 shows 188 NBFIs reporting 45% of all suspicious transactions. This represents a 382% increase over baseline, as shown in Figure 6.
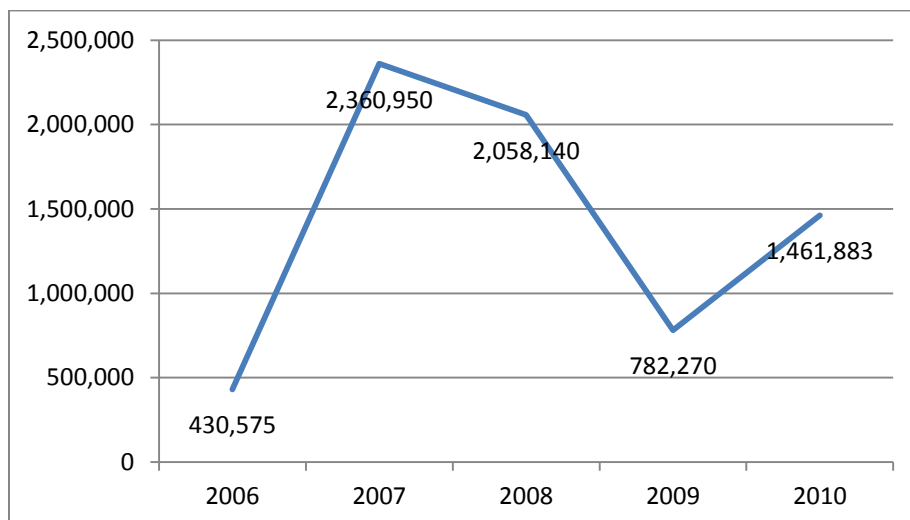
FIGURE 5: NUMBER OF NON-BANK FINANCIAL INSTITUTIONS REPORTING SUSPICIOUS TRANSACTIONS TO PPATK

Source: PPATK statistics.

The number of STRs reported also increased significantly in 2007-2008, as shown in Figure 6. Although the figures have dropped from that period, they remain well over the 2006 baseline.

FIGURE 6: NUMBER OF SUSPICIOUS TRANSACTIONS BEING REPORTED

Source: PPATK statistics. See www.ppatk.go.id/statistik

These results cannot be attributed to the KYC campaign alone, as it was part of a broader effort by PPATK to increase compliance. With its own resources, PPATK was conducting random audits since 2007 and had a program to build the capacity of NBFIs to analyze transactions. Together, these efforts have clearly resulted in much higher levels of reporting. However, the degree to which the campaign contributed is unknown.

However, there is no available data on whether increased reporting has led to greater conviction rates. Respondents from PPATK state that the quality and usefulness of the STRs are variable but cite a handful of successful convictions resulting from reports by money changers, one of which involved a politician.

2. **Increase the number of financial analyses transmitted for investigation to law enforcement.** There is no impact on this intended outcome as the primary activity (the secure online connection) was cancelled. Although the IT equipment to enhance storage and analysis capacity of STRs (a 6 terabyte Storage Area Network that cost approximately $62,000) was transferred to PPATK and it has never been used. PPATK staff interviewed for the evaluation explained that the equipment was requested not to handle additional reporting by NBFIs (as originally stated in the TCP) but in anticipation of new reporting requirements that mandate certain categories of luxury retailers (autos, jewelry stores, etc) to report sales over $55,000. The relevant law was being amended in 2007/2008 during Threshold but enactment was delayed until 2010. Respondents at PPATK expect that the equipment will be put to use in 2012 once the requirements come into effect but acknowledge that any technical knowledge and capacity on using the equipment provided under Threshold will have been eroded by this time.

SUSTAINABILITY: PPATK is planning to replicate the "Know Your Customer" campaign in cooperation with Bank Indonesia (which regulates money changers) reproducing the materials developed under Threshold. Reporting levels by NBFIs have dropped since 2008 but remain well over baseline. As noted above, the STR database/IT equipment has never been deployed.

SUMMARY OF IMPACT: Threshold assistance appears to have contributed to much higher numbers of NBFIs reporting suspicious transactions. The quality of reports remains variable and only a handful of prosecutions have arisen from them. There is no expectation of impact on the number of financial analyses transmitted for investigation to law enforcement as the primary activity (the secure online connection) was cancelled. A computer storage system was provided but has not been used, to date.

III.   IMPLEMENTATION OF AN ELECTRONIC GOVERNMENT PROCUREMENT SYSTEM

INVESTMENT: Staff time worth an unspecified portion of $3.6 million[16] and computer hardware worth $633,000.

BACKGROUND: Procurement in Indonesia has long been a prime area for corruption, with leakage estimated to cause losses to the state of US$4 billion annually.[17] . As part of Indonesia's regional autonomy policy enacted in 1999, responsibility for procurement was decentralized with each level of government making purchasing decisions independently within guidelines set by the central government.

At the time the TCP was drafted, the GoI had passed Presidential Instruction 5/2004 which mandated the National Planning Agency (Bappenas) and Ministry of Finance (MoF) to develop a nationwide electronic

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[16] Financial reports lump staff costs for both LKPP and KPK assistance and it was therefore not possible to determine actual allocations. However, the scope of LKPP assistance was much larger and would presumably have consumed the bulk of time.

[17] Indonesia Country Profile: Public procurement and contracting, available at http://www.business-anti-corruption.com/country-profiles/east-asia-the-pacific/indonesia/corruption-levels/public-procurement-and-contracting

procurement system. The intention was to replicate a model developed by the City of Surabaya, in East Java, and to create a standardized system that could be used by all government procuring entities around the country. Bappenas' plan for the NEPS called for establishing 17 pilot sites at the provincial level to demonstrate the benefits of electronic procurement. As part of wider reforms, a National Public Procurement Policy Office (*Lembaga Kebijikan Pengadaan Barang/Jasa Pemerintah (LKPP)*) was created in late December 2007 during the Threshold program and was the primary counterpart for this activity.

MCC support was provided to launch 5 of the 17 provincial pilot sites, and as such was highly relevant to ongoing GoI initiatives.[18] Planned assistance included:

- Site selection - The five provinces ultimately selected were West Java, East Java, Gorontalo, Central Kalimantan, and West Sumatra; these sites were selected because they were deemed to have the capacity to staff and implement electronic tenders.
- Baseline data collection - Each province was supposed to collect data on procurement activity, including irregularities and the number of sole source (as opposed to competed) contracts.
- Software - Local consultants developed the software and conducted training. These consultants were located at LKPP and were hired on as full-time staff upon Threshold Program completion.
- Hardware - A standard package including 4 servers, 22 desktops, 23 uninterrupted power supply units (UPS), scanners, printers, laptops, and LCD projectors was provided to each of the five locations.
- Training – was delivered to 73 regional government staff (52 men and 21 women) from participating provincial governments on the new software. This cadre of trainers was then responsible for training government staff and vendors in the software in each location. Threshold funds were used to support the logistics of those trainings;
- Public outreach - Threshold funds were to support an awareness campaign including TV spots, radio shows and launches to advertise the new service to vendors and the general public.

COMPLETION OF OUTPUTS: All planned activities were completed with the exception of baseline data collection and certain elements of the public awareness campaign. The failure to collect baseline data was due to the inability or unwillingness of provinces to collect the necessary data from each of the tender committees (the committee which decides which bidder should be awarded a competitive contract); because records were entirely manual, data collection would have been a time and labor-intensive process. The public awareness campaign was partially completed (Chemonics produced a TV spot and printed materials) but dropped in 2008 at the request of LKPP due to differences in opinion over the communications strategy. LKPP subsequently funded public outreach from its own budget.

Identifying the sites took most of the first year, creating considerable delays from the initial workplan. While the system was operational in all 5 sites by the end of Threshold Program, two of the sites had not yet conducted electronic tenders by the closure of the program and could not address any glitches in their system.

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[18] Royal Netherlands Embassy funded the UNDP Partnership Program to support an additional 3 sites. UNDP provided technical assistance but no hardware, in contrast to MCC. These provincial/local governments tended to be in wealthier areas, hence able to meet the minimum requirements set by LKKP for staffing and hardware. Non-MCC pilot sites in 2008 included the City of Yogyakarta, Riau Island Province, Makassar, Batam City, Denpasar, and the Ministries of Finance and Education.
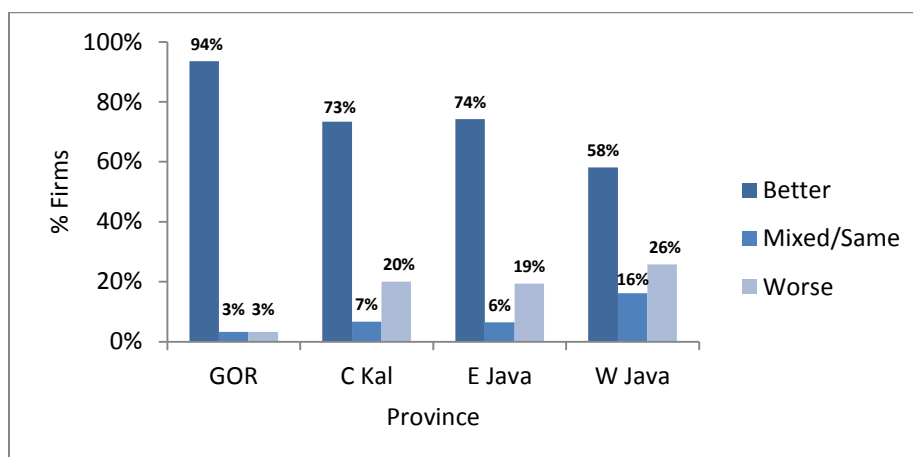
ACHIEVEMENT OF OUTCOMES:

Impact on Corruption

In order to determine whether and how the LPSE system is helping to reduce corruption in the award of contracts, the evaluator interviewed 17 staff members from LKPP and four regional governments involved in the program and conducted a small-scale survey of vendors. Thirty vendors in each province, a total of 123 vendors, were randomly selected from the LPSE vendor registry and asked a range of questions related to the efficiency and transparency of the system (the full survey report is attached in Appendix 4). A summary of the findings includes:

- A **large majority of respondents feel that electronic tenders are preferable to the manual system**, as shown in Figure 8. Respondents who felt the system was better than the manual system cite fewer opportunities for collusion, time savings due to reduced numbers of visits to government offices, lower formal and informal costs, and improved security (bid documents cannot be tampered with after submission because they are encrypted and there is an audit trail). Among the minority of respondents who feel the system is worse than manual tenders, the most common reasons given were poor internet speeds and electrical blackouts, particularly off Java, that make it difficult to use the system along with dissatisfaction at some of the system's design elements, for example that firms are not named but given a number (making it impossible to see who a firms' competitors are), or that the reasons for not awarding to losing firms are not given, etc.

FIGURE 7: HOW DOES ELECTRONIC PROCUREMENT COMPARE TO THE MANUAL TENDER SYSTEM?
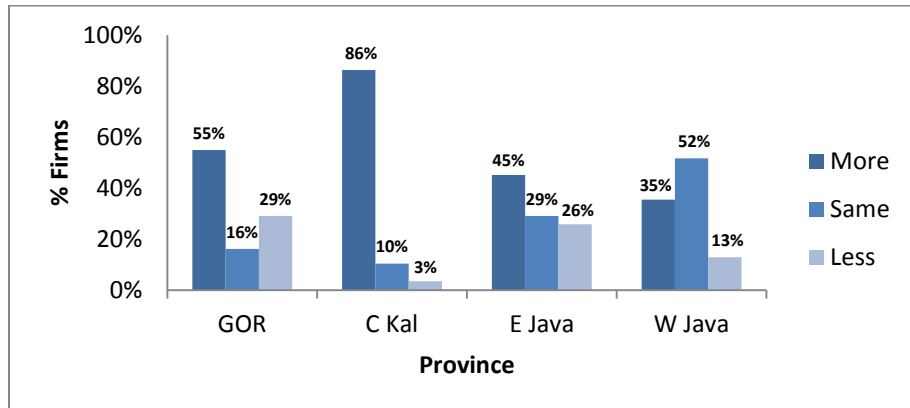

Source: Vendor Survey. N= 123.

- Vendors believe that the **system is increasing competition** by making it easier to find out about the bid and making it impossible for tender committee members or organized criminal syndicates (a particular problem in relation to construction contracts) to prevent bidders from submitting proposals. This effect appears strongest off Java, where a majority of respondents state that the number of bidders per tender is increasing, as shown in Figure 9. However, between 70-80% of respondents state they are not decreasing prices despite increased competition. Off Java, 16 respondents, approximately one-quarter of respondents in Gorontalo and Central Kalimantan, say

they are reducing their cost proposals while only 9 of 62 firms interviewed in East and West Java say they are reducing their prices.
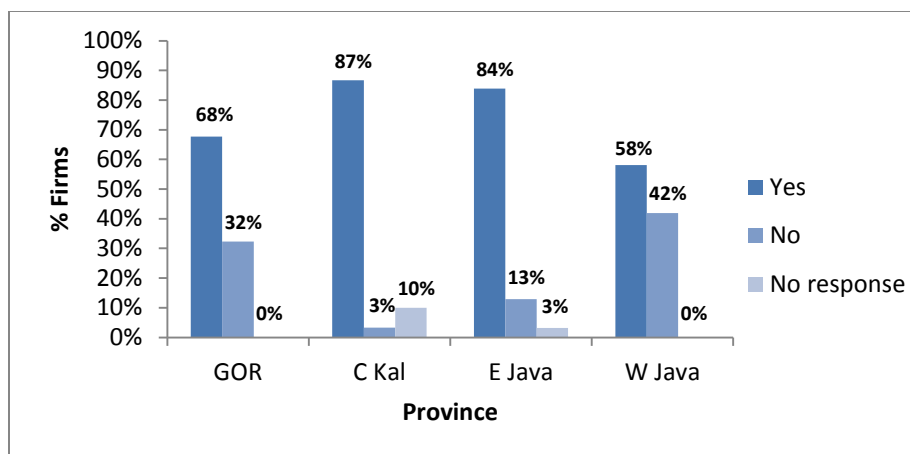
FIGURE 8: IMPACT ON THE NUMBER OF BIDDERS PER TENDER

Source: Vendor Survey. N= 121.

- A **majority of respondents in all four provinces feel that the electronic procurement system is reducing corruption** in bidding, as shown in Figure 10. Positive respondents cite the elimination of informal payments commonly required to "purchase" the bidding documents under the manual system (which anecdotally can reach US$100 per tender) because documents are now downloaded free of charge, and reduced opportunities for collusion since the vendors and tender committee members do not have to meet in the early stages of the process.

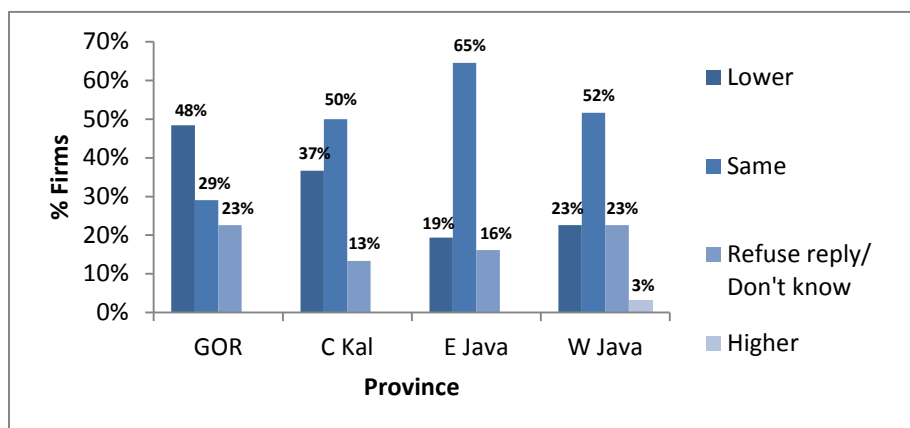**FIGURE 9: DOES ELECTRONIC PROCUREMENT REDUCE CORRUPTION?**

Source: Vendor Survey. N= 123.

- This positive finding is tempered by a majority of vendors in three of four provinces who state that the system has **not had any impact on the amount of kickbacks** to the tender committee, as shown in Figure 11. Respondents indicate that "appreciation" envelopes are given to the tender committee

chair following the award and that firms that refuse to pay are effectively blacklisted from winning future tenders or sole source contracts. In addition, the practice of making more substantial kickbacks to the head of the department upon completion of the work or delivery of goods is not affected by electronic procurement. Firms must budget these costs, which may explain why cost proposals are not dropping despite increasing perceptions of competition.

FIGURE 10: INFORMAL PAYMENTS FOR E-TENDERS COMPARED TO MANUAL TENDERS

Source: Vendor Survey. N= 123.

- **Existence of the electronic system does not reduce number of sole source awards** since central government regulations allow all contracts under 100 million rupiah (approximately $11,000) to be sole sourced. Anecdotally, many respondents from government and firms indicate that it is very common for tender committees to artificially break up contracts so that each component can be sole sourced rather than competed. The latest revision to national procurement regulations (Presidential Decree No.54/2010) in fact raised the ceiling for sole source contracts from 50 to 100 million rupiah and allows limited tenders (in which only 3 vendors are identified to compete) up to 200 million, further limiting the impact of the electronic procurement system.

Overall, the findings suggest that electronic tendering is having a positive impact on competition, particularly off Java, and has thus contributed to the anti-corruption objectives of the Threshold Program. However, the effect appears strongest in preventing collusion between firms and officials prior to the bid rather than eliminating or reducing kickbacks following the award. As a result, the cost savings that would be expected from increased competition may not be occurring.

LPSE unit heads also say that while the system creates an audit trail that could be used for investigations, neither KPK or the National Audit Agency has asked for access to these records yet. In addition, the electronic procurement system automates the existing tender system without otherwise changing the institutional arrangements that may lead to corruption which may further limit the potential impact on corruption.

Impact on Government Savings

LKPP cites greater efficiency and cost savings as the most important benefit of the system. However, it is **impossible to establish cost savings with available information** since there is very limited baseline for actual

prices being paid under the manual system. LKPP calculates savings as the spread between the budgeted (or guide) price and contract award price (not including modifications). LKPP calculated savings rates aggregated across all public entities using LPSE are shown in Figure 12.

FIGURE 11: SAVINGS REPORTED THRU LPSE SYSTEM- AGGREGATED ACROSS ALL SITES USING LPSE (%)

Source: http://report-lpse.lkpp.go.id

However, the validity of this method of calculating savings is questionable as bids must legally fall under the budgeted price to be accepted. Thus data provided by West Java Province for the Department of Public Works (Bina Marga), which is one of the largest purchasing departments of the provincial government, covering the period 2005-2007 before electronic procurement was deployed shows spreads between the guide price and actual contract price at 14% in 2005 and 16% in 2006 using manual tenders. Data derived from bids run through LPSE show a spread between guide price and actual contract price using the electronic tender system at 17%, approximately the same as the spread for manual tenders.[19]

EFFICIENCY: A standard hardware package was given to all sites, on instruction by LKPP. This lowered the efficiency of the intervention as some sites received equipment they didn't need. For example, Gorontalo had invested 100 million rupiah (approximately $11,000) of their own funds to launch an electronic procurement system the year prior to the Threshold Program, including the purchase of a large number of desktops. They were nonetheless given the standard 22 desktops rather than additional servers or a generator which they noted would have been more useful to them. They transferred the legacy desktops to other departments.[20] Similarly, Central Kalimantan, which experiences more frequent electrical outages and storm activity than the other sites, was not given a generator or extra surge protection. They have therefore used their own funds to maintain the system including replacing servers that were damaged in an electrical storm, creating their own parallel disaster site, and purchasing generators. While the amounts are small in terms of the overall Threshold investment, for the local governments receiving the goods, the amount was significant. An unanswered question is whether the purchase of hardware with MCC funds resulted in better

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[19] West Java is the only pilot province that collected baseline data as originally called for in the Threshold Program.
[20] While not necessarily efficient from the donors' perspective, since funds could have been used to help a site that wasn't able to purchase these items out of their internal funds, an argument can be made that rewarding early adopters of reform such as Gorontalo represents good practice.

outcomes than were achieved in the sites assisted by the other donors who did not provide hardware. Due to resource limitations, these non-MCC project sites were not visited by the evaluator.

Finally, LKPP insisted on developing the electronic tender software in-house rather than purchasing an off-the-shelf version. This was in line with overall GoI policy to not purchase proprietary software, but may have been less efficient both in terms of development costs and long-term compatibility with other financial software.

SUSTAINABILITY: The selection process required significant outlays of internal funds by each site for office space and personnel and it appears this has contributed to sustainability. In addition, Presidential Decree 54/2010 requires that all government procuring units move to the LPSE system by 2014. The system is being maintained in all 5 sites with recurring budget from the provincial governments (the status of the fifth site was not investigated as part of the evaluation but centralized data from LKPP indicates that the system is being used). Institutionalization of the system varies widely by province and appears to be highly dependent on political commitment by the Governor:

- West Java - is making greatest use of the system in terms of volume and value of tenders. The Governor has instructed purchasing entities that all tenders must be held electronically, exceeding the requirements of national law. While it is not possible to verify whether 100% of tenders are being conducted electronically in line with the Decree, West Java has by far the highest volume and value of any site using LPSE. In part this is because the provincial LPSE site is being used by a large number of local (city/county) governments - the only province where this has occurred. The LPSE office currently has a staff of 12 and its annual operating budget is Rp. 1.5 billion (approximately $175,000). The vendor survey indicates that West Java has also had the best success in training vendors in the system. The head of the data unit indicates that hiring programmers with the necessary knowledge (Linux rather than Windows) and funding the purchase of sufficient servers to handle the increased data flows have been the primary challenges to sustainability.

- East Java - is using the system least in percentage terms, with an estimated 14% of total procurement (by value) being tendered electronically (LPSE staff estimate that in 2010, procuring entities awarded 13,000 sole sourced contracts as opposed to 1,200 electronically tendered contracts). East Java continues to use a less secure legacy electronic procurement system they had developed prior to LPSE and is complying only with the minimum requirements of the national law. A Governor Decree requires that 50% of tenders be conducted through LPSE in 2011 in preparation for the national mandate that all tenders be conducted through the system by 2014.

- Gorontalo - shifted entirely from their legacy system to LPSE in 2008. The Governor's Decree which authorized LPSE requires that as of 2011 all tenders over 200 million rupiah be conducted through LPSE as well as all bidding announcements (implementing faster than the national requirements). For contracting between 100-200 million rupiah, tender committees may chose whether to do an electronic or manual tender; the head of the LPSE unit states that they typically elect to do manual tenders. Four staff of the Provincial government cite significant resistance when launching the system by officials and vendors who were not very IT literate as well as by local parliamentarians who commonly approach high level officials asking to steer contracts to their businesses. Despite

these obstacles, the LPSE unit will be made a permanent unit in 2012 (meaning funding and staffing will be secured). The annual operating budget is 200 million rupiah (approximately $23,000). The cost of bandwidth is the most prohibitive cost, and there are insufficient funds for a regular training program.

- Central Kalimantan - the Head of the LPSE unit estimates that 30% of total procurement value is being tendered electronically (this could not be verified). The LPSE unit is being maintained at an annual operating cost of approximately $88,000 (higher as a percentage of value tendered than the other sites). This includes the costs for disaster preparedness (power surge protection and back up electrical supply) discussed above.

SUMMARY OF IMPACT: The survey finds that the electronic procurement system somewhat lowers transaction costs for vendors to bid on public contracts (e.g. they no longer "purchase" tender documents because they can be downloaded) and reduces opportunities for collusion between bidders and tender committee members because cost proposals cannot be tampered with after submission and firms cannot be physically blocked from submitting their bids. However, the frequency of reported bribes post-award, which represents a larger cost to firms, and hence a larger proportion of the overall contract since firms must recuperate this cost, does not appear affected nor do the number of sole source awards. There is no available evidence that the system is producing cost savings for the Government. The systems are being maintained at all sites visited using GoI funds. The primary challenge for users relates to poor internet and electricity supply off the more developed island of Java.

IV. IMPROVE THE CAPABILITY OF THE CORRUPTION ERADICATION COMMISSION (KPK)

INVESTMENT: Incurred expenses of $6.6 million, inclusive of the Terrestrial Trunked Radio (TETRA radio system (worth $4.1 million) and labor for the three ICITAP activities. The procurement of audio/visual equipment for the courts was an additional $210,000 and subcontracts to Transparency International Indonesia (TI-I) were $775,000 in 2008 and $920,000 in 2010.

BACKGROUND: The KPK is mandated as the lead agency to combat corruption in Indonesia, including prevention, investigation and prosecution of corruption cases. Created in 2002, it is an independent institution and has investigated and prosecuted a number of high profile corruption cases. MCC support was intended to increase the technical capacity of KPK to gather evidence against corrupt officials by procuring the following equipment:
1. A communications interception (i.e. wiretapping) system consisting of hardware, software, and training for personnel in the use of the system;
2. A radio communication system consisting of a radio trunking system, antennas and 100 portable radios; and
3. Audio/video recording equipment (5 sets) to support monitoring of court trials, expanding an existing effort by KPK to address the lack of court transcriptions and allow judges, prosecutors and higher courts to verify testimony and other parts of the proceedings.

In addition, MCC supported TI-I to expand its Corruption Perception Index (CPI) in Indonesia to analyze corruption in public service and inform KPK's efforts.[21] This included expanding the number of sites in the biennial CPI survey for 2008, an in-depth analysis of corruption in 10 cities based on existing (2006) data, and an in-depth analysis of corruption in 10 cities using the 2008 data. In addition, KPK was funded directly to conduct its own survey, "Indonesia's Public Sector Integrity". In the extension period, a second grant was provided to TI-I to conduct the 2010 CPI.

COMPLETION OF DELIVERABLES: Based on interviews with 7 KPK staff members as well as ICITAP staff, the two main activities with KPK were partially or wholly uncompleted as follows:

The **communications intercept procurement** was dropped due to sensitivities over the procurement. GoI sought a sole source award to expand their existing system whereas USG regulations require that procurements of this size be competitively tendered. Nearly a year of discussion to resolve this issue was unsuccessful; it was therefore agreed in March 2008 that the procurement should be abandoned. KPK has subsequently secured internal funds for this activity.

The **radio system** suffered significant delays requiring two program extensions (see Modifications section above). KPK's original specifications assumed a sole source award (e.g. an extension of their existing system) similar to the intercept procurement. Agreement on the specifications and procurement modalities were finally reached in March 2008. Awarding the contract was completed in June 2009. Manufacture, installation and testing took another year with significant delays experienced in leasing rooftops on which to install antennas and misunderstandings related to importation. Formal handover of the equipment to KPK took place at the end of November, 2010. However, there are some unresolved technical issues and at the time of finalizing this evaluation (October 2011) KPK was not using the system.

One factor contributing to the difficulties with this activity appears to have been significantly different understandings between ICITAP and KPK over respective roles and responsibilities during program implementation. Program documents, corroborated by interviews with staff of both agencies, indicate that KPK expected a "turnkey" system and understood this to mean that they would have very limited involvement in the procurement and installation of the system. This was not practical given the complexity of the procurement, and the responsibilities of the respective parties were an ongoing subject of negotiation. In addition, KPK as an organization was under significant political stress at the time which affected their ability to engage fully.[22] Finally, KPK requested the most sophisticated system available on the market; the adjustment from maintaining and operating their very simple legacy system to the new state of the art system is challenging for their engineers and end users and may be one KPK has delayed deploying the system as they become more comfortable with the new technology by running tests of the equipment.

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[21] The Indonesia CPI should not be confused with Transparency International's Global Corruption Perception Index, which is used by the MCC as one of its qualifying criteria for Compact eligibility. The Global CPI ranks countries based on composite scores from other sources whereas the Indonesia CPI is a perception survey ranking cities in Indonesia. The Indonesian CPI can be found at http://www.ti.or.id/media/documents/2010/11/09/i/p/ipk-english_final.pdf

[22] In 2009, the head of KPK and two Deputy Commissioners were accused of crimes in what the news reported were politically motivated charges in retaliation for a KPK investigation of the Indonesian Police Chief Detective (the charges were subsequently dropped). This complicated efforts to secure involvement from the agency.

The **court recording equipment** was completed, but KPK respondents state that live streaming functionality called for in their specifications was never operational. According to KPK, a new Commissioner was named during the Threshold period and as he did not request this capacity, KPK never pressed Chemonics to correct the problem.

The **surveys** were all completed with the exception of the in-depth analysis of the 2008 data. Funds allocated for that study were returned to Chemonics. All other deliverables under the TI-I subgrants (2008 and 2010) were completed as planned.

ACHIEVEMENT OF OUTCOMES:

As the radio system has not yet been deployed, the evaluator was unable to assess its' effectiveness in increasing KPK's investigation capacity. However, program documents indicate that should KPK decide to take the system operational, it will greatly expand the radio coverage available to their agents and help in surveillance operations.

The purchase of audio/video equipment to record court trials was intended to increase the number of corruption trials recorded from a baseline of 160 trials in 2006 (with the 3 sets of equipment purchases by KPK) to 400 trials in 2007 (170 in Jakarta; 230 outside of Jakarta) and 455 trials in 2008 (180 in Jakarta; 275 outside of Jakarta). Data provided by KPK for the period 2008-2010 demonstrates that the number of sessions recorded has increased, although slightly under the target (389 as opposed to 455).

The seven KPK staff consulted for this evaluation report that transcripts have been used by judges during cases (the evaluator was not able to visit regional corruption courts to verify). However, respondents indicate that progress has been slower working with law faculties and higher courts to use the recordings to improve future corruption trials. There are no documented cases whereby decisions have been revisited or overturned through the use of the transcriptions, although law students have been using the tapes to highlight possible cases of court corruption which have been reported to KPK's investigative unit.

KPK found TI-I's methodology was not suited to their needs and therefore conducted their own survey, with Threshold assistance, in 2008. That study was used to identify corruption "hotspots" and target KPK's investigations.

EFFICIENCY: The three legacy audio/video units were purchased by KPK for approximately 500 million rupiah, or $58,000 (as recalled by KPK respondents). KPK designed specifications based on commercially available models. However, Chemonics procured professional-grade equipment (see photo) as opposed to the camcorders that had been purchased by KPK with their own funds. As a result, KPK indicate that the units are bulkier and more expensive to operate than anticipated.

SUSTAINABILITY: KPK has yet to deploy the system, but is maintaining it, indicating they intend to deploy once they have addressed outstanding technical issues. KPK is budgeting to cover the maintenance costs of the radio communication system, which are significant, (the bandwidth is approximately $115,000 annually and the lease for each rooftop is approximately $2,000 per year).[23] In addition, they installed close captioned cameras in August 2011 after incidents of vandalism on some of the rooftops. KPK is also currently considering a maintenance contract with the manufacturer to handle technical troubleshooting and is seeking a vendor for maintenance of the base stations when the MCC-funded contract expires at the end of 2011.

KPK is also funding the five universities hosting and operating the court monitoring equipment from its own budget. They estimate that it costs approximately 1.2 million rupiah ($139) to record each session, which they can support. They are currently exploring the use of the recordings to identify irregularities in trials and to serve the place of transcripts for judges. KPK is discussing with the Supreme Court an expansion of the program to all 10 provincial corruption courts under the current USAID-funded Strengthening Integrity and Accountability Program (SIAP).

SUMMARY OF IMPACT: No impact is seen on KPK's current investigations due to the cancellation of one main activity and problems with the other two. When and if KPK decides to take the radio system operational, it should greatly expand the coverage available to their agents in the field and thus assist in surveillance. The remaining activities (surveys and recording court sessions) have not resulted in any demonstrable increase in corruption investigations.

MCC-FUNDED RECORDING EQUIPMENT USED IN COURT SESSIONS

CONCLUSION AND LESSONS LEARNED

The evaluation finds that the program contributed to increased transparency in the court system and the public procurement of goods and services, two areas that suffer from rampant corruption in Indonesia. Moreover, this Performance Evaluation found a doubling of disciplinary actions against judges and other senior court personnel for ethical infractions, a threefold increase in complaints received and investigated, a nearly 90% compliance rate with wealth reporting requirements by court personnel, and the publication of court decisions which has anecdotally reduced informal fees to registrar's offices in order to obtain information. These changes cannot be attributed entirely to the Threshold Program given the work of GOI and other donors.

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[23] These costs are significantly higher than expected. The original program design assumed antennas would be located on government buildings so that KPK would not have to pay leasing fees. In implementation, it was found that government offices (and some private sector firms) refused to allow KPK to place antennas on their property because they feared that this would allow KPK to monitor communications in their building. As a result, KPK was obliged to lease space from private owners.

In public procurement, achievements include lower transaction costs for vendors to bid on public contracts (e.g. they no longer "purchase" tender documents because they can be downloaded) and reduced opportunities for collusion between bidders and tender committee members. However, the frequency of reported bribes post-award, which represents a larger cost to firms, does not appear affected. Program activities also contributed to increased compliance with reporting of suspicious financial transactions by NBFIs. However, there is no data linking the increased reporting by NBFIs, or of assets by senior court personnel, to higher conviction rates by either PPATK or KPK.

The Threshold Program did not contribute to improved investigation and prosecution by KPK as two of the three activities (secure online data sharing between KPK and PPATK, and intercept equipment) were dropped and the radio system has yet to be deployed. The inclusion of highly sensitive and extremely technical capital good procurements may be ill-advised for the mandate and timeframe of the Threshold Programs. A large amount of staff and consultant time was expended on these activities since a full year passed before they were dropped from the program. Incurred costs for all three activities were approximately $6.6 million (roughly $4 million of which was for the radio system), a substantial investment considering that the activities have not yet resulted in any change in behavior or outcomes, although KPK's capacity would be increased should they choose to use the system in future. Their continued investment in maintaining the radio system is a hopeful sign that the system will eventually be put to use. GoI was able subsequently to budget internal funds for the equipment not purchased under Threshold, indicating that MCC investment was not essential to fulfilling some intended objectives.
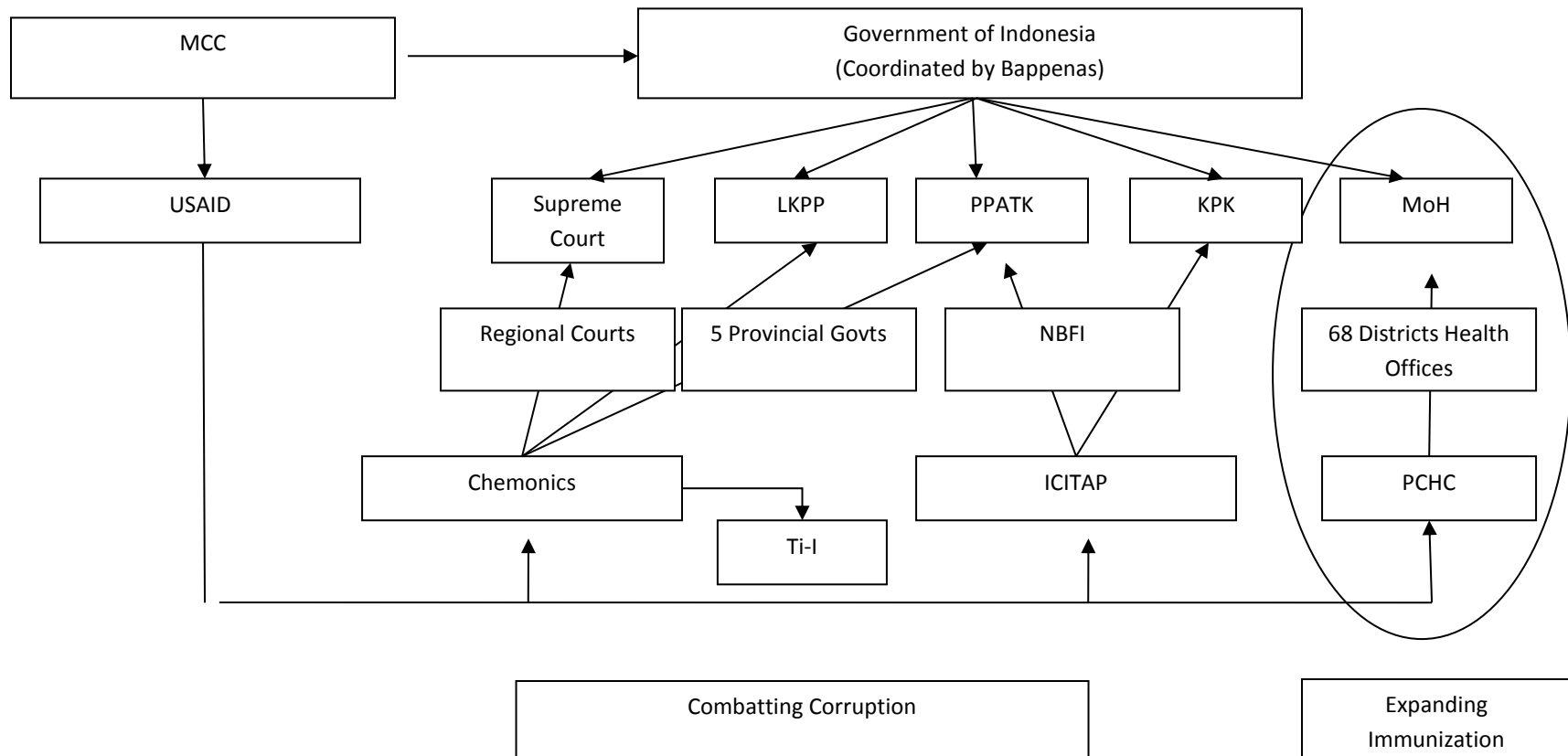
LESSONS LEARNED

The Threshold experience in Indonesia points to a number of lessons for future programming including:

- **Need for sufficient due diligence during design phase -** No formal due diligence was performed by MCC or USAID during the project design or by implementers during early implementation phases. This contributed to some of the poor outcomes associated with the IT inputs (e.g. the passage of regulation requiring enhanced storage capacity at PPATK resulting in unused equipment, the failure to budget and plan for upgrades to the Supreme Court's budget data transmission software or migration of legacy HR data to the new HR system).

- **Careful consideration should be given to inclusion of highly technical, sensitive procurements -** The problems experienced with KPK's requests raise the need to carefully consider whether such procurements are appropriate within the framework and timeline of Threshold Programs. Where the decision is made to include complex procurements, sufficient consideration should be given to the necessary timeframe to design, procure, install and deploy new systems. Such activities would also benefit from a better mutual understanding of USG requirements to compete most contracts and the expected roles and responsibilities of implementers and partner government counterparts.

- **Any future decision to replicate a MCC Management Office within USAID should carefully consider exit strategies -** Creation of a MCC Management Office by USAID was deemed by participants as useful to ensuring sufficient attention was given to the program, but closure of the office prior to

completion of the extension period led to confusion and gaps in communication between implementers and GoI.

- **Linking activities to broader ongoing reforms and to clear incentives, enhanced success -** The positive outcomes seen at the Supreme Court and LKPP partially reflects the fact that Threshold was helping implement activities already mandated in their regulations (the Supreme Court Blueprint for Reform and Presidential Instruction 5/2004 calling for electronic procurement respectively). In addition, reforms at the Supreme Court were driven by high level institutional commitment that is at least partly attributable to incentives linked to higher remuneration if certain administrative reforms were met. In contrast, no respondents cited the Compact Incentive as being important in motivating project outcomes.

ANNEX 1: INDONESIA THRESHOLD PROGRAM ORGANOGRAM

ANNEX 2. DOCUMENTS REVIEWED

MCC Threshold Program Documents

Government of Indonesia MCC Threshold Country Plan (September 2006)

MCC Indonesia Indicator Analysis, January 2006

MCC Threshold Program Strategic Objective Grant Agreement Between the United States of America and the Government of the Republic of Indonesia to Strengthen Anti-Corruption Efforts and Promote Immunization Coverage (November 17, 2006)

Letter No. 825 Re. SOAG Extension

MCC Indonesia Control of Corruption Project Gender Assessment

MCC TCP Indonesia Quarterly Narrative Report October 1- December 31, 2006

MCC TCP Indonesia Quarterly Narrative Report January 1- March 31, 2007

MCC TCP Indonesia Quarterly Narrative Report April 1- June 30, 2007

MCC TCP Indonesia Quarterly Narrative Report July 1- September 30, 2007

MCC TCP Indonesia Quarterly Narrative Report October 1- December 31, 2007

MCC TCP Indonesia Quarterly Narrative Report January 1- March 31, 2008

MCC TCP Indonesia Quarterly Narrative Report April 1- June 30, 2008

MCC TCP Indonesia Quarterly Narrative Report October 1- December 31, 2008

MCC TCP Indonesia Quarterly Narrative Report January 1- March 31, 2009

MCC TCP Indonesia Quarterly Narrative Report July 1- September 30, 2009

MCC TCP Indonesia Quarterly Narrative Report October 1- December 31, 2009

MCC TCP Indonesia Quarterly Narrative Report January 1- March 31, 2010

MCC Indonesia Control of Corruption Project Impact Evaluation of Project Training Activities (June 2009)

MCC Threshold Indonesia Country Program Control of Corruption Project Final Report April 11, 2007- April 10, 2009

MCC Threshold Program Interim Final Report, (August 2009)

Scope of Work for MCC Threshold Country Program Indonesia Judiciary Assistance 2010 (A continuation of MCC-ICCP)

MCC Threshold Country Program Indonesia Judiciary Assistance 2010 (A Continuation of MCC-ICCP) C4J MCC Task Fourth Quarterly Report for October-December 2010

Participating Agency Program Agreement between the United States Agency for International Development and the United States Department of Justice

United States Department of Justice International Criminal Investigative Training Assistance Program (ICITAP) MCC Indonesia Threshold Program, 3rd Quarter Report April-June 2007

United States Department of Justice International Criminal Investigative Training Assistance Program (ICITAP) MCC Indonesia Threshold Program, 4th Quarter Report July-September 2007

United States Department of Justice International Criminal Investigative Training Assistance Program (ICITAP) MCC Indonesia Threshold Program, Report October-December 2007

United States Department of Justice International Criminal Investigative Training Assistance Program (ICITAP) MCC Indonesia Threshold Program, Quarterly Report January-March 2008

United States Department of Justice International Criminal Investigative Training Assistance Program (ICITAP) MCC Indonesia Threshold Program, 3rd Quarter Report July-September 2008

United States Department of Justice International Criminal Investigative Training Assistance Program (ICITAP) MCC Indonesia Threshold Program, Quarterly Report October-December 2008

United States Department of Justice International Criminal Investigative Training Assistance Program (ICITAP) MCC Indonesia Threshold Program, Quarterly Report October-December 2009

United States Department of Justice International Criminal Investigative Training Assistance Program (ICITAP) MCC Indonesia Threshold Program, Quarterly Report January-March 2010

United States Department of Justice International Criminal Investigative Training Assistance Program (ICITAP) MCC Indonesia Threshold Program, Quarterly Report July-September 2010

KPK TETRA Project Site Acceptance Test Punch List

United States Department of Justice International Criminal Investigative Training Assistance Program (ICITAP) MCC Threshold Program, Terrestrial Trunked Radio (TETRA) System Corruption Eradication Commission Komisi Pemberantasan Korupsi (KPK), Final Report

USAID Documents

Indonesia Control of Corruption Project Extension, Draft Six-Month Extension Work Plan April 11 - October 10, 2009 & Performance Monitoring Plan

Indonesia Control of Corruption Project Final Report: Task Order Extension April 11 - October 10, 2009

Changes for Justice (C4J) Draft Inception/Quarter One Report May-September 2010

Public Information and Public Relations Assessment in Nine District Courts, An Assessment Undertaken by the USAID C4J Project, June-August 2010

C4J Public Perception and Court User Baseline Survey, Survey Period July-August 2010

Government of Indonesia Documents

Republic of Indonesia Agency of Public Service/Goods Procurement Policy, Regulation of Director of Agency of Public Service/Goods Procurement Policy, No. 002/PRT/KA/VII/2009 on Guidline for Formation of Procurement Service Unit (ULP) of Public Service/Goods

Regulation of the President of the Republic of Indonesia Number 54 of the Year 2010 on the Procurement of Government Goods/Services

Statistik Laporan Transaksi Keunagan Mencurigakan (Statistical Report on Suspicious Financial Transactions), February 28, 2011, www.ppatk.go.id/statistik

Background and Donor Reports

Snapshot Assessment of Indonesia's Public Procurement System as at June 2007, Piloting OECD/DAC Procurement JV Baseline Indicator (BLI) Benchmarking Methodology Version 4

Olken, B. "Monitoring Corruption: Evidence from a Field Experiment in Indonesia", *Journal of Political Economy*, 2007, Vol. 115, no. 2.

Annex 3. List of Meetings

Supreme Court Staff

1. Pak Ahmad Kamil, Vice Chairman of the Supreme Court Non-Judicial Affairs
2. Pak Paulus, Vice Chairman of the Supreme Court State Administrative Court
3. Pak Bagio, Head of Administration
4. Pak Sutisna, Head of Budget Planning
5. Pak Aconur, Head of Personnel Bureau
6. Pak Supriyadi, Head of Sub-Division for IT Infrastructure and Planning
7. Pay Yunawan Kurnia, Network Administrator
8. Pak Figur Hasmada, Programmer
9. Pak Haemiwan Fathony, IT and Change Management Specialist, Judicial Reform Team
10. Pak Andri Tristiano Sutrisna, Head of Public Affairs
11. Pak Sunarto, Inspector, Region II (Java and Bali), Supervisory Body
12. Ibu Lilik Srihartati, Secretary for Supervisory Body

Corruption Eradication Commission (KPK)

13. Amien Sunaryadi, Senior Operations Officer, Governance and Anti Corruption, World Bank (former KPK Commissioner)
14. Hotman Tambunan, Project Management Unit
15. Zil Irvan Rusli, Head of Information and Data
16. Luthfi Sukardi, Research and Systems Assessment Specialist, Directorate of R&D
17. Pak Aburizal Nahrawi, ICT/Technical Dept
18. Pak Rachmat Budyanto, ICT/Technical Dept
19. Pak Jermia Djati, ICT/Technical Dept

Electronic Procurement (LPSE/LKPP)

20. Sarah Sadiqa, Director for Business Climate and International Cooperation, LKPP
21. Tb. A. Choesni, Director for State Budget Procurement Planning, LKPP
22. Ikak, Director, LPSE (Lembaga Pengadaan Secera Elektronik), LKPP
23. Andik Yulianto, IT Development Leader, LPSE, LKPP
24. Nanang Rofiq, Training and User Support, LPSE, LKPP
25. Ibu Ika Mardiah, Director, Electronic Procurement Team, Dept. of Communication and Information, West Java Province
26. Pak Henggar, Head of the Administrative Office for Procurement, East Java Province
27. Pak Yusanto, Member of the Bina Marga ULP (Public Works/Roads), East Java Province
28. Pak Husen & Pak Bramantjo- IT staff, East Java Province
29. Pak Eri Cahyadi, Director electronic procurement, City of Surabaya
30. Ibu Ika Tisnawati, Manager, electronic procurement Service Secretariat, City of Surabaya
31. Pak Tri Broto Santoso, Head Subdivision Tenders (ULP), City of Surabaya
32. Pak Herson, Head, LPSE, Central Kalimantan Province
33. Pak Tony, System Administrator, LPSE, Central Kalimantan Province

34. Pak Ari Satriyo, Water Department, Central Kalimantan Province (tender committee member)
35. Ibu Ahyani, Head, LPSE, Gorontalo Province
36. Dante Djuuna, Department of Education, Gorontalo Province (tender committee member)
37. Anshari, Agency for Environment, Research and Information Technology, Gorontalo Province (tender committee member)

Financial Transaction Reports and Analysis Center (PPATK)

38. Tri Priyo, Director of Inter-Agency Cooperation
39. Rista Sihombing, International Relations Officer
40. Ishak Oesman, Directorate of Compliance Supervisory
41. Djoko Kurnijanto, Group Head, International Affairs, Directorate of Inter-Agency Cooperation

Transparency International Indonesia (TI-I)

42. Frenky Simanjuntak, Manager, Economic Governance Department

Implementing Organizations
43. Jason Singer, MCC Threshold Program Office Director, USAID
44. Paul Simonett, Senior Rule of Law Advisor- Threshold Program Office, USAID
45. Ibu Kusamastuti, Anti-Corruption Specialist- Threshold Program Office, USAID
46. Chris Miller, Democracy and Governance Officer, USAID
47. Raymund Johansen, Senior Rule of Law Advisor, USAID
48. Ed Routh, Deputy Senior Law Enforcement Advisor, ICITAP
49. Octaviani Dading, MCC Program Coordinator, ICITAP
50. Damiano Toosmin, Program Coordinator Vetting, ICITAP
51. Jonathan Simon, Chief of Party, ICCP, Chemonics
52. Greg Alling, Deputy Chief of Party, Changes for Justice Project, Chemonics
53. Sarah Tisch, Director Asia, Chemonics
54. Miroslav Alilovic (formerly Chemonics Manager of the electronic procurement activities)
55. Saiful Doeana, Unit Manager, DG, AusAid (formerly at Chemonics)
56. Taufik Kurakhman, Rohde-Schwarz (sub-contractor to ICITAP for KPK radio system)
57. Laurel MacLaren, Deputy Representative, Asia Foundation (in charge of managing extension period grant to TII)

Donors/NGOs/Consulting Firms working on Procurement

58. Yuyu Komariyah, Executive Director, Bandung Trust Advisory Group (NGO member of Indonesia Procurement Watch)
59. Natalia Hera Setiyawati, Project Manager, Integrated System & Anti-Corruption Program, Partnership for Governance Reform (UNDP)
60. Piter Edwards, Program Manager, Disaster Response Unit, Indonesia, AusAID (former Program Manager for Judicial Reform Program)
61. Deddy Eriantono, Deputy Program Manager, Strengthening Public Procurement Program (AusAid)
62. Frida Rustiani, Senior Program Officer, Asia Foundation
63. Ibu Titik, Director, OSS Center, PUPUK Surabaya

64. Agus Loekman, Public Policy Specialist, USAID-funded *Program Representasi*
65. David Ray, Chief of Party, Indonesia Infrastructure Initiative