A review of corruption in public procurement in Indonesia

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Abstract. The implementation of a good State is one of the benefits of preventing corruption, meaning that Indonesia's funds and natural resources are fully managed for the interests and prosperity of the people. The public understands corruption as something detrimental to state finances. In Law 31 : 1999 in conjunction with Law 20 : 2001 concerning Eradication of Corruption Crime there are 30 types of corruption. One of the seven Corruption Crime groups is gratification. Two of the seven principles of gratification control are transparency and accountability. The principle of openness is reflected in the mechanism for reporting on receipt of gratuities to the Corruption Eradication Commission. This study attempts to identify various aspects associated with the potential occurrence of corruption in the procurement of Government sector infrastructure projects based on a literature review through existing legislation in Indonesia. The results of the study are expected to be able to find indicators as potential corruption in public infrastructure procurement.

1. Introduction

1.1 Background

The coverage of the Hand Catch Operation (OTT) on the State Civil Service / Civil Servants (ASN/PNS) in Indonesia continues to grow. The OTT case was dismantled by the Corruption Eradication Commission (KPK) related to infrastructure and non-infrastructure. This corruption case caused the State to suffer losses, especially in terms of finance.

Indonesia Corruption Watch (ICW) released data, that the five most corrupt sectors throughout 2018 [1]. The most corrupt sectors are village funds (49 cases of infrastructure and 47 non-infrastructure cases). Next is corruption in the government sector (13 infrastructure cases and 44 non-infrastructure cases). The third sector is related to education (15 infrastructure cases and 38 non-infrastructure cases). The fourth sector of the transportation sector (23 infrastructure cases and 9 non-infrastructure cases). The fifth sector of health sector corruption (5 cases of infrastructure and 16 cases of non-infrastructure). Corruption of the transportation infrastructure development project was ranked first [5].

In 2017, ICW revealed the results of research that showed 27.4 percent of corruption occurred in the infrastructure sector [2, 3, 4]. With this figure, corruption in the infrastructure sector occupies the top position in the ranking of the biggest case development in 2017. The cases handled by the KPK also show that the potential for corruption in
infrastructure projects is indeed real and many. At the end of 2018, the KPK revealed 14 corruption cases in several old infrastructure sector projects with fictitious work mode. From a number of these cases, bribery cases of road projects at the Ministry of Public Works and Public Housing (PUPR) are ranked top [3].

PUPR ministry devises measures to reduce the potential and opportunities for corruption in infrastructure projects [2]. To prevent corruption in the PUPR ministry, the procurement of goods and services reforms (PBJ) was launched with two moves, namely establishing PBJ Centres in each province and replacing the signing of contracts that were originally carried out by PPK to be more senior PPK supervisors. All organizational units in the PUPR Ministry such as the Big Office/Big River Region, the National Centre for Public Works/Public Works and Work Units (Satker) in the regions carry out planning, tendering, implementation and supervision of work. After the PBJ Office was established the auction was only conducted by the PBJ Office.

By opening public access to information, it is hoped that the Public Agency will be motivated to be responsible and oriented towards the best public service. Thus, it can accelerate the realization of open government which is a strategic effort to prevent the practice of corruption, collusion, and nepotism (KKN), and the creation of good governance [11]. The existence of Law Number 14 of 2008 concerning Public Information Openness is very important as a legal basis relating to the right of everyone to obtain information and obligations Public agencies provide and serve information requests quickly, on time, at a low/proportional cost, and in a simple way. Every Public Agency should open access to Public Information relating to the Public Agency for the wider community.

The scope of the Public Agency in this Law includes executive, judicial, legislative and other state administrators who obtain funds from the State Budget (APBN)/Regional Budget (APBD). And includes non-governmental organizations, both legal entities and non-legal entities, such as non-governmental organizations, associations, and other organizations that manage or use funds that are partly or wholly sourced from the APBN/APBD, community contributions, and/or outside country. Through the mechanism and implementation of the principle of openness, good governance and transparent community participation and high accountability will be created as one of the prerequisites for realizing essential democracy.

Previous corruption has also been a concern of the Government for prevention efforts by making Law Number 31 of 1999 concerning the eradication of criminal acts of corruption. This law was changed to Number 20 of 2001 concerning amendments to Law Number 31 of 1999 concerning the eradication of criminal acts of corruption. By following the provisions of Article 43 of Act Number 31 of 1999 concerning Eradication of Corruption Crime, an independent Corruption Eradication Commission was formed with the task and authority to eradicate corruption.

1.2 Formulation of the problem
1. How is the Indonesian Government's efforts to prevent corruption?
2. What is the potential or loophole of corruption in the procurement of public infrastructure in Indonesia?
3. What is the role of transparency and accountability as the principle of controlling gratification in efforts to prevent corruption?

1.3 Research Purposes
This study seeks to identify various aspects related to the potential for corruption in the procurement of government sector infrastructure projects based on literature review through laws in Indonesia.

1.4 Research Methods
This research is still in the early stages of a literature review of the legal system of certain laws or registered law. This research is known in the field of normative law and can be used for other scientific purposes as library legal research. The form of legislation consists of the 1945 Constitution, Laws, Government Regulations, Ministerial Regulations, and other implementing regulations.
Library material is the basic data in which research is classified as secondary data. Secondary data has a very broad scope, including personal letters, diaries, books, to official documents issued by the Government [10]. The basic material for library research from the information provided is divided into two groups:

1. **Primary material/source**, namely library material that contains new or up-to-date scientific knowledge, or new understanding of known facts and about an idea (idea). Primary material/sources include books, conference work papers, research reports, technical reports, magazines, dissertations/theses, and patents.

2. **Secondary materials/sources**, namely library materials that contain information about primary ingredients. These secondary materials/sources include: abstracts, indices, bibliographies, Government publications, and other reference materials.

The basic material for library research used in this study consisted of the Law on Public Information Openness and the Law on the Eradication of Corruption Crimes. Equipped with technical reports from the Corruption Eradication Commission and ICW which were obtained online through the official website. As well as several journals and news related to corruption in the procurement of public infrastructure.

### 2. Regulatory study

#### 2.1 Eradication of corruption crimes

The literature study in legislation is based on years of ratification, namely the eradication of criminal acts of corruption, public information disclosure, and procurement of government goods/services. Law number 28 of 1999 concerning the administration of a clean and free state of corruption, collusion and nepotism, in article 5 paragraph 4, explains that every state organizer is obliged to, not commit acts of corruption, collusion and nepotism. Article 1 paragraph 3 explains the definition of corruption is a crime as referred to in the provisions of the regulation.

Eradication of criminal acts of corruption is a series of actions to prevent and eradicate corruption through efforts to coordinate, supervise, monitor, investigate, investigate, prosecute, and examine court proceedings, with the participation of the community based on the prevailing laws and regulations [9]. Corruption is a criminal act as referred to in Law Number 31 of 1999 concerning Eradication of Corruption Crimes which has been amended by Law Number 20 of 2001 concerning Eradication of Corruption Crimes. The description of the definition of corruption is explained in Law Number 31 of 1999 (Law 31/1999) in Article 2, Article 3, Article 4, until Article 20, including:

1) Anyone who violently violates an act enriches himself or another person in a corporation that can harm the state's finance or the country's economy. (Article 2 of Law 31/1999).

2) Any person who aims to benefit himself or another person or a corporation, misusing the authority, opportunity, or means available to him because of his position or position or means because of a position or position that can harm the state's finance or the country's economy. (Article 3 of Law 31/1999).

3) Any person who commits a crime as referred to in the Articles of Criminal Law (Article 5 to Article 12 of Law 31/1999).

4) Any person who conducts an experiment, assistance, or conspiracy to commit a criminal act of corruption, is punished with the same criminal offense as referred to in Article 2, Article 3, Article 5 to Article 14. (Article 15 of Law 31/1999).

5) Any person outside the territory of the Republic of Indonesia who provides assistance, opportunities, facilities or information for the occurrence of criminal acts of corruption shall be punished with the same criminal offense as the perpetrator of corruption as referred to in Article 2, Article 3, Article 5 to Article 14. (Article 16 of Law 31/1999).
In Article 43 paragraph 1 of Law 31/1999 states that within 2 (two) years at the latest since the enactment of the Law, the Corruption Eradication Commission has been established. Furthermore, in paragraph 2 of Article 43 of Law 31/1999, the Commission in question has the duty and authority to coordinate and supervise, including conducting investigations, investigations, and prosecutions per under the provisions of the applicable legislation. The Corruption Eradication Pindana Commission, hereinafter referred to as the Corruption Eradication Commission (KPK), was formed based on Article 2 of Law Number 30 of 2002 (Law 30/2002) concerning the Corruption Eradication Commission.

According to Article 3 of Law 30/2002, KPK is a State institution that in carrying out its duties and authorities is independent and free from the influence of any power. The Corruption Eradication Commission was formed to increase the usability and results of the efforts to eradicate corruption (Article 4 of Law 30/2002). In carrying out its duties and authority, the KPK is based on legal certainty, openness, accountability, public interest and proportionality (Article 5 of Law 30/2002).

Openness is referred to as a principle that opens itself to the right of the community to obtain correct, honest and non-discriminatory information about the performance of the KPK in carrying out its duties and functions. Whereas accountability is intended as a principle that determines that every activity and outcome of the activities of the Corruption Eradication Commission must be accountable to the community or the people as the highest holder of the sovereignty of the State by following the prevailing laws and regulations. In carrying out the task of preventing corruption, according to Article 13 of Law 30/2002, the KPK has the authority to carry out preventive measures or efforts, as follows:

a) Registering and checking reports on state assets;
b) Receive reports and determine gratification status;
c) Organizing anti-corruption education programs at every level of education;
d) Design and encourage the implementation of a socialization program to eradicate corruption;
e) Conduct anti-corruption campaigns to the general public;
f) Undertake bilateral or multilateral cooperation in eradicating corruption.

In-Law 31/1999 in conjunction with Law 20/2001, there are 30 types of corruption. The 30 types of acts of corruption speech can be grouped into seven, namely: State financial losses; bribery; embezzlement in office; extortion; fraudulent production; conflict of interest in procurement; and gratification. Of the various types of corruption stipulated in the law, gratification is a relatively new thing in law enforcement of corruption in Indonesia. Gratification is regulated in Article 12B of the Act above. In the explanation of the article, gratification is defined as a gift in the broadest sense, which includes the provision of money, goods, rebates, commissions, interest-free loans, travel tickets, lodging facilities, travel, free medical treatment, and other facilities received at both domestically and abroad and which are carried out using electronic facilities or without electronic facilities [6, 7].

In Article 12B, the act of receiving gratification by a Civil Servant or State Operator is considered a bribery if the gift is made because it relates to his position and is contrary to his obligations or duties. The establishment of this regulation on gratification is a form of awareness that gratification can have a negative impact and can be misused, especially in the context of organizing public services, so that this element is regulated in legislation concerning corruption. It is expected that if the culture of granting and receiving gratuities to/by State Administrators and Civil Servants can be stopped, then the crime of extortion and bribery can be minimized or even eliminated.

One common practice in the community is the gift of gratitude for the services provided by the officer, whether in the form of goods or even money. This can be a habit that is negative and can lead to potential acts of corruption in the future. This potential corruption is trying to be prevented by law. Therefore, regardless of the value of gratuity received by a State Administration or Civil Servants, if the gift is reasonably suspected to be related to the position/authority possessed, then the State Administration or Civil Servants should immediately report it to the KPK for further analysis.

The practice of gratification or gift-giving among the public is not prohibited, but it should be noted that there is an additional sign, namely the prohibition for Civil Servants/State Administrators to
accept gratuities that can be considered bribery. Following are some examples of cases of gratification which are prohibited based on the provisions of Article 12B of Law Number 31 Year 1999 in conjunction with Law Number 20 Year 2001 (then read prohibited gratuities) or those not related to gratuities but which often occur:

1) Giving gifts or parcels to officials on religious holidays, by partners or subordinates.
2) Gifts or donations at the time of the child's marriage from the employer by the official office partner.
3) Provision of travel tickets to officials or their families for free personal use.
4) Provision of special price discounts for officials for the procurement of goods from partners.
5) Provision of fees or fees for pilgrimage from partners to officials.
6) Giving birthday prizes or other private events from partners.
7) Provision of gifts or souvenirs to officials at the time of work visit.
8) Giving gifts or money as a thank you for being helped.

2.2 Public Information Openness

Law Number 14 of 2008 concerning Public Information Openness (KIP) in Article 18 states that information on reports on returning corruption money is not included in the category of excluded information. In the KIP Law, it was explained that in examining criminal cases in court, the KPK was given the authority by the Law to disclose excluded information. The purpose of the written KIP Law in Article 3, one of which is to increase the active role of the community in public policymaking and good management of Public Bodies. Public bodies are managed by public officials whose functions and main tasks are related to the administration of the State, in part or all of their funds sourced from the State Revenue and Expenditure Budget and/or Regional Revenue and Expenditure Budget, or non-governmental organizations as long as part of the funds are derived from the Revenue Budget and State Expenditures and/or Regional Revenues and Expenditures, community, and/or foreign contributions.

Article 14 of the KIP Law on public information that must be provided by State-Owned Enterprises, Regionally-Owned Business Entities and/or other business entities owned by the State in this Law has guidelines for implementing good corporate governance based on the principles of transparency, accountability, independence, and fairness. Transparency is openness in carrying out the decision-making process and openness in expressing material and relevant information about the company. Accountability is the clarity of functions, implementation, and accountability of company organs so that the management of the company is carried out effectively.

2.3 Procurement of Government Goods/Services including Infrastructure

Legislation related to the procurement of government goods and services under study consists of presidential regulation number 54 of 2010 and its amendments concerning procurement of government goods/services, and presidential regulation number 16 of 2018 concerning government goods/services procurement. Transparency in presidential regulation number 16-year 2018 written in article 5 concerning procurement of goods/services policy includes implementing procurement of goods/services that are more transparent, open and competitive. Furthermore, in article 6 the procurement of goods/services applies the following principles: efficient; effective; transparent; open; compete; fair; and accountable. The government goods/services procurement policy institute has issued 13 (thirteen) derivative rules for the implementation of presidential regulation 16/2018 concerning government procurement of goods/services. These thirteen rules constitute guidelines and technical instructions for procurement actors in the scope of ministries/institutions/regional devices in implementing government goods/services procurement.

The rule that specifically regulates the procurement of goods/services for the Government is Presidential Regulation 16/2018. Previously there was a Presidential Regulation 54/2010 which was the result of an improvement from the long journey of provisions concerning the procurement of
goods/services by the Government since Presidential Decree 11/1973 concerning the Budgetary Implementation Guidelines for the 1973/1974 Budget Year (Keppres 11/1973). After the Presidential Decree 11/1973 was born every year a new Presidential Decree since the presidential decree concerned regulated the implementation of the State Budget. However, the provisions for the procurement of goods for the Government are always inserted in them. It was only after 2000 that a Presidential Decree was issued which specifically regulated procurement.

The Government Agency for Goods/Services Procurement Policy (LKPP) formulates new Government Goods/Services Procurement rules through Presidential Regulation 16/2018 concerning Procurement of Government Goods/Services instead of Presidential Regulation 54/2010 along with Amendments. The Presidential Regulation 16/2018 is expected to accelerate and simplify the implementation of Government Goods/Services Procurement, is not complicated, simple, so that it provides value for money, and is easily controlled and supervised. Changes to Presidential Regulation 16/2018 include changes in structure, terms, definitions, and changes in regulations. This new regulation consists of 15 chapters and 94 articles. The structure is simplified by only regulating normative matters and eliminating the explanation section. Standard matter and procedure are further regulated in the LKPP Regulation and related technical ministry regulations. (LKPP Press Release, 2019).

One of the fundamental changes between the presidential regulation 54/2010 and the amendment to the presidential regulation 16/2018 is the change in the definition of procurement of goods/services themselves. Presidential regulation 54/2010 and its amendments state that government procurement of goods/services, hereinafter referred to as goods/services procurement, is an activity to obtain goods/services by ministries/institutions/regional/institutional work units whose process starts from planning needs to completing all activities to obtain goods/services. Whereas in presidential regulation 16/2018, the definition of procurement is changed to government goods/services procurement, hereinafter referred to as procurement of goods/services, is the procurement of goods/services by regional ministries/institutions/devices financed by APBN/APBD needs, up to the handover of work results. with the enactment of presidential regulation 16/2018, all provisions in the presidential regulation have already been applied. for the transition period for the enactment of presidential regulation 16/2018, K/L/PD can still carry out the procurement of goods/services by using presidential regulation 54/2010 along with its amendments up to 30 June 2018. Whereas contracts carried out based on presidential regulation 54/2010 and its amendments continue to refer to presidential regulation 54/2010 along with the changes until the contract expires. After 1 July 2018, K/L/PD must carry out procurement by following presidential regulation 16/2018.

Table 1. Matrix of differences on transparency between Perpres 54/2010 and Perpres 16/2018

| No | PERPRES 54/2010 | PERPRES 16/2018 |
|----|----------------|----------------|
| 1  | Chapter I. General Provisions (Article 1) | Chapter I. General Provisions (Article 1) |
|    | Procurement of Government Goods/Services, hereinafter referred to as Procurement of Goods/Services, is an activity to obtain goods/services by ministries/institutions/regional/institutional work units whose process starts from planning needs to complete all activities to obtain goods/services. | Procurement of Government Goods/Services, hereinafter referred to as Procurement of Goods/Services, is the activity of procurement of goods/services by Regional Ministries/Institutions/Devices financed by APBN/APBD whose process starts from identifying needs, up to |
| Chapter | Article | Section | Description |
|---------|---------|---------|-------------|
| II | 2 | Principles - Procurement Principles (Article 5) | Procurement of goods/services applies the following principles: a. efficient; b. effective; c. transparent; d. open; e. competes; f. fair/non-discriminatory; and g. accountable. |
| | 3 | | Procurement of Goods/Services Policies include: implementing more Goods/Services Procurement transparent, open and competitive |
| XIII | 4 | Electronic Procurement (Article 106) | Procurement of goods/services electronically is carried out through e-tendering or e-purchasing. E-Purchasing is the procedure for purchasing goods/services through an electronic catalogue system. E-Tendering is the procedure for selecting Goods/Services Providers conducted openly and can be followed by goods/services registered with the procurement system by submitting 1 (one) time the offer has been determined. |
| | 5 | Electronic Procurement (Article 107) | Procurement of Government Goods/Services electronically aims to: a. increase transparency and accountability; b. increasing market access and fair business competition; c. improves the efficiency of the Procurement process; d. support the monitoring and audit process; and e. fulfil real-time information access needs. |
| | 6 | | Implementation of Procurement of Goods/Services is carried out electronically using an information system consisting of an Electronic Procurement System (SPSE) and a support system. (2) LKPP develops SPSE and support systems. |
| | X | Procurement of Goods/Services Electronically (Article 69) | |
Electronic catalogue; b. Online Store; and c. Selection of Providers. (3) LKPP has the authority to develop, foster, manage and supervise the implementation of the Goods/Services Procurement E-marketplace.

(1) SPSE scope consists of: a. Procurement Planning; b. Procurement Preparation; c. Selection of Providers; d. Contract Implementation; e. Handover; f. Management of Providers; and g. Electronic catalogue.

CHAPTER X.
Procurement of Goods/Services Electronically (Article 71)

(1) The scope of e-tendering includes the process of announcing the procurement of goods/services up to the announcement of the winner.

3. Infrastructure procurement corruption potential in Indonesia
The public service sector is very vulnerable to corruption in the Procurement of Goods and Services (PBJ) process, including the procurement of goods and services (PBJ) infrastructure projects that also contain corruption gaps [14]. KPK data is 80% corruption related to the procurement of goods and services within the Government [12]. ICW 2017 report, the mode of corruption that is often carried out by perpetrators of corruption and handled by law enforcers is misuse of the budget, but the value of state losses is greatest in the mode of abuse of authority [13].

The finding of corruption cases in congregations carried out by individual ASN/PNS Ministry infrastructure projects, is known to use the mode of asking for project fees up to 10% of the project value [14]. The KPK also appointed two officials of the Public Agency related to 14 fictitious projects in several regions. The gap of corruption is widely used by various parties in terms of the infrastructure budget sourced from the Transfer Funds to the Regions, especially the Physical Special Allocation Fund (Physical DAK). DAK is a budget allocation from the APBN to the Province/Regency/City to help regions improve the quality of basic public services and reduce disparities between regions.

The gap used to obtain benefits from Physical DAK is through the process of disbursing funds. The length of the process carried out for filing disbursements makes some people ask for compensation or compensation. The government needs to strengthen the performance of the Government Internal Supervision Apparatus (APIP), which consists of the Inspectorate and the Financial and Development Supervisory Agency (BPKP) in overseeing infrastructure projects, encouraging the strengthening of external oversight institutions such as the BPK and KPK in exploring the infrastructure budget corruption gaps, and increasing the role of the community when planning, budgeting, implementing, and accountability for infrastructure projects [14].
There are 3 elements to be categorized as criminal acts of corruption, namely: misusing authority, providing benefits to both oneself and others, and causing financial losses to the State. Procurement of goods and services or good infrastructure development is needed to support the running of the nation's economy. Various findings and reports from the examining apparatus show a lot of irregularities in the procurement of goods and services. Deviations are marked by many cases of handling criminal acts of corruption handled by law enforcement agencies. Several practice trigger corruptions in the procurement of goods and services [17], including:

1. Bribery.
   Bribery is an effort made by someone to influence government officials (decision-makers) to take certain actions or not to take certain actions by giving money or other valuable objects. Bribery is a crime that is in one type with a criminal act of corruption and is a type of criminal offense that is very old. Bribery as a daily term as outlined in the Act is a gift or promise (“gifted”) given or received. The bribery is categorized as an active bribery (active omkoping) is a type of bribery which the perpetrator is the giver of gifts or promises, while passive omission (passive omkoping) is a type of bribery that the perpetrator receives as a gift or promise. Bribery is usually carried out by partners/providers to regents, mayors, governors, directors, ministers, PA/KPA, PPK, recipients of goods and services and work supervisors, or to members of ULP working groups. The purpose of bribery for procurement managers is to win bids from partners/providers, or also so that managers of activities receive goods/services submitted by partners where the quality and/or quantity is lower than what is agreed in the contract. The ban on bribery is regulated in Article 6 of Presidential Regulation 54 of 2010 in conjunction with Presidential Regulation 70 of 2012 which is related to the ethics of procurement.

2. Breaking or joining packages.
   In connection with packaging the work of Presidential Regulation 54 of 2010 in Article 24 paragraph 3 regulates the procedure for prohibiting PA to package goods/services:
   - unifying or concentrating several activities spread across several locations/regions which according to the nature of work and their level of efficiency should be carried out in several locations/regions;
   - bringing together several procurement packages which according to the nature and type of work can be separated and/or the amount of value should be done by Micro and Small Businesses and small cooperatives;
   - break down the procurement of goods/services into several packages to avoid the auction; and/or
   - determine discriminatory procurement criteria, requirements or procedures and/or with non-objective considerations.

   Solving or merging packages can be done with clear and appropriate considerations by following the principles of effective and efficient procurement. Breakdown of packages can be done because of differences in target providers, differences in location of recipients/users of goods that are quite significant, or differences in the usage time of goods and services. In the Criminal Code (KUHP) and Law Number 31 concerning the Eradication of Corruption, it does not regulate the threat of the act of combining or breaking packages. In Perpres 54 of 2010 jo the Presidential Regulation 70 of 2012 there is also no threat to package merging or solving. The threat of a criminal offense arises if it can be proven that the solution or merger is followed by mark-up. If this happens then this practice of inflating prices is threatened with punishment.

3. Price bubble (price mark-up).
   Article 6 of Presidential Regulation 54 of 2010 regulates procurement ethics which states that one of them is avoiding and preventing the occurrence of waste and leakage of state finances in the procurement of goods and services. The procurement ethics confirms that providers and procurement management officials are expressly prohibited from procuring goods/services that can result in a waste of state finances. All incidents of crime in the procurement of goods and services almost always result in waste.
This price inflation practice starts from the determination of the HPS that is too high because the bidding/bidding price offer cannot exceed the HPS as stipulated in Article 66 of Presidential Regulation 54 of 2010 where the HPS is the basis for setting the legal bidding for Goods/Construction/Services other and Procurement of Consultancy Services that use the Budget Ceiling method. HPS compilation is calculated based on data that can be accounted for.

In each procurement of goods and services, it is always followed by an agreement/contract which contains specifications of goods that will be done/delivered to the users of goods/services. In the contract, it is always regulated about the quantity and quality of the goods and services agreed upon, so that every effort to reduce the quantity or quality of goods and services is a criminal act.

10. Reducing the quality and quantity of goods and services.

In each procurement of goods and services, it is always followed by an agreement/contract which contains specifications of goods to be done/delivered to the users of goods/services. In the contract, it is always regulated about the quantity and quality of the goods and services agreed upon, so that every effort to reduce the quantity or quality of goods and services is a criminal act. This reduction in quantity and quality is often carried out together with counterfeiting the document of the handover of goods, where the delivery of goods is followed by an official report stating that the delivery of goods has been carried out following the contract.

Legally formally the responsibility to declare that the goods or services delivered are following the contract both the quality and quantity are PPHP. However, material and service providers must also be responsible for these shortcomings. Providers who commit this fraud can be subject to criminal acts as stipulated in Article 7 of Act Number 20 of 2001 concerning Amendments to Law Number 31 of 1999 concerning Eradication of Corruption Crimes. Article 7 of Law 20 of 2001 refers to Article 387 and Article 388 of the Criminal Code whose qualifications are to commit fraudulent acts for providers/contractors, building experts and supervisors, thus endangering the security of people or goods and endangering the safety of the State.

5. Direct appointment.

Direct appointment is a method of selecting goods/services providers by directly assigning 1 provider of goods/services that meets the requirements. Direct appointment can be made in the case of:

a. Certain circumstances;

b. Procurement of special Goods/Special Construction Work/Other Services that are special.

Direct appointment can be done as long as it meets the criteria above. Direct appointments that occur outside those stipulated in the Perpres are illegal. In some cases the direct appointment was also followed by price inflation, because of course there must be a fee given by the supplier of goods/services as a thank you to the appointed official.

6. Collusion between providers and officials for the procurement of goods and services.

Collusion that can lead to criminal acts includes:

a. Make specifications of goods/services that lead to certain partners

b. Managing/Engineering the Procurement Process

c. Make conditions to limit bidders

In Perpres 54 of 2010, Article 24 states that the prohibition on determining discriminatory procurement criteria, requirements or procedures and/or with non-objective considerations.

The estuary of collusion is the elimination of competition in the procurement of goods and services. Competition in public procurement means that providers/partners independently compete to offer goods/services in an election process. Healthy competition is a key element that will produce the most profitable offer for the government, especially the lowest price and the best quality of goods. For providers/partners of competition, it serves as an important driver of the growth of product/service product innovation to produce the best products at competitive prices. Competition can only be
achieved if there is no collusion in auctions, one of the most prominent problems in procurement corruption in the public sector. Providers will compete healthily when they are convinced that they are provided with all the same information and will be evaluated by transparent, non-discriminatory evaluation methods, and available mechanisms to rebut the decision on the evaluation results.

4. Transparency and accountability in efforts to prevent corruption in infrastructure procurement in Indonesia

Infrastructure development is a complex job because it involves many parties and requires large funds. If it is not monitored and fenced off with adequate regulations, infrastructure projects are prone to abuse and corruption. As a result, the infrastructure that is built does not have good quality so that it creates problems in the future.

The stages of infrastructure development are known as SIDLACOM, namely Survey, Investigation, Design, Land acquisition, Construction, Operation, and Maintenance [15]. In-depth assessments and inherent evaluation-monitoring need to be implemented since the beginning of infrastructure development, starting from the survey and investigation phase. Cases of construction failure originate from inadequate surveys and investigations of aspects of investigative methods and techniques, volume, up to analysis/interpretation. The results of a bad investigation survey produce a bad design.

Provision of land is a crucial step considering that many infrastructure projects are hampered due to this. The next stage is construction. Because the largest portion of financing (more than 80 percent) is during the construction period, accountability and transparency are highlighted in this period. Most investigations of corruption cases related to the procurement of infrastructure projects are related to this stage.

The stages of construction are very complex, starting with the tender process (or direct appointment), appointment of the committee, determination of the winner (contractor), agreement on the agreement of the sub-contractor, construction management regarding materials and materials, mobilization of equipment, construction, time management, safety, insurance, until the handover. Efforts to ensure accountability are a big challenge because this stage involves many parties, reference to standards, policies, regulations and is bound to the natural, physical and socio-economic-cultural conditions in which the infrastructure was established.

The last stage in the construction of an infrastructure is operation and maintenance (OM/Operation and Maintenance). This stage is a little neglected, because building is generally prioritized and feels the impact compared to caring for what has been built. Another aspect that is also often overlooked is the enforcement of rules/regulations and the drafting of Standard Operating Procedures (SOPs), which support the function of the infrastructure.

The practice of corruption in the procurement sector is a challenge in government efforts to make efficiency. Therefore, it is important to maintain a shared commitment to make the procurement ecosystem effective, both in implementing regulations, maintaining the integrity of institutions and procurement officers, procurement platforms and transparency and accountability mechanisms. The commitment to make the ecosystem of transparent and accountable procurement effective must touch three main areas, namely government openness, private sector integrity, and public control as the main beneficiaries [16].

The government plays an important role because in addition to having the budget authority as well as the organizer of the procurement so that the commitment to openness and accountability is absolute. The simple step is to simply announce the procurement general plan (RUP) to be carried out annually in the portals of each national procurement institution and portal provided by LKPP following Article 112 (2) of Presidential Regulation No. 54/2010. Internal and public to supervise and prevent any procurement from rent hunters, including politicians.

Besides, the publication of RUP can also increase the role of the domestic economy, especially MSMEs, in preparing the needs of government goods and services. Compliance with RUP publications on national procurement portals is still very low. For 2017, there are still 10 ministries
and 16 institutions that do not fill in the RUP at all in the application of evaluation and supervision of budget realization (Money TEPRA LKPP).

So, for the transparency and efficiency of the procurement budget, the President still has homework to bring order to his helpers. The second area is to build an incentive and blacklist mechanism that is integrated nationally with the provider companies. As is known, the government has just issued Presidential Regulation No. 13/2018 on the principle of recognizing corporate benefit owners (beneficial ownership).

Besides, the National Standardization Agency (BSN) has also developed anti-bribery management based on ISO: 37001. If both of these standards are made as the main requirements for procurement participants, they certainly narrow the space for companies who are involved in procurement activities. A fixed blacklist mechanism must be given if it is proven to be fraudulent, while an orderly one should be given incentives, such as guarantees and ease of credit to increase capital and develop the type of business.

5. Conclusion
1. The Indonesian government has made clear laws and regulations relating to the prevention of corruption. Starting from the 1945 Constitution, Laws, Presidential Regulations, and others. These laws and regulations are updated according to conditions in the field.
2. Potential or loopholes in corruption can occur if the State or private apparatus involved in procuring infrastructure has the desire to enrich themselves or their institutions. Legislation and other rules relating to the prevention of corruption are sought loopholes to prioritize personal interests. It is necessary to take firm action from all law enforcement parties if they find violations.
3. Written and implied transparency and accountability in each regulation including legislation. If all parties agree to no longer conduct gratuities and other types of corruption, transparency, and accountability need to be held firm. Because the accountability of the State Budget is also sourced from the community.

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