ACHMAD NURMANDI
JK School of Government Universitas Muhammadiyah Yogyakarta
nurmandi_achmad@umy.ac.id

What Is The Status Of Indonesia's E-Procurement?

ABSTRACT

E-procurement is an important intrument to prevent corruption in goods and services procurement budget. Indonesia has been implementing the e-procurement project since 2008 based on Presidential Decree. President has stipulating annual order (presidential instruction) has to be obey by all ministries and local governments to procure their budget through r-procurement mechanism. However, untill 2012 fiscal year, this research found that only around 10.26% of central government institution procurement budget, including ministries and 21,10% of local government procurement budget did procure through e-procurement method. This research concluded that regulation, leadership and procurement intitution are challanging factors to make "status quo" e-procurement.

Keyword: regulation, procurement, e-procurement, corruption, procurement budget

IINTRODUCTION

Corruption is one of the main problems in some countries, including Indonesia. Many cases of corruption which occurrin the institutions of Indonesia's government are derive from the procurement of goods and services. One way to prevent corruption is the use of ICT in government sectors, namely e-procurement. The Korean Government is known for its progress in encouraging e-procurement. Korea launched national e-procurement systems on September 30, 2002. The adoption of e-procurement systems in the central government of Korea has been acknowledged by United Nation for Public Administration in 2003 as a best practice. Government e-Procurement Systems (GePS) is a portal site providing information on public procurement and it is also an application service provider of public procurement. GePS advances procurement service by reducing paperwork and red tape, expanding the range of commodity selection, and standardizing services. Government-wide support, including the President's support, had a crucial role for the adoption of GePS in South Korea. High capacity of information technology and institutional collaboration among public agencies and other foundations are elements for the successful establishment of GePS (Seong and Lee, 2008)

This research is very important for Indonesia in order to decrease the corruption in the procurement of goods and services. In 2008, the Indonesian government created **INAPROC** in order to deliver goods and services procurement electronically. In five years, there have been increasing numbers of e-procurement