

NONPROFIT ORGANIZATIONS CONTRIBUTION TO INCREASING THE TRANSPARENCY OF PUBLIC PROCUREMENT IN INDONESIA CASE STUDY OF OPENTENDER.NET

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ABSTRACT

Purpose- This paper aims to examine the contribution of Indonesian Corruption Watch (ICW) and the Indonesian Procurement Association or Ikatan Ahli Pengadaan Indonesia (IAPI) as non-profit organizations to increase the transparency in the public organizations' budgets utilization especially in the procurement of goods and services.

Design/methodology/approach- In collaboration with the Non-Ministry Government Institutions (LPNK) in Indonesia called the Lembaga Kebijakan Pengadaan Barang/Jasa Pemerintah (LKPP), these non-profit organizations developed "opentender.net" websites to empower the public in monitoring and controlling public procurement by assessing the possibility of corruption. After explaining the background of non-profit contributions, we evaluate the contributions of the ICW and IAPI by using exploratory design to explore the shortcomings of the "opentender.net" website.

Findings- The result shows that the website could not provide three information details namely the estimated price created by the tender bidders or Harga Perkiraan Sendiri (HPS), the exact amount of value stated in the contract and the market cost. Thus, it hampering the provision of evidence to provide reliable and valid proof of the corruption possibilities.

Keywords: non-profit organizations, public procurement, transparency



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Abstrak

Tujuan- Tulisan ini bertujuan untuk mengeksiminasi kontribusi Indonesia Corruption Watch (ICW) dan Ikartan Ahli Pengadaan Indonesia (IAPI) sebagai organisasi nirlaba terhadap peningkatan transparansi penggunaan anggaran organisasi publik dalam pengadaan barang dan jasa.

Desain / metodologi / pendekatan- Pendekatanm kualitatif dan evaluative digunakan untuk memberikan jawaban atas pertanyaan penelitian. Melalui kerjasama dengan salah satu Lembaga Pemerintah Non-kementerian (LPNK) yaitu Lembaga Kebijakan Pengadaan Barang/Jasa Pemerintah (LKPP), kedua organisasi nirlaba tersebut mengembangkan situs "opentender.net" untuk memberdayakan publik dalam memonitor dan mengendalikan pengadaan publik dengan menilai kemungkinan atau potensi terjadinya tindak pidana korupsi. Setelah menjelaskan latar belakang kontribusi lembaga nirlaba, penulis kemudian mengevaluasi kontribusi ICW dan IAPI dengan menggunakan desain eksploratoris untuk menggali ketidakoptimalan situs "opentender.net".

Temuan- Hasilnya menunjukkan bahwa situs ini belum menyediakan tiga jenis informasi yang mendetail yakni harga perkiraan yang disampaikan oleh penawar tender atau yang disebut sebagai Harga Perkiraan Sendiri (HPS), jumlah nilai yang dituangkan di dalam kontrak dan harga pasar. Oleh karenanya, hal ini belum sepenuhnya mendukung penyediaan bukti yang kuat dan dapat diandalkan terkait dengan potensi tindak pidana korupsi.

Kata kunci: organisasi nirlaba, penyediaan publik, transparansi

1. Introduction

In the era of democratization, information disclosure is becoming an obligation for public organizations. one of the crucial information which is expected to be easily accessible by the public is information regarding the utilization of the budget by public organizations. Before the year of 1998, it is rather rare for a public organization in Indonesia to be too open about its budget utilization information since it is considered to be related to interests that are sometimes unethical for the public. However, post-reform 1998 democratization has made public organizations unable to avoid public pressure to be more open and transparent in managing their budgets. Even after ten years of reformation, Indonesia already has a set of laws governing public information disclosure, namely Law Number 14 of 2008. Of course, this does not mean that the public could easily access public information, especially information about the public organization's budget. Therefore, to maintain the consistency of policy implementation of public information disclosure, the public must continue to involve ensuring that the policy is implemented according to its objectives.

One sector that is actively involved in monitoring and controlling the implementation of public information disclosure laws and ensures that public organizations are transparent in managing their budget is the third sector which is known as the non-profit sector through organizations called non-profit organizations (NPOs). NPOs in Indonesia that consistently carry out monitoring and controlling in the field of the public budget include Indonesian Corruption Watch (ICW), Indonesian Procurement Watch (IPW), Pusat Telaah dan Informasi Regional (PATTIRO), Indonesian Parliamentary Center (IPC), Indonesian Center for Environmental Law (ICEL), Forum Indonesia Untuk Transparansi Anggaran (FITRA), Transparency International Indonesia (TII), Masyarakat Transparansi Indonesia (MTI), and so on. Until now these non-profit organizations continue to exist and carry out various forms of supervision and monitoring activities on public organizations both at the central and regional levels.

This paper will focus on the contribution made by ICW and their collaboration with one of the Non-Ministry Government Institutions (LPNK) in Indonesia namely the Lembaga Kebijakan Pengadaan Barang/Jasa Pemerintah (LKPP) and other non-profit organization which is the Ikatan Ahli Pengadaan Indonesia (IAPI) in terms of transparency of public budget management through the procurement of goods and services which conducted by the public organization. Their effort is manifested through the development of the "opentender.net" website. Through the website, the public can access detailed information about the policies for the procurement of goods and services as an operationalization of budget utilization within the public organization in Indonesia. Even further than open access to information, the public could also monitor and evaluate the degree of probability of corruption in the procurement of goods and services at public organizations both at national and regional levels.

This paper is intended to contribute to the field of the third sector especially non-profit organizations through discussion of the role and contribution of NPO in Indonesia to increase transparency in public budget utilization. The main explanation in this paper is to evaluate the "opentender.net" website which was developed from the collaboration of two NPO namely ICW and IAPI as their contribution to empowering the public in conducting monitoring and controlling public procurement.

On the other hand, this paper will be organized as follows: In the first section, this paper will discuss the theoretical background of NPOs contribution and explaining how ICW and IAPI contribute if viewed from the theoretical framework; In the second section the paper will describe the profile of ICW and IAPI then followed by the explanation about the type and function of the two non-profit organizations; In the third section, the author will overview the current situation of public procurement in Indonesia; In the fourth section, the paper will present the analysis of "opentender.net" website start from introducing the website, then followed by an explanation of how the website works, what kind of criteria employed in the website to evaluate the probability of corruption in the public procurement, and what are the weakness of "opentender.net" website; and the last section will provide the conclusion.

2. Literature review

Backgrounds of NPO's Contribution

Anheier explains that there are at least six major theories in the field of non-profit organizations which explains the drive for non-profit organizations to contribute to improving the quality of people's lives. Those theories are heterogeneity theory, entrepreneurship theory, trust theory, stakeholder theory, interdependence theory, and social origins theory (Anheier, 2014). This paper will put more focus on two theories, namely trust theory and stakeholder

theory. The argument from the selection of these two theories is because both theories have the most representative explanation to explain the contribution of NPOs in certain fields which in this study is the disclosure of information on the use of the budget in the procurement of goods and services of public organizations.

The first theory to be discussed is the trust theory. This theory explains that non-distribution constraints make nonprofits more trustworthy under conditions of information asymmetry, which makes monitoring expensive and profitable likely (Anheier, 2014). This explanation is rational to support the situation that occurs in the process of procurement of goods and services in Indonesia. The limited distribution of information in the procurement of goods and services leads to a situation of information asymmetry. Vast numbers of government institutions in Indonesia, both at the central and regional government levels, make all information on the procurement of goods and services not easily accessible to all citizens. Moreover, the procurement of goods and services at the regional level, especially in remote areas is not easy to do because of limited internet access and considering the vast territories and islands that are scattered in various regions of Indonesia. We also need to understand that the information on the procurement of goods and services is not easily understood by the ordinary citizen. This situation opens up opportunities for NPOs to contribute to overcoming information gaps. Although not all problems can be resolved such as opening up internet access in remote areas, at least the contribution of ICW and IAPI can be an adequate basis for educating and strengthening the community's capacity to participate in the process of procuring goods and services carried out by public organizations.

There is something unique about the "opentender.net" case, which is the collaboration between ICW and IAPI as NPOs with a central government non-ministerial institution, LKPP. The collaboration reflects the development of trust theory, namely the formation of social capital from this activity. What is meant as social capital in this context is the sum of actual and potential resources that can be mobilized through membership in social networks of individual actors and organizations. Because through the development of the site "opentender.net" ICW and IAPI as NPOs not only focus on developing community capacity but also help to increase the credibility of government institutions by establishing LKPP cooperation. In this case, LKPP contributes by providing valid and reliable information about the supply of goods and services as data input to be processed in the "opentender.net" website. Without the LKPP's contribution, the "opentender.net" website cannot function for the public to monitor and control the use of the budget by public organizations.

The second theory is the stakeholder theory. The theory explains that given information asymmetries between providers and consumers, stakeholders decide to exercise control over the delivery of service (Anheier, 2014). The explanation of this theory reflects the developing situation in the procurement of goods and services in Indonesia. Information on the procurement of goods and services in asymmetric public organizations is the driving factor for ICW and IAPI to contribute by controlling the procurement of goods and services.

In another academic work, Salomon explained that four impulses could maintain special contributions from the third sector to the society namely voluntarism, civic activism, professionalism, and commercialism (Salamon, 2015). Among the four impulses, the most appropriate to describe the contribution made by ICW and IAPI in this case study is Civic Activism. This perspective explains that social problems faced by society are the product of structures of social, economic, and political power that such individuals confront in the broader society and in the unequal access to opportunities which in this case is access to information on budget utilization by public organizations. It was further explained that the

social activism impulse thus sees the fundamental role of the nonprofit sector by changing the balance of power in society and opening channels of opportunity to a broader swath of the population (Salamon, 2015). This contribution was made by ICW and IAPI through the development of the website "opentender.net". Both of these non-profit organizations through the website they developed have opened channels for the public to obtain information on public budgets utilization and empower the public to balance government power through the monitor and evaluate the possibility of corruption that can occur in the procurement of goods and services.

The Profile Indonesian Corruption Watch (ICW) and Ikatan Ahli Pengadaan Indonesia (IAPI)

As previously mentioned, ICW and IAPI are two non-profit organizations involved in providing the "opentender.net" website. The non-profit sector in this paper refers to Anheier's opinion that is the sum of private, voluntary, and non-profit organizations and associations that reflect a set of organizations and activities next to the institutional complexes of government, state, or public sector on the one hand, and the for-profit or business sector on the other or what we called as a third sector (Anheier, 2014). Furthermore, in the sub-section of this paper, the profiles of the two non-profit organizations will be outlined to illustrate their role in monitoring the procurement of goods and services in public organizations in Indonesia. Besides, there will also be an analysis of the two organizations in terms of the types and functions of non-profit organizations.

Indonesian Corruption Watch (ICW) Short Profile

Indonesia Corruption Watch (ICW) was established amid major political reforms in 1998. This non-profit organization is initiated by several Yayasan Lembaga Bantuan Hukum Indonesia (YLBHI) activists (Indonesian Corruption Watch (ICW), 2017). ICW was founded based on the idealism that corruption must be eradicated, as it continues to impoverish people and obstruct justice. The vision of this non-profit organization is to strengthen the bargaining position of the people to control the state and participate in decisions to actualize democratic governance that is free of corruption, economic, social and gender (Indonesian Corruption Watch (ICW), 2017).

Furthermore, there is two mission of this organization which is (1) to empower people in fighting for the actualization of a political, legal, economic and bureaucratic system that is free from corruption and based on social and gender justice; and (2) strengthening people's participation in the process of taking and monitoring public policies (Indonesian Corruption Watch (ICW), 2017). Several roles conducted by ICW are (1) Facilitating the awareness and organization of the people in the field of citizens' rights and public services; (2) Facilitating the strengthening of people's capacity in the process of making and overseeing public policies; (3) Encourage people's initiative to expose corruption cases that occur and report the perpetrators to law enforcement and to the wider community to be tried and get social sanctions; (4) Facilitating the improvement of people's capacity in investigating and monitoring corruption; (5) Promoting public campaigns to push for legal, political and bureaucratic reforms that are conducive to fighting corruption; and (6) Facilitating the strengthening of good governance in civil society and the enforcement of ethical standards in the profession (Indonesian Corruption Watch (ICW), 2017).

Based on the description, it can be seen that ICW is a non-profit organization which focused on the prevention and supervision of acts of corruption of local and national government both through the strengthening the participation and empowerment of the public.

Moreover, ICW has been active for more than 20 years. The long period shows that ICW is a consistent organization because it carries out its vision and mission continuously. This has caused the Indonesian people to put a high level of trust in the integrity of ICW as an anti-corruption organization.

Ikatan Ahli Pengadaan Indonesia (IAPI) Short Profile

The establishment of IAPI coincided with the 3rd National Procurement Expert Symposium and Congress held at the Grand Candi Hotel in Semarang on July 3, 2008. The vision of IAPI is being a vehicle and a place for Indonesian Procurement Experts to improve the ability and exchange of information and cooperation between members to make a positive contribution to the welfare of society in the field of procurement of goods and services (Ikatan Ahli Pengadaan Indonesia (IAPI) , 2019).

There are four main functions of this organization which is (1) Assist the Government in formulating policies in the procurement of goods and services that are fair, honest, open, efficient, economical, and free from collusion, corruption, nepotism, and conflicting interests so that they can be legally, technically, administratively and morally accountable; (2) Assist users and providers of goods and services and the general public to improve the performance of the procurement of goods and services and empower the community; (3) Help resolve the problems faced by members of the Indonesian Procurement Experts association in carrying out their duties and obligations; and (4) As a forum for communication, consultation, coordination, unification, and marketing for members of the Indonesian Procurement Experts Association in particular (Ikatan Ahli Pengadaan Indonesia (IAPI) , 2019).

This explanation illustrates that IAPI is a non-profit organization that specifically deals with the supply of goods and services. Furthermore, it can be said that this organization is an organization that brings together experts in the procurement field. Because this organization brings together experts in the field of procurement, the public sees them as having reliable capacity and capabilities in their fields. Moreover, this organization has been established for more than ten years and provides services to various stakeholders from both the public and private sectors.

Sharing Types and Functions Between ICW and IAPI

Furthermore, this paper tries to explain the comparison between ICW and IAPI. According to Salamon, he divides a non-profit organization into two broad types namely member-serving organizations and public-serving organizations (Salamon, 2015). A more detailed explanation of the differences between the two types of NPO can be found in Anheier's writings. There are 12 criteria used by Anheier to distinguish between member-serving and public-serving NPOs, namely objective functions, outputs, distribution criteria, external orientation, goals, structure, accountability and control, decision making, participants, motivation, resourcing, and size (Anheier, 2014). To make it easier to gain understanding the difference between member-serving and public-serving NPO based on the twelve criteria, we can see the table below:

Table 1. The distinction between Member-Serving and Public-Serving NPO

	Member-serving nonprofit (association)	Public serving nonprofit (service provider)
Objective function	Member benefit maximization	Client group benefit maximization
Outputs	Club goods	Collective and private goods

Distribution criteria	Solidarity	Solidarity
External orientation	Internal, discriminate (members)	External, discriminate (targeted client groups)
Goals	Complex, diffuse	Complex, clear
Structure	Informal	Formal
Accountability and control	Members	Board
Decision-making	Democratic	Hierarchical
Participants	Voluntary	Voluntary/quasi-voluntary
Motivation	Solidary	Solidary/purposive
Resourcing	Donative	Donative/commercial
Size	Small	Medium

Source: Modified from Anheier (2014)

Based on the table it can be seen that in terms of the objective function, public-serving NPOs are more oriented towards the users of their services and conversely member-serving NPOs are oriented towards the interests of the members of their organizations. Another fundamental difference is in the pattern of decision making. In NPO member-serving, decision making is done by involving all members of the organization democratically. Meanwhile, public-serving NPOs prioritize a hierarchical and top-down approach. The last thing that is quite striking from the differences between the two types of NPOs is the aspect of formality. Public-serving NPOs have more documented communication patterns and rules when compared to member-serving NPOs.

If we refer to this explanation, then IAPI can be categorized as a member-serving organization while ICW can be grouped into public-serving organizations. This is because IAPI is an organization that specifically brings together experts who work in the field of procurement. It is also reflected in the role of IAPI which is a forum for communication, consultation, coordination, unification, and marketing for members of the Indonesian Procurement Experts Association in particular. While ICW is more likely to be an open organization with an orientation to provide empowerment services to the community through oversight of government administration.

However, rigid sorting like this is sometimes less able to represent the real reality. For instance, if we examine more deeply it turns out that IAPI in its organizational functions turns out to provide services to a variety of different stakeholders. In the first function, IAPI provides services to the government in the formulation of policies in the field of procurement and the second function they also provide services to users and providers of goods and services and the general public to improve the performance of the procurement. Therefore we cannot categorize that IAPI is fully a member-serving organization. If there is a third category, namely quasi between member-serving organizations and public-serving organizations, then this grouping is far more appropriate to describe organizations like IAPI.

It is also applied to ICW. We can see that one of the activities carried out by ICW is to facilitate the strengthening of good governance in civil society and the upholding of professional ethical standards. That means ICW also provides services to fellow anti-corruption activists through the provision of ethical guidance for them.

Salamon explained that there are 5 functions of non-profit institutions, namely service providers, advocacy, aspirational expressions, community building, and guardian values (Salamon, 2015). For ICW, the five functions are part of their activities. For example, they

provide services in the field of preventing and monitoring of corruption through e-learning of anti-corruption education. ICW also carries out advocacy and expression functions through the implementation of public campaigns that push for legal, political, and bureaucratic reform to create an environment conducive to the eradication of corruption. While the function of community building is diverted by ICW through the function of facilitating the increase in capacity of the Indonesian public in decision making and the monitoring of public policy and improvement in the public's capacity to investigate and monitor corruption. The last function is the guardian of value carried out by ICW by maintaining their idealism, namely corruption must be eradicated, as it continues to impoverish people and obstruct justice.

On the other hand, as ICW did, IAPI also performed the five functions of a non-profit organization simultaneously. IAPI running service functions through Providing procurement services and carrying out other activities in the field of procurement of goods and services. Then, IAPI also provides information for the public such as publishing magazines, Newsletters as well as procurement Journals and websites as part of their service function. This organization also conducts advocacy processes through efforts to provide input and policy material to the Government in the context of regulating, fostering and developing in the field of Procurement of Goods and Services. Moreover, IAPI carries out an expression function and value guardians that is reflected in one of their functions, which is to assist the government in formulating policies in the procurement of goods and services that are fair, honest, open, efficient, economical, and free from collusion, corruption, nepotism and conflicting interests. The organization also carries out community development processes through organizing training and Procurement Expert Certification programs to improve the professionalism and competence of procurement experts.

Conceptual Framework

As explained earlier, the main purpose of this paper is to assess the contribution of two non-profit organizations in Indonesia, ICW and IAPI, to increase transparency in public procurement. Therefore, based on the description in the literature review, the author came to the point that there are three factors driving contributions that are relevant to the context of this study, namely trust theory, stakeholder theory, and civic activism. Thus, the research model developed in this paper is as follows:

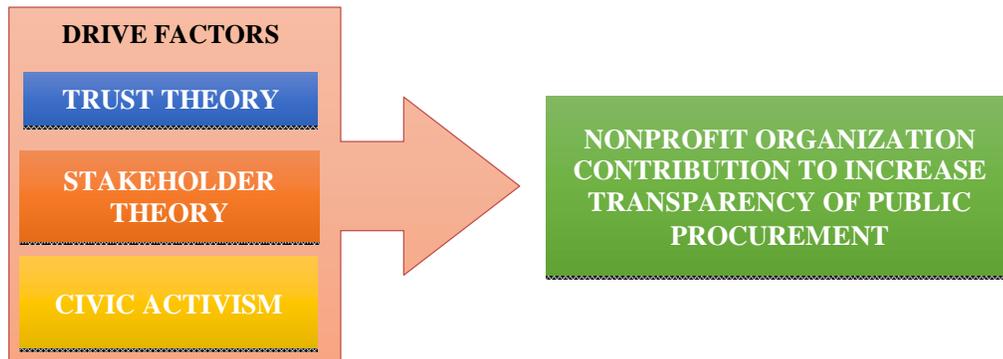


Figure 1. Research Model

3. Methods

Before further discussion, the author will first explain the method employed in writing this paper. The research method used in this paper is a literature review. The research method used in this paper is a literature review. This method relies on the efforts of researchers to collect and synthesize the results of relevant researches that have been done before (Snyder, 2019).

There are three approaches in the literature review method namely a systematic approach, a semi-systematic approach, and an integrative approach (Snyder, 2019). This study was prepared using a semi-systematic literature review. Snyder explained that the purpose of the semi-systematic literature review is to overview the research area and track development over time (Snyder, 2019). Through this design, it is hoped that this paper can provide an adequate overview and the development of NPO's contribution to increasing the transparency of public procurement in Indonesia by analyzing the "opentender.net" website developed by ICW and IAPI in collaboration with a government agency called LKPP.

The data collected is secondary data sourced from a sample of several works of literature that are relevant to this paper and the results of observations on the opentender.net website. The data obtained were then analyzed qualitatively by assessing the quality and strength of findings from various studies and comparing the results of these studies (Snyder, 2019).

4. Discussion

Procurement of Goods and Services in Indonesia

The procurement of goods and services is one of the important stages for public organizations. Thus, the public is expecting that the public organization could provide clear and comprehensive bidding documents and contracts as a form of the transparencies. Transparency also includes clarity of criteria used to evaluate tender bidders and determine tender winners.

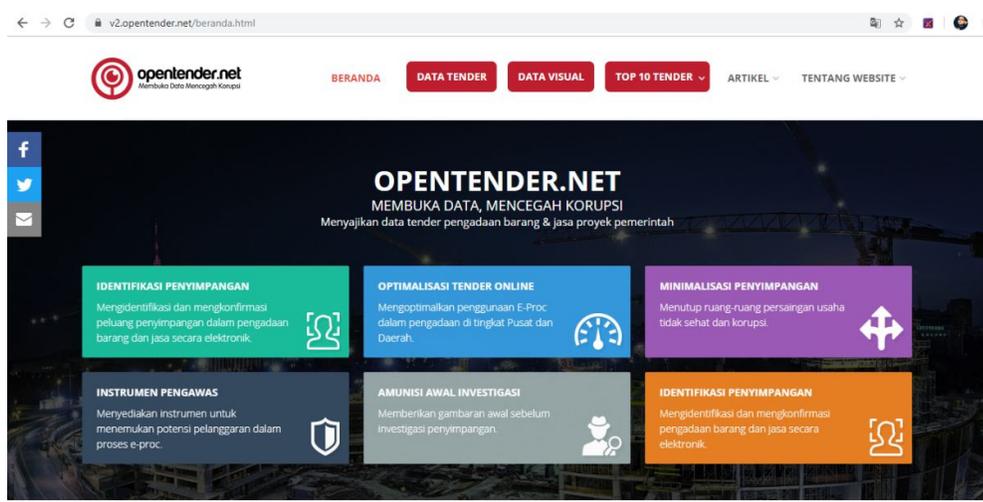
Policies governing the procurement of goods and services in Indonesia are regulated in Presidential Regulation Number 16 of 2018. In the regulation, it is explained that the procurement of goods and services is an activity of Procurement of Goods/Services by the Ministry/Institution/Regional Apparatus funded by the State Budget/Regional Budget, the process from the identification of needs to the handover of work results (Peraturan Presiden Nomor 16 Tahun 2018 tentang Pengadaan Barang/Jasa Pemerintah). The procurement of goods/services includes goods, construction work, consultancy services, and other services. Furthermore, it is also mentioned that the public can submit complaints accompanied by factual, credible, and authentic evidence (Peraturan Presiden Nomor 16 Tahun 2018 tentang Pengadaan Barang/Jasa Pemerintah) which means that the public, both individually and organization can actively supervise the procurement of goods and services within the public organization and submit their complaints if there are indications of corruption, collusion, and nepotism based on strong evidence.

Although Presidential Regulation No. 16 of 2018 already regulates sanctions for violations in the supply of goods and services, in practice incidents of corruption, collusion and nepotism still occur. The committees for the supply of goods and services often make use of the situation to achieve personal advantages and profits by marking up the budget. According to IPW data, 70 percent of corruption case is caused by the goods and service provision projects (Republika, 2013). However, the problem is that it is not easy for the public to have strong evidence when they find symptoms or indications that collusion, corruption, and nepotism have occurred in the procurement of goods and services in public organizations.

Based on these conditions, ICW in collaboration with LKPP and IAPI provides a website "opentender.net" as a channel that helps the public in supervising and monitoring the procurement of goods and services as well as assessing whether or not a misappropriation or misleading occurs in these activities.

What is "opentender.net"

The "opentender.net" is a website on the electronic-based supervision of the implementation of goods and services procurement (e-procurement) that is founded and organized by ICW in collaboration with LKPP and IAPI by the agreement in an MoU in 2013. As shown below, "opentender.net" is an open website that can be accessed by the public. When you enter this website, you can see there are several menus such as home tender data, visual data, top 10 data, some articles which relevant to the public procurement and brief explanation regarding the "opentender.net".



Source: Taken from opentender.net (2019)

Figure 2. The Display of "opentender.net"

Another positive thing about "opentender.net" is the availability of manuals for users of this website and we can download the electronic manuals from this website. Of course, this becomes very important because it makes it easy for the public to use the website to monitor the phase of procurement of goods and services. The manual contains steps that must be taken by website users to carry out the process of monitoring procurement activities. There are three main stages to carrying out this process, namely: (1) developing criteria that will become a reference in monitoring; (2) compile e-procurement project data tables sourced from electronic procurement agency or Layanan Pengadaan Secara Elektronik (LPSE) websites for each region; and (3) analyzing quantitative data from input data tables.

Recently, the public sector e-procurement is considered as an alternative solution for conventional procurement that could not fulfill the demand for efficiency, effectiveness, transparency, accountability, and business competition. Through e-procurement, the demanded criteria could be fulfilled. However, control and monitoring are still important for the implementation of e-procurement. Therefore, "opentender.net" is created as an initiative to control and monitor the goods and services provided through e-procurement and it is also

could encourage and enhance public participation in actively watching the provision of goods and services in the public sector which would decrease the probability of potential corruption among the public institutions.

The opening of the electronic auction or selection system through LPSE makes the public easy to monitor the development projects, starting from project planning, the value of the project, how many participants take part in the auction, who wins the project, and how the project will be implemented (Indonesia Corruption Watch (ICW) and Lembaga Kebijakan Pengadaan Barang/Jasa Pemerintah, 2019). However, the LPSE database is still general and the amount of data is very large and will continue to grow even more especially because the law mandates that as of 1 January 2012 and 2013 all government projects must go through electronic auction services. On the other hand, the capacity of the community to monitor is very limited in terms of time, expertise and funding. Therefore, "opentender.net" employs an analytical tool called the Potential Risk Analysis (PRA) Method or Potential Fraud Analysis (PFA) Method that can facilitate the monitoring process of the LPSE database which then translated into the decision matrix. This method can help determine which projects have been inappropriate or misused. The matrix also provides a shortlist of projects which should be prioritized for further investigation to be assessed for accountability (Indonesia Corruption Watch (ICW) and Lembaga Kebijakan Pengadaan Barang/Jasa Pemerintah, 2019).

Furthermore, there are five purposes of "opentender.net" which are: (1) identify and confirm opportunities for irregularities in the procurement of goods and services electronically; (2) optimizing the use of E-Proc in Procurement carried out at both the central and local government levels; (3) close the opportunity that leads to unfair business competition and corruption violations; (4) provide instruments for supervisory institution/parties concerned to find potential violations in the e-procurement process; and (5) provide a preliminary overview before starting the investigation of occurred deviations (Indonesia Corruption Watch (ICW) and Lembaga Kebijakan Pengadaan Barang/Jasa Pemerintah, 2019).

The motto of "opentender.net" is "open data, prevent corruption." Referring to that motto, we can understand that this website is created to provide open information to the public about the electronic auctions that are held by the government as public organizations. Thus, the public can know what the government did with the public budget. All in all, "opentender.net" is a web-based tool to monitor and control the implementation of e-procurement that openly used for the public.

Criteria to Evaluate and Monitor The Public Procurement

The "opentender.net" provides investigation techniques for the website users to investigate a goods and services provision project which suspected to be corrupt. There are five main criteria which could be served as a reliable reference for the "opentender.net" users to do the investigation which is (Indonesia Corruption Watch (ICW) and Lembaga Kebijakan Pengadaan Barang/Jasa Pemerintah, 2019):

The amount of the contract does not make sense

In general, a large procurement value or work contract will attract many bidders because it promises huge profits. This advantage usually makes bidders try their best, including violating the law. Therefore it is important to oversee projects that have a very large procurement value. The size of the project is certainly very subjective relative, to facilitate it at the time of analysis

it can be helped by using a scale. For instance the value of procurement between 500 million to 10 billion, 10 billion to 50 billion, and so on.

Bidders are too few

The electronic procurement system removes territorial boundaries so that bidders from any province or city/regent in Indonesia can participate. If in a tender it turns out that the participants are few, monopolized by participants from one region or the same participant in each tender, then this electronic tender should be suspected of being engineered or a social gathering system (Sistem Arisan).

Repeated winners

In the process of monitoring, tender winners who always win repeatedly needs special attention. We must carefully examine this phenomenon and be aware if there are favoritism issues such as special relationships between the winning bidder and the political elite.

Construction Project Contracts in Quarter 4 (Between October to December)

In principle, the regional budget or Anggaran Pendapatan dan Belanja Daerah (APBD) cycle is managed for one year from 1 January to 31 December. With this time limit, it becomes a challenge for each SKPD to plan, spend and account for it on time so that budget absorption and utilization are maximized. If based on monitoring, construction projects are found that have a huge number of contract values but are signed in the fourth quarter of the current year, then it is likely that the project will not be optimal because it has been limited by the end of the budget cycle in December.

Small Savings (Lack of Contract Efficiency towards Harga Perkiraan Sendiri (HPS))

Every conventional or electronic procurement implementation has a component related to the budget that must be known, First, the value is based on the ceiling of budget execution list or Daftar Isian Pelaksana Anggaran (DIPA) or budget execution document or Dokumen Pelaksana Anggaran (DPA) in the local or national budget. Second is the ceiling value of personal calculated price or Harga Perkiraan Sendiri (HPS) and contract. The principle of efficiency according to President Decree number 97 of 2011 is applied in every procurement, so the procurement contract value should also be lower than the ceiling value of HPS or DIPA/DPA because, following procurement regulations, the officials who are responsible with commitment making or Perjabat Pembuat Komitmen as the party that must be responsible with the technical procurement must make and determine HPS based on market prices. If this is done correctly, the obtained HPS should be lower than the stipulated DIPA/DPA ceiling. Furthermore, the contract value should also be lower than the DIPA and HPS ceilings because most bidders with the lowest and proportional bid values win the procurement contract. Therefore, the greater the contract value, the greater the savings/efficiency of the budget obtained.

The working process of the "opentender.net" website

The source of data for "opentender.net" is coming from the non-ministry institution which becomes the partner of ICW called LKPP. This data then processed with the Potential Fraud Analysis (PFA) method. The data are measured with the five criteria mentioned in the previous subsection. One method of data measurement offered on this website is by using the decision matrix. This method can help the users to decide which project is potentially corrupt. According to this method, the public could make a decision on which project should be

prioritized for further investigation. Below are the guidelines to use this method to perform the monitoring process in the implementation of e-procurement:

Table 2. The Criteria of The Amount of the Contract does not Make Sense

➤ *Contract Amount*

Criteria	Sum in IDR	Assumed Score
High Contract Sum	> 200 million = 1 201 – 500 million = 2 501 million – 1 billion = 3 1,01 billion – 5 billion = 4 > 5 billion = 5	5

Source: <https://v2.opentender.net> (2019)

As we can see from table 2 that the score will increase along with the rise of the contract amount. Moreover, the table also explains that the bigger the contract amount, the higher the risk of corruption in the project. The contract amount starts from below 200 million rupiahs which score is 1, then follows with the range contract amount from 201 to 500 million rupiahs and so on. The highest score is 5 which the range amount of contract is more than 5 billion rupiahs. As mentioned previously, Score 5 indicates that the probability of corruption is very high. It means that if the project amount is higher than 5 billion rupiahs, then we need to pay more attention to this project because the possibility of corruption is very high.

Table 3. The Criteria of Bidders are Too Few

➤ *The number of participants that bid an offer*

Criteria	Number of Participants	Assumed score
The number of tender participant that bid an offer	< 3 participants = 5 3 participants = 4 4 participants = 3 5 participants = 2 > 5 participants = 1	5

Source: <https://v2.opentender.net> (2019)

Table 3 describe that the score will be increased as the number of participants involved in the project auction gets smaller. Thus, the fewer the participants, the higher the potential corruption will occur. The number of participants starts from more than 5 different individuals or companies in which the score is 1, then followed by 5 participants for score 2, and so on. The highest score is 5 which means the number of participants is less than 3 participants. It means that if the participants involved in the auctions are few than 3 parties then this project needs careful attention since the risk of corruption in that particular tender is high.

Table 4. The Criteria of Repeated Winners

➤ *Repetitive Winner*

Criteria	Recurring Winners	Assumed Score
Repetitive Winner	$W = 2x = 1$ $W = 3x = 2$ $W = 4x = 3$ $W = 5x = 4$ $W = >5x = 5$	5

Source: <https://v2.opentender.net> (2019)

Table 4 shows that the score will go up as the increasing frequency of the same party wins the tender. Thus, if a party wins the tender more than five times of public procurement auction in consecutive times, then the higher the potential corruption will take place. The score starts from 1 if one party wins the tender in two consecutive times, then if the party wins 3 times, the score is 2, and so on. The highest score is 5 which reflects that a party wins the tender more than five times. It means that if a party wins the tender more than five times of public procurement auction in consecutive times, then we need to put our focus on it since the potential corruption is high.

Table 5 The Criteria for Contracts in Quarter 4

➤ *Time spent on construction working (Q)*

Criteria	Months	Assumed score
Time spent in construction working	Q1 (Month 1-3) = 1 Q2 (Month 4-6) = 2 Q3 (Month 7-8) = 3 Q4 (Month 9) = 4 Q4 (Month 10-12) = 5	5

Source: <https://v2.opentender.net> (2019)

From the table above, it can be understood that the score will rise as the project conducted near the end of the fiscal year. If the project conducted in the beginning three months of the fiscal year which is from January to March, the score is 1. Then, the score will be 2 if the project was conducted from April to June of the fiscal year, and so on. The ultimate score is 5 when the project is conducted from October to December. It means that if a project was executed in three last months of the fiscal year, then the risk of corruption is high.

Table 6. The Criteria of Small Savings

➤ *Contract: The Amount of Estimated Cost (Saving) (S)*

Criteria	Amount of Savings	Assumed score
Contract: The Amount of Estimated Cost (Saving) (S)	$> 95,01\% = 5$ $90,01\% - 95\% = 4$ $85,01\% - 90\% = 3$ $80,01\% - 85\% = 2$ $< 80\% = 1$	5

Source: <https://v2.opentender.net> (2019)

Table 6 describes the score will terrace along with the higher percentage of budget spend. Thus, the higher the percentage of budget spend, the higher the potential corruption will take place. Simultaneously, it also means that the lower the saving caused by the budget spend, the higher the potential corruption will take place. Score 1 represents the situation that the saving is under 80%, then followed by score 2 as the saving is between 80,01% to 85%, and so on. The highest score is 5 which represents the circumstances that the savings are more than 95,01%. It means that if the savings more than 95,01%, we need to do further investigation to ensure potential corruption. To measure the potential for corruption, we need to combine all of these criteria and summed up it. We could measure the final sum on a scale of 5 to 25. Score 5 indicates the low probability of corruption while score 25 shows the high likelihood of corruption. Here is the formula to obtain the score of potential corruption:

$$CS + P + RW + Q4 + SS = SPC$$

- CS* = The score of Contract does not Make Sense
- P* = The score of Participants involved in the auction
- RW* = The score of repeated winners
- Q4* = The score of contract in quarter 4 of fiscal year
- SS* = The score of Small Savings
- SCP* = Score of Potential Corruption

Then, after we obtain the score we could see in which degree the corruption would be. For the details, we could see the interval class to determine the corruption probability as illustrated in Table 7 below:

Table 7. The Score Interval Class

The Score Interval Class	The Degree of Corruption Probability
5 - 10	Very low
11 - 15	Low
16 - 20	Moderately High
21 - 25	Very High

Source: Modified from <https://v2.opentender.net> (2019)

As shown in table 7, if the score falls between 5 to 10 then the degree of corruption is very low. Then, if the score is between 11 to 15 the degree is low. The moderately high degree will be at 16 to 20 and a very high degree of corruption will occur as the score is 21 to 25. In its development, the use of PFA or PRA instruments on the "opentender.net" website is very helpful for website users to determine the level of probability of corruption in public procurement. The method of its work is simple and easy to understand with the application of an uncomplicated scale to be the main reason why "opentender.net" is very friendly to its users. On the other hand, the "opentender.net" website can also serve as an effective tool to minimize and prevent corruption and budget deviations since public organizations will realize that the public can now easily monitor and control the process of public procurement. Furthermore, this also prevents the efforts of certain irresponsible parties to exploit the situation by blackmailing public organizations. This certainly protects the accuracy of budget utilization and public procurement.

The Shortcomings of "opentender.net"

From the explanation above, we can say that "opentender.net" has a lot of advantages for its users. However, "opentender.net" also has some weaknesses. First, there is some incomplete information on budget planning such as the amount of estimated cost created by the government (HPS), and the amount of budget approved in the contracts. That information is not available in the data that obtain from LKPP. Thus, it will be difficult to know exactly in which section there would be price differences between the amount of estimated cost and the price stated in the contract. Another incomplete information is the market cost whereas the market price is an important reference to know the fairness of the purchase price of goods and payment for the same service on the market. This will make it difficult for website users to compare the prices between the HPS, the budget stated in the contract, and the market cost. Of course, this can weaken the process of proving the possibility of corruption.

The "opentender.net" could only display information about the total price. To reveal the corruption incident, further and in-depth investigations are needed, especially on the level of reasonableness in the gap between Self Estimated Prices which created by the government (HPS) and the costs listed in the contract. Further investigation of the relevant documents of the agreement between the government and the company also needs to be carried out. If the information available is only about the number of contracts, then it is certain that the accountability score will be low and that is not enough evidence to show that corruption has occurred. Even if detailed budget information is available we will find it easier to find which parts have been deliberately inflated.

5. Conclusion

This study has important substantive implications by explaining the contribution of non-profit organizations to increase public budget transparency by facilitating the public to conduct monitoring and controlling of public procurement. This study shows that ICW and IAPI have provided significant offers in terms of providing information to the public in Indonesia regarding the use of the budget by public organizations which in this case are specific to the procurement of goods and services through the website "opentender.net." Moreover, these two organizations also empowered the public to carry out monitoring and controlling with certain criteria on the "opentender.net" website to assess and evaluate the potential for corruption in public procurement activities. However, the "opentender.net" website is less in presenting the detailed information about HPS and contract value to the public. The lack of information makes the information is difficult to figure out whether public procurement is free corruption or not since the government and certain companies may make the deal under the table to decide the contract value which is lower than HPS. Therefore, to optimize the contribution of ICW and IAPI as a non-profit organization, it is necessary to strengthen collaboration with LKPP or other government agencies that have wider access to the information which relevant with HPS, the definite price value as stated in the contract of procurement of goods and services and market cost so that the monitoring and controlling of the procurement of goods and services can run more effectively.

Apart from the discussion that has been elaborated, some limitations need to be considered from this paper. The form of a contribution to increasing transparency discussed in this study is limited to the opentender.net website. Therefore, it is possible to develop this research further such as knowing the intensity of the use of opentender.net and how users evaluate this website.[]

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