

Making all voices count

Case study: Monitoring the Indonesian government's e-procurement system

PROJECT NAME

Project to monitor the Indonesian government's e-procurement system

IMPLEMENTING INSTITUTION

International Corruption Watch (ICW)

FUNDING INSTITUTION

Making All Voices Count Programme (MAVC)

LOCATION

Sulawesi, Indonesia

BUDGET

£81,000 grant

AIMS

- Train three local civil society organisations to monitor the government's e-procurement system.

PROJECT CONTEXT

This 18-month scaling project trained three local civil society organisations (CSOs) in three cities in Sulawesi, Indonesia, in the use of the Open Tender website and Potential Fraud Analysis (PFA) tool for e-procurement. It also supported them to undertake off-line investigations into identified cases of potential procurement fraud. This case study evaluation was undertaken by Reboot and Pattiro.

EVALUATION DETAILS

Qualitative assessment using periodic monitoring phone interviews and semi-structured in-person interviews, surveys, and ethnographic observation (baseline, midline and endline reports).

KEY FINDINGS

Progress with investigations has been much slower than originally expected, reflecting considerable difficulty in getting information from government; CSOs' lack of technical knowledge in the procurement areas (e.g. hospital construction, school design and solar cells), and insufficient CSOs human and financial resources to meet ICW investigation standards (even with ICW support). After 18 months, only one investigation report had been submitted to the police and three further (incomplete) reports were likely to be submitted to the relevant authorities.

Post project, it emerged that, following media uptake, one of the four cases being investigated by the police led to repayments by the contractor and retendering of the contract (originally around £150,000) for solar street lighting in Manado, a city of more than 400,000 people. The CSOs involved believed that project tools simplified the initial process of identifying potential fraud and provided an evidence-based entry point to raise concerns with government. Consequently, the project spurred local partners to take on procurement investigations that they would otherwise not have and helped local government to identify credible CSO partners to work with. This is critical for CSOs to work effectively. The Open Tender Platform and PFA tool was used by some CSOs, journalists and academics but had not been adopted by government.

Lessons on project engagement, primarily with government

Civil society struggles with a lack of trust from government due to the legacy of unscrupulous CSOs. This, coupled with reliance by CSOs and journalists on personal relationships with government to get information or action taken, has been a significant constraint for the project. It has taken much of the past 18 months to build trust, but CSO and government project key informants identified more positive engagement at endline than midline. The government is aware of the Open Tender Platform and PFA tool following multi-stakeholder meetings. However, most do not use these tools and will not invest in moving from the existing e-procurement (LPSE) website, unless there was strong political buy-in and direction from senior officials. Engagement with government has focused on data collection as well as publicising the Open Tender platform through multi-stakeholder meetings. One established CSO with a track record of partnering with government has been able to follow official channels to request and obtain information. An activist CSO failed to get government to engage and has relied on activist networks and journalists for information. The third CSO partner has relied on its own informal networks within government rather than engaging directly with the units responsible for the projects being investigated. Turnover of government officials presents a challenge to engagement and relationship-building. Citizens who see corruption as a 'fact of life' are not natural allies for the work of project CSOs and journalists. There is work to be done on citizen as well as government engagement.

Lessons on government responsiveness

The government is perceived as generally evasive and non-responsive when it comes to providing the data required to investigate cases of potential fraud identified by the project tools. There is no obvious pressure on local government officials, despite national policy on e-procurement, an ICW memorandum of understanding with the national public procurement agency, LKPP, and Indonesia's participation in the Open Government

Partnership (OGP).

Moreover, officials felt that submitting an investigation report was no guarantee of government response as very few government offices have the ability to investigate claims directly or to issue sanctions. Officials also believed the overlap between government agencies limited their ability to respond. Multiple government respondents stressed the importance of reputation and addressing issues that garner a great deal of public attention. Partnerships between CSOs and media on issues of corruption have proven to be an effective factor in eliciting timely responses and increased access to government officials. For example, one CSO partnered with the media to draw attention to a persistent problem related to government misappropriation of solar cell street lights. The government acted quickly to address the issue because it became public knowledge both through this journalist and through additional credible sources. Yet, media coverage is no guarantee of success. There are examples where media reported government corruption, for example the use of blacklisted vendors. Yet, no action was taken when this was made public via the press. Government officials from supervisory agencies also perceived value in the Open Tender platform and PFA tool when it directly related to their duties. Certain government agencies indicated that the tool could support their current anti-corruption efforts. As a result, they requested additional training from ICW, indicating their willingness to further engage on these issues.

Role of technology

The OTP and PFA tool does not provide a direct technological channel by which citizens engage with government. Rather, it provides a technological tool that increases potential oversight of government contracts by civil society. Realising that potential requires evidence to be gathered (which officials can choose to support or, more frequently, obstruct) and government can then be engaged with this evidence using traditional, off-line investigation channels. CSOs need to build capacity to do this. The OTP and PFA technology by itself does not provide sufficient incentives for government engagement. That needs external pressure which can come from a supportive political context or media-enhanced citizen demand. The target users of the Open Tender website and PFA tool in this intervention have been CSOs, journalists, and government officials in large cities. The targeted individuals regularly use digital technology and have reliable internet access. This would not be true in other areas. Endline research also suggests that design of the website and user interface of the tool itself will limit uptake post-project. The Open Tender website requires an in-depth orientation and training before individuals can meaningfully utilise it. ICW provided this support through grant activities but the intervention could not expand without this in-person training.