



MCC INDONESIA CONTROL OF CORRUPTION PROJECT

MCC ICCP

QUARTERLY REPORT #2

JULY - SEPTEMBER 2007



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Contract No. DFD-I-00-05-00219-00, Task Order No. 04

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

CONTENTS

Executive Summary	1
I. Progress on Project Work Plan Components	2
A Task 1: Judicial Reform	3
B Task 2: Enhancing Capacity of the PPAK	9
C Task 3: Enhancing Capability of the KPK	11
D Task 4: Electronic Government Procurement.....	13
E Crosscutting Support Activities	18
II. Monitoring and Evaluation	22
III. Administrative, Fiscal, and Personnel Issues	22
Annexes	
Annex A: Project Performance Plan.....	23
Annex B: MCC Project Indicators	24
Annex C: Documents Available Upon Request.....	27

ACRONYMS

Bappenas	Ministry for National Development Planning
BI	Bank Indonesia
COP	Chief of party
CPI	Corruption Perception Index
CTR	Cash transaction report
e-GP	E-government procurement
EU	European Union
Gol	Government of Indonesia
H&H	Supreme Court Department of Legal and Public Affairs
ICCP	Indonesia Control of Corruption Project
ICITAP	International Criminal Investigative Training Assistance Program
IT	Information technology
KPK	Corruption Eradication Commission
KYC	Know Your Customer campaign
LEIP	Indonesia Institute for Independent Judiciary
MCC	Millennium Challenge Corporation
MoF	Ministry of Finance
MOU	Memorandum of Understanding
NBFI	Non-bank financial institution
NEPS	National Electronic Procurement Services
NGO	Nongovernmental organization
PPATK	Indonesian Financial Intelligence Unit
RFP	Request for proposals
RMC	Registered money changer
SOW	Statement of work
STR	Suspicious transaction report
TCP	Threshold Country Plan
TAMF	AusAID Technical Assistance Management Facility
TI-I	Transparency International-Indonesia
TOT	Training of trainers
UNDP	United Nations Development Program
USAID	United States Agency for International Development

EXECUTIVE SUMMARY

Chemonics International signed the Millennium Corporation Challenge Threshold Program Indonesia Control of Corruption Project (MCC ICCP) on 11 April 2007. The objective of the MCC ICCP is to assist the Government of Indonesia (GoI) in implementing four project components aimed at reducing corruption in the judicial sector through (i) administrative and financial reforms with the Supreme Court; (ii) helping the Indonesian Financial Intelligence Unit (PPATK) increase monitoring of reports concerned with money laundering and introducing a Know Your Customer program with non-bank financial institutions (NBFIs); (iii) assisting the Corruption Eradication Commission with courtroom monitoring and use of anticorruption indicators; and (iv) introducing e-government procurement in five provinces. During the second quarter, there has been progress toward achieving the defined objectives in all four tasks of the MCC ICCP, as well as with public communication, a crosscutting activity impacting all four tasks. The highlights are as follows:

Task 1: Judicial Reform

- Agreement with Supreme Court on MCC ICCP Inception report.
- Two pilot “training of judge trainers” code of conduct workshops for 72 judges.
- Wealth reporting module successfully integrated into code of conduct curriculum.
- 162 critical court jobs at Supreme Court identified.
- Staffing assessment scope of work completed.
- Review of religious courts human resources database.
- 135 budget and finance officers trained in Ministry of Finance budgeting software.
- 100 laptop computers procured for court budget and finance officers.
- Proposal for asset management work accepted by Supreme Court; request for proposal (RFP) developed for inventory.
- More than 1,000 Supreme Court decisions uploaded onto Web site.
- Public relations training proposal accepted by Supreme Court.
- Public complaint system assessment undertaken.
- Initial improvements to Supreme Court Web site undertaken.

Task 2: Enhancing Capacity of the PPATK

- Agreement with the Indonesian Financial Intelligence Unit (PPATK) and BI on Know Your Customer campaign for money changers.
- Agreement with the AusAID Technical Assistance Management Facility (TAMF) project on coverage of other NBFIs.
- Procurement on equipment to improve review of suspicious transaction reports (STRs) commenced.
- Continued coordination with International Criminal Investigative Training Assistance Program (ICITAP).

Task 3: Enhancing the Capability of the Corruption Eradication Commission (KPK)

- Continued coordination with ICITAP.
- Agreement on specifications for audiovisual equipment; bids received.
- Agreement with the KPK on MCC ICCP work plan and changes to Transparency International-Indonesia (TI-I) scope of work.

Task 4: e-government Procurement (e-GP)

- Memoranda of understanding (MoUs) signed between Bappenas and four provincial governments for e-GP centers.
- National Electronic Procurement Services (NEPS) software reviewed for data collection and monitoring capabilities.
- Agreement with Bappenas on shape and scope of public awareness campaign.

I. PROGRESS ON PROJECT WORK PLAN COMPONENTS

USAID awarded Chemonics International Inc. the MCC ICCP contract on 10 April 2007; the contract was signed on 11 April 2007. The project start-up team mobilized and began activities within 72 hours. Within the first month a start-up workshop was held to prepare the work plan for MCC ICCP. In mid-July the permanent chief of party assumed post. Given a growing local staff and the addition of consultants with extended scopes of work, a new office was identified. Finalization of this new office is pending approval of a proposed budget realignment by USAID.

During the second quarter MCC ICCP submitted several required deliverables to USAID, including the revised gender assessment, the revised grants manual, a communication strategy, a security assessment, and a branding and marketing plan. Revisions to the Year 1 work plan, which received provisional approval in May, began per USAID remarks at the end of the quarter, and the work plan will be resubmitted in October.

The contract budget was realigned to reflect the changes in the implementation of project activities based on in-depth discussions with the Supreme Court, the PPATK, the KPK, Bappenas, and USAID; it will be submitted to USAID in October for consideration. An approvals matrix will also be submitted to USAID in October to facilitate rapid implementation of project activities.

During the second quarter, there has been progress toward achieving the defined objectives in all four tasks of the MCC ICCP, as well as with public communication, a crosscutting activity impacting all four tasks. The highlights are as follows:

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- Agreement with Supreme Court on MCC ICCP Inception report.
- Two pilot “training of judge trainers” code of conduct workshops for 72 judges.
- Wealth reporting module successfully integrated into code of conduct curriculum.
- 162 critical court jobs at Supreme Court identified.
- Staffing assessment scope of work completed.
- Review of religious courts human resources database.
- 135 budget and finance officers trained in Ministry of Finance budgeting software.
- 100 laptop computers procured for court budget and finance officers.
- Proposal for asset management work accepted by Supreme Court; request for proposal (RFP) developed for inventory.
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- Continued coordination with International Criminal Investigative Training Assistance Program (ICITAP).

Task 3: Enhancing the Capability of the Corruption Eradication Commission (KPK)

- Continued coordination with ICITAP.

- Agreement on specifications for audiovisual equipment; bids received.
- Agreement with the KPK on MCC ICCP work plan and changes to Transparency International-Indonesia (TI-I) scope of work.

Task 4: e-Government Procurement (e-GP)

- Memoranda of understanding (MoUs) signed between Bappenas and four provincial governments for e-GP centers.
- NEPS software reviewed for data collection and monitoring capabilities.
- Agreement with Bappenas on shape and scope of public awareness campaign.

These accomplishments are discussed in more detail below within the individual task reports.

A. TASK 1: JUDICIAL REFORM

SCOPE OF WORK

Judicial sector reform activities constitute the largest component of the MCC ICCP project. Three main areas to improve Indonesian court administration are being implemented:

- Training at all levels of judicial and court personnel on judicial ethics and wealth reporting.
- Institutionalizing systems for human resource, financial, asset, and information management of court resources.
- Installation of systems, procedures, and training to ensure public access to court decisions and other relevant information.

During the second quarter project implementation grew smoother as better communications were established with the court and good working relationships developed with key court personnel. The second quarter has seen improved cooperation by the court and significant progress in meeting project goals and objectives.

PROGRESS REPORT – JULY TO SEPTEMBER 2007

Activity	Comment
1a. Judicial Code of Conduct Training <ul style="list-style-type: none"> • 72 judges were trained this quarter in code of conduct and wealth reporting. 	The 72 judges trained will serve as code of conduct workshop trainers. Four male and eight female judges were trained.
1b. Wealth Reporting <ul style="list-style-type: none"> • 72 judges were trained this quarter in the KPK wealth training module. 	The KPK wealth reporting module was incorporated into the code of conduct training curriculum.
1c. Job Descriptions <ul style="list-style-type: none"> • 162 critical court jobs were identified. 	This work is ongoing; work on the remaining court positions began in September.
1d. Staffing Assessment <ul style="list-style-type: none"> • A draft RFP for a staffing assessment was developed. 	This RFP will be published in major newspapers in Jakarta.

Activity	Comment
1e. Human Resources Database <ul style="list-style-type: none"> Software used by the religious court was reviewed. 	Our research showed that there is no useable database for human resources at the Supreme Court.
2a. Budgeting <ul style="list-style-type: none"> 135 budget and finance officers were trained in MoF budgeting software. 100 laptop computers were procured. 	Ministry of Finance trainers trained 91 male and 44 female officers from the Appeals Courts. Computers will be distributed by the court.
2b. Asset Management <ul style="list-style-type: none"> A proposal to conduct asset inventory in four provinces was accepted. 	The court provided access to existing inventory records.
3a. Publishing Supreme Court Decisions <ul style="list-style-type: none"> More than 1,000 decisions were posted on a Web page that was reviewed at the court's annual national meeting in August. 	The court provided almost 5,000 decisions during August and September by the court. Some cannot be published per court policy, and some are not of readable quality.
3b. Public Complaint System <ul style="list-style-type: none"> An assessment of the current system and procedures was conducted in September. 	The assessment was undertaken by subcontractor LEIP.
3c. Public Relations Training <ul style="list-style-type: none"> The court accepted the training design for public relations training. 	Training efforts were delayed until the court completed hiring of staff.
3d. Public Access to Court Information <ul style="list-style-type: none"> The court accepted public information campaign proposals. 	The campaign will focus on transparency efforts thus far. A broader one-year campaign was submitted to the court in September.

Activity 1a. Judicial Code of Conduct Training



Judge trainees at pilot code of conduct training-of-trainers workshop, Manhattan Hotel, Jakarta, 28 August 2007.

The judges' code of conduct training curriculum was finalized, including completion of five video scenarios to facilitate role-playing. A kickoff dinner was held on 27 August at the Ritz Carlton Hotel. Attendees included USAID Mission Director Mr. Walter North and Deputy Chief Justice Professor Dr. Paulus E. Lotulung, in charge of the court reform team. The pilot training was very well received, and information gleaned from participant evaluations was used to refine the training in anticipation of two more training-of-trainer (TOT) sessions planned for the next quarter. A training facilitation group specializing in small group dynamics was identified to help with the next TOT workshops.

Activity 1b. Wealth Reporting

The KPK training module was successfully integrated into the code of conduct training of judges. A letter was written to the court proposing that 500 senior staff identified by the court be trained using the KPK module. The court was deliberating this proposal at the end of the quarter.

Activity 1c. Job Descriptions

In July a contract was signed with subcontractor MTI to develop job descriptions for positions in the court determined to be critical. Several meetings were held and presentations made to the court seeking implementation approval of the job description methodology. Workshops were held with the court on 22 and 28 July to identify the critical court positions. In August the team worked with the Supreme Court to develop a draft performance allowance that was submitted to the legislative board in an effort to obtain additional funds for the period September-December 2007. This draft performance allowance serves as one part of the remuneration package. This activity was an important demonstration of our understanding of timeline the court is working with to develop a remuneration management system. On 26 August MCC ICCP made a job description presentation at the annual national work planning meeting of the court. More than 150 job descriptions have been completed to date. Work on the job descriptions continues, and schedules are being set to develop job descriptions for the remaining court positions.

Activity 1d. Staffing Assessment

A draft RFP was developed during August and September based on a better understanding of court needs. This understanding was gained through interviews to determine critical court positions. MCC ICCP staff participating in the job description interviews realized that a staffing assessment could be achieved through analysis of a representative sample of courts. The draft RFP will be further refined during the next quarter.

Activity 1e. Human Resources Database

A report provided by subcontractor LEIP on the SIMARI software suite and our own review indicated that no useable system currently exists at the Supreme Court. The team is reviewing the database used by the religious court to determine what size group it can handle and its functionality, as well as reviewing other human resources software packages.

Activity 2a. Budgeting

To assist with the current court budgeting process for 2008, MCC ICCP provided training focused on the Ministry of Finance's updated budgeting software from 26 August-15 September 2007. A total of 135 participants came from the planning and finance sections of the regional appeals courts. The trainers were from the Directorate General Budget and Directorate General Treasury of the Ministry of Finance (MoF). Supervisors from the court Planning and Finance Bureau were also present to monitor the knowledge transfer process. The training evaluations indicated that the participants



Court budget and finance officers were trained to use budgeting software at the Ministry of Finance in September.

were unsure if they would be able to apply the skills they gained, given the lack of court information technology (IT) systems. After the training, the court required all participants to create e-mail addresses and send test e-mail messages.



Example of laptop marking for 100 laptop computers for court budget and finance officers

One hundred laptop computers were procured for distribution by the court to budget and finance officers. The distribution plan was approved by USAID. Each computer is marked with the MCC and USAID logos.

Activity 2b. Asset Management

The team had very productive visits to the West and North Jakarta District Courts. The North District provided detailed information into their asset management procedures and their computer database. Meetings were also held with consultants within the Ministry of Finance and others.

After many discussions throughout July and August, the court determined it would like an inventory with valuation. MCC ICCP submitted a work plan focused solely on asset management assistance to the court. The step-by-step work plan, reviewed by USAID, was intended to provide the Supreme Court with a detailed description of each proposed task and estimated completion dates. In response to this, a meeting was held at the end of August with the entire staff of the Equipment Bureau. The Supreme Court viewed the meeting as a kickoff meeting, indicating their agreement to the work plan. The Equipment Bureau also provided records they received from their 2007 inventory. A review revealed that only one region submitted a report for the 2007 inventory. The other reports for the regions were taken from the *bintek* (training on the new MoF regulations) and not submitted separately. The 2007 inventory reports from the other 29 regions had not yet been sent in.

An Indonesian asset management specialist was hired and began work.

Six organizations were shortlisted in response to the request for expressions of interest in implementing the potential inventory counting or valuation.

Activity 3a. Publishing Supreme Court Decisions

In July a kickoff meeting was held with the court where different approaches concerning publication of decisions on the Supreme Court Web site were discussed. Our proposed methodology was accepted and the court agreed to provide work space and staff. During that month, discussions also explored the limitations of the information technology system and Web site. It was noted that the Web site was still being managed by a contractor, who was having difficulty providing stable and consistent service. The Supreme Court IT Department is not fully operational due to insufficient staff and systems.

Along with subcontractor Hukum Online (HOL), the team met with court personnel to discuss IT Department issues. During the meeting, it was announced that the court would now handle the Web site (not the former contractor), and efforts to publish Supreme Court decisions would commence so that the ability to review decisions online could be announced at the court's annual national work planning meeting at the end of August and early in September. The chief justice officiated at the demonstration of the Web site at this meeting.

In August, the court provided more than 4,500 decisions to HOL; these are still being sorted between those that can be easily scanned and those that need additional work before they can be posted. There are now more than 1,000 decisions posted online (see box). Monitoring Web site traffic is difficult because no records are available from the Supreme Court.

A draft regulation on court transparency also came under discussion. The draft was under study by the chief justice and was signed during the quarter, but it had not been promulgated.

Promulgation of this regulation will help determine which decisions should be published first.



Home page of the Supreme Court's Web site: <http://www.putusan.net/app-mari/putusan/>.

Activity 3b. Public Complaint System

After several discussions, the court concurred that this activity should proceed with an assessment of the current public complaint system. Subcontractor LEIP provided an assessment design and commenced work during September.

EXPECTED ACTIVITIES – OCTOBER TO DECEMBER 2007

See also Annex A, Table 1, for activity milestones and indicators.

Activity	Comment
1a. Judicial Code of Conduct Training <ul style="list-style-type: none"> Two TOT sessions are set for 22-25 and 31 October 2007, and 3 November and 6-9 November 2007. 	The team is awaiting the participant and trainer list from the court.
1b. Wealth Reporting <ul style="list-style-type: none"> Judges attending TOT sessions will continue to be trained in wealth reporting. 	The team is awaiting a response from the court regarding the proposal to train 500 senior staff on wealth reporting.
1c. Job Descriptions <ul style="list-style-type: none"> Interviews will be conducted on the remaining critical and non-critical positions. In the 4th quarter, job evaluation training sessions for high-level court staff will begin. 	
1d. Staffing Assessment <ul style="list-style-type: none"> An RFP will be issued for this activity in early November. 	Work is expected to commence by December 2007.

Activity	Comment
<p>1e. Human Resource Database</p> <ul style="list-style-type: none"> • A more systematic review of the software system used by the religious courts will be conducted and other off-the-shelf software packages investigated. 	
<p>2a. Budgeting</p> <ul style="list-style-type: none"> • A training program for budget and finance officers will be developed. • A subcontractor will be selected to deliver the training. • The remaining 100 computers will be distributed to the court. • A strategic budget planning workshop will be developed for senior court judges. 	<p>Budget and finance training will be held in Batam on 5-20 November and in Yogyakarta on 10-17 December.</p>
<p>2b. Asset Management</p> <ul style="list-style-type: none"> • The team will select a subcontractor, finalize the methodology to inventory the courts based on the information we continue to receive, and begin the inventory verification process. 	
<p>3a. Publishing Supreme Court Decisions</p> <ul style="list-style-type: none"> • Subcontractor HOL will provide a written assessment of the current condition and capability of the Supreme Court's IT Department. The report will project equipment needs, including server, scanner and desktops to support and ensure publication of the Web site. • HOL will prepare training for Supreme Court clerk typists pending studies from another donor. 	<p>Some 230 Supreme Court decisions will be published by the end of 2007.</p>
<p>3b. Public Complaint System</p> <ul style="list-style-type: none"> • Based on the assessment by subcontractor LEIP, the team will determine how to make the public aware of complaint procedures. 	
<p>3c. Public Relations Training</p> <ul style="list-style-type: none"> • Court staff will be trained on public relations. • A local communications consultant will be "embedded" at the court. 	<p>The communications consultant will be available to the court's Department of Legal and Public Affairs.</p>

Activity	Comment
3d. Public Access to Court Information <ul style="list-style-type: none"> The team will work with the court to implement a public information campaign on transparency measures already taken by the court. Subcontractor HOL will determine how best to expand the court Web site to provide greater public access to information. 	The transfer of Web site materials from the former subcontractor to the court should be completed during this quarter to enable improvements to be made to achieve greater functionality enabling public access to information.

B. TASK 2: ENHANCING CAPACITY OF THE PPATK

SCOPE OF WORK

Under the MCC ICCP, the Indonesian Financial Intelligence Unit (PPATK) will expand the Know Your Customer (KYC) campaign to cover four categories of non-bank financial institutions. The project will support PPATK's efforts to upgrade its ability to monitor and analyze suspicious transaction reports (STRs) and cash transaction reports (CTRs) through the introduction of hardware and software enhancements and associated training. Finally, MCC ICCP will help PPATK monitor the use of secure communication infrastructure that will be installed by ICITAP.

PROGRESS REPORT – JULY TO SEPTEMBER 2007

See also Annex A, Table 1, for activity milestones and indicators.

Activity	Comment
1. Education Campaign <ul style="list-style-type: none"> Meetings were held with PPATK, Bapepam-LK, Bank Indonesia, the TAMF project, and private sector associations. We attended TAMF training session and two Bank Indonesia money changer seminars. Draft communication and training strategies were presented to counterparts and discussed. Training dates for money changers and strategy were finalized. Two short-term public awareness consultants were engaged. An RFP was issued for KYC logo and media materials. 	The KYC campaign will be initiated with registered money changers and extended to NBF categories per direction from PPATK and USAID once the TAMF project scope is fully determined.
2. Increasing Online Receipt of STRs and CTRs <ul style="list-style-type: none"> Final specifications for equipment were presented to PPATK and approved. Procurement commenced. PPATK's move was set for 10 November. 	

Activity	Comment
3. Monitoring Secure Communications Equipment <ul style="list-style-type: none"> The team met with ICITAP staff to monitor progress. 	

Activity 1. Education Campaign

Following meetings with PPATK, Bapepam, Bank Indonesia, and the AusAID-funded TAMF project it was agreed that due to ongoing TAMF training for NBFIs, our team would initially concentrate on a training and education campaign for money changers, then review future training needs in association with TAMF and Bapepam following an evaluation of past activities. Training for money changers will be held in Batam, Bali, and Jakarta commencing on 3 December. The money training will be accompanied by a campaign to promote the use of registered money changers.

Dr. Michael Morfit, specialist consultant, provided a detailed report on strategies for public engagement regarding the KYC campaign. A presentation was made to PPATK, Bapepam, and Bank Indonesia to outline the strategy and seek feedback. Subsequently, smaller meetings were held to finalize the strategy.

Ms. Dewi Watson arrived in mid-September to further develop the campaign and training plan. An RFP was issued for the design and production of campaign materials, and recruitment of two additional consultants commenced.

Further interviews were held for the anticorruption advisor position. After reviewing the qualifications and expertise in light of project requirements, it was determined that MCC ICCP would delay recruitment for this position. USAID concurrence was sought for this proposal.

Activity 2. Increasing Online Receipt of STRs and CTRs

The team met several suppliers and after consultation with PPATK determined the optimal solution to maximize online receipt capacity. Final specifications were submitted to and approved by PPATK. Procurement has commenced, with the goal of obtaining the equipment by the time PPATK moves into their new offices on 10 November. The final cost is likely to be about 60 percent of budget.

Activity 3. Monitoring Secure Communications System

MCC ICCP continues to monitor the progress of the ICITAP task.

EXPECTED ACTIVITIES – OCTOBER TO DECEMBER 2007

See also Annex A, Table 1, for activity milestones and indicators

Activity	Comment
1. Education Campaign <ul style="list-style-type: none"> Formalize agreement between PPATK and BAPEPAM as to responsibilities for public awareness campaign. 	

Activity	Comment
<p>1. Education Campaign (Cont'd)</p> <ul style="list-style-type: none"> • Complete training modules for money changers, including video scenarios. • Commence training. • Finalize design of public awareness campaign and materials. • Identify media channels for public awareness campaign. • Meet with NBFi associations. • Commence of public awareness campaign. • Complete design of money changer logo and promotional materials. • Commence money changer promotion. • Additional consultants commence work. 	
<p>2. Increasing Online Receipt of STRs and CTRs</p> <ul style="list-style-type: none"> • Equipment purchased and installed. • Training conducted. 	
<p>3. Monitoring Secure Communications Equipment</p> <ul style="list-style-type: none"> • ICITAP will finalize design and begin procurement and installation of equipment (not MCC ICCP responsibility). 	

C. TASK 3: ENHANCING CAPABILITY OF THE KPK

SCOPE OF WORK

The MCC ICCP team will enhance the ability of the Corruption Eradication Commission (KPK) to monitor court proceedings and generate admissible data for judicial proceedings. As well, the KPK will work with verifiable anticorruption baseline data from a reliable source, Transparency International-Indonesia (TI-I), to gauge the direction and level of change in the perception of corruption. The project will encourage peer-to-peer dialogue between KPK and TI-I for exchanging necessary and vital information without compromising either organization's independence.

PROGRESS REPORT – JULY TO SEPTEMBER 2007

See also Annex A, Table 1, for activity milestones and indicators.

Activity	Comment
<p>1. Monitoring Secure Communications Equipment</p> <ul style="list-style-type: none"> • The team met with ICITAP staff to review progress. 	

Activity	Comment
<p>2. Court Monitoring Program</p> <ul style="list-style-type: none"> • The team met with KPK staff and numerous suppliers to discuss options and specifications. • The team presented options to KPK and reached agreement on requirements. • Final specifications for equipment drafted. • Specifications and quotations were received from one supplier. 	
<p>3. Corruption Studies</p> <ul style="list-style-type: none"> • The team met with KPK and TI-I to develop a scope of work for a grant to TI-I • A subgrant to TI-I was finalized and approved by USAID. The grants manual was approved. 	<p>The re-analysis of the Corruption Perception Index data for 2004 was removed from the grant scope of work.</p>

Activity 1. Monitoring Secure Communications Equipment

The team continued to review the progress of the ICITAP task.

Activity 2. Court Monitoring Program

Extensive research continued to identify the best technical solution to provide a high-quality portable audio/video system for regional court monitoring. The various options were discussed with KPK, as a result of which a wireless-based solution was identified as the preferred choice. One supplier provided specifications and a quotation, and the team is actively pursuing alternative specifications from other suppliers. This procurement will be completed before the end of the next quarter.

Activity 3. Corruption Studies

Several meetings were held with Transparency International–Indonesia (TI-I) and the KPK. Most of the time was spent discussing the terms of the grant and contractual arrangements with TI-I. KPK and USAID held discussions regarding changing Activity 3 to focus on the 2008 CPI survey and in-depth analyses.

The focus of the project is survey research, and the primary products are research reports and publications. Results of the project will be measured by how much information is successfully disseminated to the public and by public reaction to this information.

For an in-depth analysis of Corruption Perception Index (CPI) survey 2006 and for the CPI for 2008, TI-I will provide an expanded analysis to identify the factors for corrupt or clean behavior in public service. TI-I will work with focus groups of about 50 individuals in 10 sample cities for each survey (CPI 2006 and 2008) to obtain information as to which city? is the considered most corrupt and which is the cleanest regarding public service.

For the Indonesia Corruption Perception Index Survey 2008, TI-I will establish a partnership with the KPK to conduct an expanded CPI in 2008 covering respondents in 50 cities, including a Bribe Payers Index (Bribery Index) regarding public institutions and a public awareness campaign addressing the results of the 2008 CPI.

Transparency International-Indonesia is expected to deliver activities for these activities within the 17 month grant duration. All written products produced by the activities will be delivered in Bahasa Indonesia and English.

The TI-I grant was finalized and approved by USAID.

EXPECTED ACTIVITIES – OCTOBER TO DECEMBER 2007

See also Annex A, Table 1, for activity milestones and indicators.

Activity	Comment
<p>1. Monitoring Secure Communications Equipment</p> <ul style="list-style-type: none"> • ICITAP will finalize the design and begin procuring and installing equipment (not MCC ICCP responsibility). 	
<p>2. Court Monitoring Program</p> <ul style="list-style-type: none"> • Finalize specifications for equipment. • Procure and install equipment. • Develop training materials and train relevant staff as needed. 	
<p>3. Corruption Studies</p> <ul style="list-style-type: none"> • Finalize the reviews and surveys to be conducted by KPK/TI-I. 	

D. TASK 4: ELECTRONIC GOVERNMENT PROCUREMENT (e-GP)

SCOPE OF WORK

The MCC ICCP works with the Center for Public Procurement Policy at the Ministry for National Development Planning (Bappenas) to support the creation and implementation of five regional E-Government Procurement (e-GP) Satellite Centers, the location of which has been selected by the GOI in this quarter. To establish baselines and monitor the performance of the five regional e-GP Satellite Centers, MCC ICCP will develop procedures for the collection and analysis of procurement data. Data collection mechanism will also help to track data related to single-source contracting, inconsistencies in the procurement process, and suspicious or inappropriate procurement activities. Public awareness activities are expected to increase public trust and confidence in GOI efforts to reform the public procurement process.

PROGRESS REPORT — JULY TO SEPTEMBER 2007

See also Annex A, Table 1, for activity milestones and indicators.

Activity	Comment
<p>1. e-GP Satellite Centers</p> <ul style="list-style-type: none"> The team supported the selection process of five e-GP provinces to implement the e-GP Satellite Centers pilot program. MCC ICCP joined Bappenas evaluation teams in their visits to Central Kalimantan, Nusa Tenggara Barat, Gorontalo, and West Sumatra. The team helped Bappenas evaluate the nine shortlisted provincial governments' e-readiness to host e-GP Satellite Centers. The team provided Bappenas technical support and counsel to finalize an MOU on the establishment of provincial e-GP Satellite Centers. To continue exchanging information about ongoing public procurement-related projects in Indonesia with all relevant international donors, MCC ICCP met with Canadian International Development Agency staff. 	<p>The team developed a questionnaire with an automated scoring spreadsheet tool and a list of minimum technical requirements for e-GP Satellite Centers. All were used by Bappenas to assess the telecommunications and IT readiness of nine nominated provinces.</p> <p>MCC ICCP expects Bappenas will select the fifth province in October.</p>
<p>2. Data Monitoring of e-GP Satellite Centers</p> <ul style="list-style-type: none"> The team discussed with Bappenas the need to enhance the NEPS to provide data for monitoring the performance of provincial e-GP Satellite Centers. 	<p>The collection of unit price and purchase volume data and creation of indicators of overpayment or non-receipt of goods and services must be carried out in collaboration with provincial governments and supported by their accounting and financial management systems. All other data needed for monitoring and reporting can be generated by the NEPS system.</p>
<p>3. Public Awareness Campaign</p> <ul style="list-style-type: none"> The team developed a draft implementation plan for public engagement. The team provided Bappenas with draft text for a public announcement and promotional materials (leaflets, brochures) for selected e-GP Satellite Centers The team met with USAID LGSP staff regarding cooperation in West Sumatra, West Java, and East Java. The team helped Bappenas with protocol functions (guests' reception, photography, event video and voice recording). 	<p>The team distributed the MCC ICCP fact sheet in English and Bahasa Indonesia to all MoU signatories and media representatives. More than 30 representatives from newspapers, radio stations, and TV stations covered the MoU signing ceremony.</p>

Activity 1. e-GP Satellite Centers

During the second quarter the team continued its advisory work with Bappenas concerning the selection of five provincial governments for the e-GP Satellite Centers. To support the selection process and successfully assess the level of the nine shortlisted provincial governments' telecommunication and IT readiness to host e-GP Satellite Centers, MCC ICCP created a comprehensive evaluation tool that included a survey questionnaire, an automated scoring spreadsheet tool, and a list of minimum technical requirements for e-GP Satellite Centers.

Our procurement and IT experts also joined Bappenas evaluation teams in their visits to the candidate provinces and helped them use the evaluation tool. Four provinces fulfilled the prerequisites for hosting e-GP Satellite Centers: Central Kalimantan, West Sumatra, West Java, and East Java. We expect Bappenas to select the fifth province in October.

On 28 September Bappenas signed MoUs for establishing provincial e-GP Satellite Centers with the four selected provinces. During the ceremony, the new USAID Mission Director Walter North made his first public appearance. The director briefly introduced participants and media representatives to the role of MCC ICCP in the process creating five e-GP Satellite Centers. Attendance of the high-ranking GOI officials, provincial governors, and more than 30 media representatives at the MoU signing ceremony was a testament to the importance of the e-government procurement program for GOI and Indonesian society.



MOU signing ceremony for e-Government Procurement satellite centers, 28 September 2007, Bappenas headquarters, Jakarta. From left to right: Mr. Syahril Loetan (Executive Secretary, Bappenas), Mr. Marlis Rahman (Vice Governor, Sumatera Barat province), Mr. Danny Setiawan (Governor, Jawa Barat province), Mr. Taufiequirachman Ruki (Chairman, KPK), Mr. Walter North (USAID Mission Director), Mr. Paskah Suzetta (Minister, Bappenas), Mr. Mohammad Nuh (Minister, Communications and Information), Mr. Boediono (Coordinating Minister Economic Affairs), Mr. A. Teras Narang (Governor, Kalimantan Tengah), Mr. Soekarwo (Regional Secretary, Jawa Timur province).

Bappenas included in the text of MoU the following fundamental terms and issues recommended by MCC ICCP:

- Duration of the MoU.
- Establishment of e-GP Satellite Centers Implementing Agency as provincial government body responsible for successful establishment of the e-GP Satellite Centers.
- Expected tangible results for the e-GP Satellite Centers.
- Definition of responsibilities and tasks of the e-GP Satellite Centers Implementing Agency concerning allocation of budget and contributions to:
 - E-GP Satellite Center establishment.
 - Creation of data collection/monitoring mechanism in support of the e-GP Satellite Centers.
 - Public awareness campaign on the e-GP Satellite Centers and overall public procurement monitoring.

- Provincial government commitment to sustaining the e-GP Satellite Centers, which should include continued maintenance, system upgrading, and consistent use of hardware and NEPS in line with ICCP objectives.

The team continued to provide technical support to Bappenas on issues related to network configuration between the NEPS application system and provincial e-GP Satellite Centers. Bappenas has decided to electronically process all procurement activities centrally through its NEPS application system, installed and hosted in the NEPS Center Web site/server in Jakarta, and to replicate specific data necessary for evaluation of bids (e.g., bid proposals) to provincial e-GP Satellite Center servers. The team proposed several alternative network configuration solutions, taking into account the high risk of possible system failure given the current unreliable Internet connectivity in some provinces.

One continuing issue is the reliability of the NEPS database and its communication, software, and storage capacity to accommodate high volume flows. The team suggested consideration of alternative configurations for backup and replication. As well, the possibility of losing data during downloading and uploading needs to be considered. Bappenas was urged to develop a “Plan B” in case the NEPS central server goes down. Finally, the team suggested consideration of the legal/audit implications of the proposed configuration.

Activity 2. Data Monitoring of e-GP Satellite Centers

The team was informed by Bappenas that it does not plan to distribute the NEPS application system to the provincial e-GP Satellite Centers. This means that provincial e-GP Satellite Centers will not be authorized to make changes or modifications to the NEPS application system for data collection and analysis of e-GP Satellite Centers. Provincial e-GP Satellite Centers will be authorized to further manage data generated by the NEPS application system and to develop separate computer databases (data warehouses) to support their management information and analysis purposes without affecting the functionality of the NEPS application system.

Regarding creation of a sustainable data collection and monitoring mechanism, MCC ICCP agreed that, besides information to be generated by the upgraded NEPS application system, there is a need to improve the provincial governments’ existing accounting and financial management systems. During the next reporting period, MCC ICCP plans to assess the availability and accuracy of procurement records in selected provinces, recommend improvements to their information management systems, and determine the scope and level of further MCC ICCP assistance to provincial e-GP Satellite Centers.

Activity 3. Public Awareness Campaign

Based on the draft public communication strategy for e-government procurement provided earlier, MCC ICCP provided a more detailed plan at the provincial level, with the following recommendations:

- The initial operational phase of the five e-GP Satellite Centers should be focused on specific and limited target sectors (such as health, education) and/or on specific types of procurement (such as specific commodities rather than services).
- Public information/engagement activities should follow immediately after successful technical training for local government staff.
- A joint public-private Provincial Working Group should be a key focal point to engage and train vendors, monitor performance, and inform the public.
- Early attention should be given to mechanisms for monitoring and feedback.

MCC ICCP provided Bappenas with draft text that could be a basis for a public announcement and promotional materials (leaflets, brochures) for the selected e-GP Satellite Centers. The following benefits of e-GP Satellite Centers to provincial governments, vendors, and the general public, which will reduce opportunities for corruption, were identified in the text:

- Improved transparency of procurement processes.
- Improved data collection/reporting systems to monitor the performance of e-GP Satellite Centers.
- Improved management information ability to control and analyze budget execution across all areas of procurement.
- Time savings, reduced paperwork, and duplicate records.
- Standardized and streamlined authorization procedures and public procurement practices.
- Reduction in the cost of goods and services through the aggregation of demand.
- Reduction in operational costs.
- Improved transparency of procurement processes.

At USAID's suggestion the team met with the Local Governance Support Program (LGSP) to share ideas and experience in working with local civil society organizations and the media concerning their participation in the local government procurement and budget execution monitoring processes. LGSP provides technical assistance to local governments in the provinces of West Sumatra, West Java, and East Java, all which will host new e-GP Satellite Centers. Since LGSP is interested in pursuing this area, and since MCC ICCP plans to commence a public awareness and education campaign parallel with establishment of e-GP Satellite Centers, we agreed to discuss this matter further at a meeting in early October.

The team also met with Indonesia Procurement Watch. IPW has developed a number of public procurement anticorruption monitoring toolkits and established a network of procurement watchdog organizations in several provinces. We discussed the possibility of including IPW in our public awareness training seminars for civil society groups and potential vendors.

Finally, MCC ICCP provided Bappenas with a detailed public communication implementation plan and assistance in preparation for the MoU signing event.

EXPECTED ACTIVITIES – OCTOBER TO DECEMBER 2007

See also Annex A, Table 1, for activity milestones and indicators

Activity	Comment
<p>1. e-GP Satellite Centers</p> <ul style="list-style-type: none"> • Finalize specification of hardware and software to be procured for satellite e-GP Satellite Centers in line with needs of each center. • Launch the tender for procurement of hardware and software to be installed in e-GP Satellite Centers. 	

Activity	Comment
<p>1. e-GP Satellite Centers (Cont'd)</p> <ul style="list-style-type: none"> • Provide Bappenas with technical support and counsel to establish the e-GP system network configuration. • Assist Bappenas in creating a training curriculum on e-GP policies and procedures for end users of e-GP system, provincial government officials, and vendors. • Provide technical support to Bappenas in organizing and delivering three days of trainer training in utilizing the NEPS e-procurement application. 	
<p>2. Data Monitoring of e-GP Centers</p> <ul style="list-style-type: none"> • Provide Bappenas with technical support and counsel needed to improve the current NEPS application system for additional monitoring and data collection. • Assess the availability and accuracy of procurement records in selected provinces, propose improvements in their information management systems, and determine the scope and level of our further assistance to provincial e-GP Satellite Centers. 	<p>Assistance in developing separate computer databases (data warehouses) to support management information and analysis in e-GP Satellite Centers is likely to be needed.</p>
<p>3. Public Awareness Campaign</p> <ul style="list-style-type: none"> • Identify contacts and establish relationships with local partners for regional public awareness campaign (NGOs, media, vendors). • Cooperate further with USAID LSGP regarding working with local civil society organizations and the media concerning the local government procurement and budget execution monitoring processes. 	

E. CROSSCUTTING SUPPORT ACTIVITIES

Public Communications

Public communications is a crosscutting effort and a core MCC ICCP function that affects the viability of project commitments in all four task areas.

Human Resources

The identification and hiring of additional resources was a key effort of the third quarter 2007.

- MCC ICCP engaged a new public communications specialist (Indonesian national) to assume the interagency coordination efforts initiated by the outgoing temporary hire.

- MCC ICCP spent considerable time recruiting for appropriate persons to help develop public information campaigns for Tasks 2 and 4: a national communications officer (220 days) and an international communications consultant (100 days). Due to a number of issues, these hires were delayed considerably. As the quarter ended, we were finalizing offers to a national communications specialist who expected to begin work on 22 October, and to an international consultant to begin one week earlier.
- A short-term (37 days) communications specialist was brought on in mid-September to handle day-to-day issues relating to the development of the NBF Know Your Customer campaign and, to a lesser degree, publicity efforts relating to the creation and December launch of a brand/logo identifying registered money changers (RMCs).
- Two individuals were engaged to conduct stakeholder and media mapping in support of Tasks 2 and 4. These consultants were also tasked with assisting Bappenas with the coordination of the MoU signing with four e-GP candidate provinces.
- As the quarter ended, MCC ICCP identified an experienced individual to “embed” within the Supreme Court’s Department of Legal and Public Affairs to provide technical assistance.

Consultants/Reports

During the reporting period, the project engaged several short-term consultants and finalized a strategic communications plan.

- An assessment of Supreme Court training needs was completed in July. Some of its recommendations have been integrated into the communications plan and others will be implemented during planned public information training sessions for frontline Supreme Court staff at the end of November.
- Two public awareness consultants in July and August made recommendations about public engagement strategies relating to KYC and e-GP respectively.

Task 1 Supreme Court

Meetings with the head of the Department of Legal and Public Affairs (H&H) resulted in a commitment to public relations training at the earliest opportunity for key frontline and IT staff and selected public information officers from four Jakarta district courts. Scheduled for the end of August, the training was delayed to allow H&H sufficient time to bring on new staff, and to accommodate H&H’s planning of the national judges’ meeting in September.

A working group involving MCC ICCP, the judicial reform team, and H&H will identify key curriculum requirements, vet suitable trainers, and decide on a final-quarter 2007 date for training in the first week of October.

In response to an August proposal, H&H requested internal technical assistance that will see MCC ICCP embed a media and public information specialist in the unit. The information working group will assist in the selection process.

The team presented H&H with an overview of a short-term public information campaign to be launched in the weeks prior to training to highlight the court’s transparency-enhancement efforts thus far, including online publication of decisions, newly enacted transparency guidelines governing materials, judicial code of conduct training, and other measures. The campaign was discussed before the annual national work planning meeting of the court. A broader, one-year campaign strategy overview was also submitted for approval.

Next steps

- Hire and embed a technical advisor to the Supreme Court H&H section.
- Obtain Supreme Court approval of the proposed short-term and one-year public information strategies.
- Develop training materials for public relations staff and obtain Supreme Court approval.
- Deliver public relations training for Supreme Court and district court staff in the last week of November.
- Develop brochures outlining Supreme Court operations.

Task 2 Education Campaign

The public communications unit's development of a national KYC campaign this quarter has resulted in two separate campaign streams. The first is a campaign involving registered money changers (RMCs) regulated by Bank Indonesia. The second is a two-phase KYC campaign targeting current and future NBFIs investors and industry insiders.

With regulatory approval, Bank Indonesia and MCC-ICCP have embarked on a unique campaign to increase the overall number of RMCs and by extension, the number of NBFIs STRs filed every year. A brand/logo is being designed for display in RMC storefronts. An accompanying information campaign employing posters, brochures, and outreach to online travel wholesalers, embassies, hotels, and tour operators is being developed to encourage international visitors to Bali, Batam, and Jakarta to exchange funds only at RMCs displaying the logo. The campaign will begin on 3 December in Bali to coincide with the first KYC training sessions for RMCs.

The second KYC stream, finalized in September in coordination with PPAATK, will involve nationwide broadcast and print media public service announcements, op-ed pieces, and advertising, including messages targeting women and university students, in five locations around the country. A private contractor will be identified to develop materials.

Next steps

- Hire an international communications consultant and a national communications advisor to oversee KYC/e-GP campaign development and implementation (expected in the second week of October).
- Obtain BI and PPAATK approval of all campaign materials. Produce security-protected RMC logo.
- Before the end of the year, produce one television show to address KYC principles and enhance public awareness of money laundering.
- Launch RMC awareness campaign in Bali, including distribution of at least 2,000 posters, 25,000 information brochures, and stickers and other supporting materials.

Task 4 e-Government Procurement

Bappenas, with MCC ICCP assistance, launched their electronic procurement plans at an MOU signing event and press conference in late September. Having completed an extensive media and NGO mapping exercise in the nine candidate provinces, MCC ICCP was in a position to identify key media to target during the e-GP launch. MCC ICCP fact sheets in English and Bahasa Indonesia were distributed to the media and MoU signatories. More

than 30 representatives from newspapers, radio stations, and TV stations covered the MoU signing ceremony.

The team provided Bappenas with a draft public information campaign proposal employing a mix of workshops, seminars, and training on the mechanics of e-GP featuring brochures, television and radio public service announcements, and print media advertising.

A meeting was held with Indonesia Procurement Watch in early September. IPW has established cooperative agreements with local NGOs in some of the e-GP target provinces and may serve as a useful partner in developing strategic relationships to ensure adequate monitoring of e-GP once the systems are operational.

Next steps

- In line with the Threshold Country Plan and project contract, MCC ICCP will focus public awareness activities on the geographic areas covered by the five regional (read, provincial) e-GP Satellite Centers.
- The team will fine-tune the public awareness campaign proposal with Bappenas during the next quarter, identify a contractor to execute the work under the supervision of the incoming international communications advisor, and launch the campaign in the month prior to the opening of the first e-GP Satellite Center, expected in the first quarter in 2008.
- Working with Bappenas, the team will develop a single television program for a national audience in the weeks prior to the opening of the first e-GP Satellite Center.

Donor Coordination

Task 1

- Significant donor coordination activity took place in the second quarter. Donor coordination meetings were held with the European Union (EU) Good Governance in the Indonesian Judiciary (GGIJ) team. MCC ICCP discussed coordination in the area of ethics/code of conduct training. We also discussed potential coordination regarding job descriptions and performance standards.
- MCC ICCP communicated with the Asia Foundation regarding coordination in the area of ethics and wealth reporting training. Our human resources consultant agreed to coordinate activities regarding job descriptions and performance standards.
- MCC ICCP attended a donor coordination meeting hosted by the United Nations Development Program (UNDP). We met with the EU court case management expert and learned about an EU project to create a case management system in selected pilot courts. There may further upcoming opportunities to coordinate with UNDP.
- MCC ICCP has had several meetings with the Legal Development Foundation (AusAID) to discuss coordination in the areas of budget, human resources, and training.
- MCC ICCP has had many coordination meetings with the USAID Indonesia Anticorruption and Commercial Courts Enhancement (IN-ACCE) project to discuss coordination in the areas of budget, human resources, ethics, wealth reporting, asset management, and case management as it affects work on job descriptions, work performance, and staffing assessments.
- MCC ICCP maintained at least weekly communication with our NGO partners HOL, LEIP, and MTI.

Tasks 2-3

We collaborated closely with the AusAID TAMF program for Task 2.

Task 4 e-GP Satellite Centers

We met with the Canadian International Development Agency regarding work on e-government procurement.

II. PROJECT MONITORING AND EVALUATION

The project intranet project performance monitoring Web site is up and is updated frequently. USAID and government agencies have access to this site. The address is: www.iccp.or.id

III. ADMINISTRATIVE, FISCAL, AND PERSONNEL ISSUES

Staffing and Recruitment

The local technical staff has increased with the addition of an Indonesian asset management specialist. The recruit for the Indonesian anticorruption specialist was cancelled due to realignment of project goals. Recruitment is currently under way for an Indonesian communication specialist.

Financial

The quarterly accruals for the 4th quarter of FY07 (July-September 2007) were submitted to USAID on 22 October 2007. A proposal for various budget revisions was prepared during the quarter for submission in early October.

IV. TRAINING DATA

This quarter marked an increase in the number of training workshops provided by MCC ICCP. Below are summary data regarding these training activities.

SUMMARY OF TRAINING PARTICIPANTS

Training Title	Date	Location	Male	Female	Total
1 Judicial Code of Conduct Pilot Training Batch 1	22-Aug-07 23-Aug-07	Manhattan Hotel Jakarta	34	2	36
2 Budget Planning, MoF Application Training Batch 1	27-Aug-07 2-Sep-07	MoF Training Center, Jakarta	31	14	45
3 Judicial Code of Conduct Pilot Training Batch 2	28-Aug-07 29-Aug-07	Manhattan Hotel Jakarta	30	6	36
4 Budget Planning, MoF Application Training Batch 2	2-Sep-07 8-Sep-07	MoF Training Center, Jakarta	29	16	45
5 Budget Planning, MoF Application Training Batch 3	9-Sep-07 15-Sep-07	MoF Training Center, Jakarta	31	14	45
6 Judicial Code of Conduct TOT Batch 1	22-Oct-07 25-Oct-07	Manhattan Hotel Jakarta	33	4	37
Participant Total to date			188	56	244

GEOGRAPHIC DISTRIBUTION OF PARTICIPANTS

Provinces	Training #1 2 3 4 5 6	Total All
Nanggroe Aceh Darussalam	4, 2	6
Sumatera Utara	8, 5	13
Sumatera Barat	4, 2	6
Riau	4, 2	6
Jambi	4, 2	6
Sumatera Selatan	4, 1	5
Bengkulu	2	2
Lampung	4, 1	5
Kep. Bangka Belitung	2	2
DKI Jakarta	29, 13, 30, 9, 9, 7	97
Jawa Barat	5, 4, 5, 5	19
Jawa Tengah	4, 1	5
DI. Yogyakarta	2, 2	4
Jawa Timur	4, 2	6
Banten	2, 2, 1	5
Bali	1	1
Nusa Tenggara Barat	4	4
Nusa Tenggara Timur	4	4
Kalimantan Barat	4	4
Kalimantan Tengah	4	4
Kalimantan Selatan	4	4
Kalimantan Timur	4	4
Sulawesi Utara	2, 1	3
Sulawesi Tengah	4	4
Sulawesi Selatan	6, 4	10
Sulawesi Tenggara	4	4
Gorontalo	2	2
Maluku	3	3
Maluku Utara	2	2
Papua	4	4

ANNEX A. PERFORMANCE MONITORING PLAN (PMP)

Figure 1. Country Level Indicators						
Performance Indicator	Baseline Year	Baseline Value	2007 Target	2007 Results	2008 Target	2008 Results
<i>Country Level</i>						
1. Corruption Perception Index *	2005	2.2	3	2.3	3.8	
2. Control of Corruption Indicator (Raw Score) **	2004	-0.9	-0.58		-0.25	
3. Undocumented extra payment or bribes connected with getting favorable judicial results ***	2005	3.3	3.55		3.8	
4. The extent to which the judicial/legal system is affected by corruption *	2005	3.8	3.60		3.4	
5. The pervasiveness of money laundering through banks ***	2005	3.6	3.85		4.1	
6. The pervasiveness of money laundering through non-banks channels ***	2005	4.1	4.30		4.5	
7. The prosecution and conviction of corrupt officials score ****	2006	2.82	2.91		3	
8. Undocumented extra payment or bribes connected with the awarding of public contracts ***	2005	3.4	3.65		3.9	
9. The extent of favoritism by government officials when deciding upon policies and contracts ***	2005	3.7	3.95		4.2	
Notes on data source : * Transparency International ** World Bank Institute *** Global Competitiveness Report **** Freedom House, Countries at the Crossroads						

ANNEX B. MCC PROJECT INDICATORS

Figure 2a. PIR 1 Indicators								
Performance Indicator	Baseline Year	Baseline Value	2007 Target	2007 Results	2008 Target	2008 Results	2009 Target	2009 Results
<i>Project Intermediate Result 1. Transparency and accountability within judiciary court system improved and corruption reduced</i>								
1. Number of government officials receiving USG-supported anticorruption training	2006	0	1,043	207	4,741		5,756	
2. Number of USG-supported anticorruption measures implemented	2006	0	0	0	11		15	
3. Number of judges trained with USG assistance	2006	0	393	72	1,679		2,000	
4. Number of justice sector personnel that received USG training	2006	0	803	207	3,505		4,470	
5. Percentage of judges trained on judicial ethics	2006	0%	6%	1%	27%		33%	
6. Percentage of senior court officials submitting wealth reports	2006	44%	TBD	44%	TBD		100%	
7. Number of court personnel trained on budget procedures	2006	0	379	135	1,356		1,600	
8. Percentage of courts implementing strategic-based budgeting systems	2006	0%	TBD	0	TBD		TBD	
9. Percentage of courts with completed physical asset inventories	2006	TBD	65%	0	100%		100%	
10. Number of Supreme Court decisions accessible to the public via the Supreme Court Web site	2006	2	2,292	928	8,458		10,000	
11. Percentage of courts implementing complaint procedures	2006	0%	20%	0%	100%		100%	
12. Number of public and media inquires answered by Supreme Court public relations trainees	2006	TBD	0	0	80		100	

Figure 2b. PIR 2 Indicators								
Performance Indicator	Baseline Year	Baseline Value	2007 Target	2007 Results	2008 Target	2008 Results	2009 Target	2009 Results
<i>Project Intermediate Result 2. Capacity PPATK to track money laundering in bank and non-bank financial institutions enhanced</i>								
13. Percentage of STRs filed by NBFIs	2006	3.2%	5%	11.5%	10%		10%	
14. Average number of reports PPATK STR/CTR receipt system capable of receiving per day								
STR	2006	15	60		300		300	
CTR	2006	1,795	2,000		10,000		10,000	
15. Number of PPATK cases transmitted for investigation	2006	40		53	150		150	

Figure 2c. PIR 3 Indicators								
Performance Indicator	Baseline Year	Baseline Value	2007 Target	2007 Results	2008 Target	2008 Results	2009 Target	2009 Results
<i>Project Intermediate Result 3. Capability of the KPK to prevent, prosecute, and convict corrupt officials enhanced</i>								
16. Number of KPK prosecutions of high-ranking GOI officials related to corruption	2006	2	4	8	6		8	
17. Number of trials monitored	2006	160	TBD	537	TBD		TBD	

Figure 2d. PIR 4 Indicators								
Performance Indicator	Baseline Year	Baseline Value	2007 Target	2007 Results	2008 Target	2008 Results	2009 Target	2009 Results
<i>Project Intermediate Result 4. Electronic Government Procurement (e-GP) system expanded to improve accountability and transparency in awarding public contracts at the provincial level</i>								
18. Percentage change in cost of a basket of selected goods and services procured through e-GP	2006	0%	0%		-10%		-10%	
19. Percentage of procurement processes undertaken by electronic means	2006	0%	TBD		TBD		TBD	
20. Percentage of public procurements awarded sole source in targeted provinces	2006	NA	TBD		TBD		TBD	
21. Number of registered e-GP vendors	2006	NA	TBD		TBD		TBD	

ANNEX C. DOCUMENTS AVAILABLE ON REQUEST

Task 1: Judicial Reform

1a. Judicial Code of Conduct

Evaluation of pilot code of conduct “train the judge trainer” workshop groups 1 & 2
Ethics problems facilitators guide
Ethics problems scenarios (final new)

1c. Job descriptions

Power Point Presentation Rakernas r.050907 English
Notes from Job Description Presentation

2a. Budget

Agenda, Training 4 Kota
Agenda, Training RKA-KL 2007
Budgeting RFP
Budget RFP bidders conference notes
Budget training evaluation summary

2b. Asset management

Asset inventory proposed work plan

Task 2: Enhancing Capacity of PPATK

1. Education campaign

Letter of Cooperation to Bank Indonesia
RFP, public awareness materials for money changers

Task 3: e-GP Satellite Centers

2. Public awareness

Public information campaign for e-GP Satellite Centers