



NATIONAL STRATEGY of  
**CORRUPTION  
PREVENTION &  
ERADICATION**

LONG TERM (2012-2025)  
AND MEDIUM TERM (2012-2014)



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# Foreword - President of the Republic of Indonesia

Corruption prevention and eradication (CPE) on a national scale is the commitment of the government in the framework of running a clean and dignified country. For that reason, it is our intention to continuously strive for the fulfilment of this commitment without end.

Efforts in corruption prevention and eradication (CPE) actually began long ago during the era of the Soekarno administration (with the enactment of Government Regulation in Lieu of Law 24/1960 on the Prosecution, Investigation, and Examination of the Crime of Corruption) up to the Soeharto administration (with the enactment of Law 3/1971 on Corruption Eradication). During the era of reform, the efforts in CPE grew more intensive after the government ratified the United Nations Convention against Corruption 2003 by Law 7/2006. In addition, the government also issued a number of Presidential instructions as well as a mandate regarding CPE and established several agencies to implement and support the CPE efforts, such as the Corruption Eradication Commission, the Financial Transactions Analysis and Report Centre, and the Witness & Victim Protection Agency.

In realisation, the efforts in CPE tended to be more of a sectoral venture. There was a lack of synergy, among the legislative, judicative, and executive institutions; at both the Central as well as Regional levels. Consequently, achievements were not maximal in encouraging CPE. And therefore, in the context of building a synergy and sustainability of CPE and to ensure implementation of the clauses in UNCAC, a National Strategy of CPE has been prepared. Presented here comprehensively, it is hoped this National Strategy will be a useful guide and serve as a reference for all the stakeholders in preparing their individual CPE actions.

The preparation of this document has involved public consultation and focus group discussions. In these activities, various related stakeholders were also actively involved. These are very important efforts as they help to direct CPE actions in the proper direction to obtain the best possible results. Moreover, with the existing political support and commitment, the CPE actions become stronger in their application, more systematic-comprehensive in strategy, and more focused-consolidated in formulating their policies.

Jakarta, March 2012

President of the Republic of Indonesia

Dr. H. Susilo Bambang Yudhoyono

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### Disclaimer

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# List of Acronyms

Below is a list of the acronyms/abbreviations that often appear in this document. The symbol “(...)” indicates that the words inside the parentheses are not the original long version of the acronym/abbreviation but rather a translation thereof.

	<b>Indonesian</b>	<b>English</b>
GCB	(Barometer Korupsi Global)	Global Corruption Barometer
Inpres	Instruksi Presiden	(Presidential Instruction)
IPK	Indeks Persepsi Korupsi	(Corruption Perception Index)
K/L	Kementerian/Lembaga	(Ministry/Agency)
KPK	Komisi Pemberantasan Tindak Pidana Korupsi	(Corruption Eradication Commission)
Pemda	Pemerintah Daerah	(Regional Government)
Perpu	Peraturan Pemerintah Pengganti Undang-Undang	(Government Regulation in Lieu of Law)
PPK	pencegahan dan pemberantasan korupsi	(corruption prevention and eradication)
RAN-PPK	Rencana Aksi Nasional Pemberantasan dan Pemberantasan Korupsi	(National Action Plan of Corruption Prevention and Eradication)
Stranas PPK	Strategi Nasional Pencegahan dan Pemberantasan Korupsi	(National Strategy of Corruption Prevention and Eradication)
TI	Teknologi Informasi	(Information Technology)
Tipikor	Tindak pidana korupsi	(crime of corruption)
UNCAC	(Konvensi PBB Antikorupsi)	United Nations Convention Against Corruption
UU	Undang-Undang	(Law)

# List of Terms

**Central Authority:** coordinator for the submission of requests for mutual assistance in a criminal case to a foreign country and for the handling of the requests for mutual assistance in a criminal case from a foreign country.

**Citizen's Charter:** an open commitment by an institution on the public service that it provides for the community, with prior agreements regarding certain matters related to said public service, made with the public as users of the service.

**Conviction Rate:** the rate of success in conviction by the court on cases submitted by the prosecuting attorney.

**E-government:** implementing the functions of the government through the use of technology as much and as effective as possible in a planned and integrated manner.

**E-law enforcement:** the comprehensive support of Information Technology in the process of law enforcement, beginning with the process of initial inquiries up to the process of court trials.

**Illicit enrichment:** the significant increase in wealth of a public official and such increase cannot be proven to have come from the official's income.

**Justice collaborator:** a perpetrator-witness who collaborates with the authorities to solve a case in upholding justice.

**Mutual Legal Assistance (MLA):** the mechanism of providing mutual legal assistance in a criminal case by the Central Authority of a country to the Central Authority of another country where the scope of assistance and cooperation includes the initial inquiries, investigation, and examination in court up to implementation of the court verdict related to the crime of corruption.

**Obstruction of justice:** (a) Using physical strength, threats or intimidation or promising, offering or giving any unauthorized benefit in order to persuade a person to give false testimony or to interfere in the testimony or giving of evidence in a process related to the crime of corruption; (b) Using physical strength, threats, intimidation to interfere in the court official's implementation of tasks or upholding of the law related to the crime of corruption.

**Trading in influence :** (a) promising, offering or giving to a public official or any other person, directly or indirectly, an unauthorized benefit with the intention that the said public official or person misuses his real influence or perceived influence for the purpose of obtaining from the public official an unauthorized benefit for the interests of the actual instigator of this act or for any other person; (b) The request or acceptance by a public official or any other person, directly or indirectly, of any unauthorized benefit for himself or for another person with the intention that the said public official or other person misuses his real influence or perceived influence for the purpose of obtaining from the public official, an unauthorized benefit.

**Transfer of sentenced person:** the transfer of a person who has been sentenced to imprisonment or other loss of freedom due to having committed a criminal act, from one

country to another country to carry out the remainder of the sentence based on an agreement or a bilateral/multilateral arrangement.

# Executive Summary

The issuance of Presidential Instruction (Inpres) 5/2004 encouraged the emergence of various initiatives within government circles, both at the Central level and regional level. Through this Presidential Instruction for Acceleration in Corruption Eradication, the President instructed several strategic steps to be taken in the framework of accelerating actions in corruption prevention and eradication (CPE). Slowly but surely, the efforts and awareness to carry out CPE, beginning with government policies, establishing and consolidating new institutions, and raising community awareness, showed promising developments. Actually, Policies concerning this issue had also been formulated. The National Action Plan for Corruption Eradication 2004-2009 which is an implementation of the Special Instruction decision 11 point 3 of Inpres 5/2004, is one of them. In addition, there is also the initiative of a certain regional government (Pemda) to develop a Regional Action Plan for Corruption Eradication and pioneer the efforts to develop innovative policies that will prove to be capable of preventing the practice of corruption within government bureaucracy.

The determination to carry out CPE is a persistent and strong commitment to create and run a country which is clean and dignified. Implementing the Inpres 5/2004 was the beginning, followed by the issuance of Inpres 9/2011 (on the Action Plan for Corruption Prevention and Eradication, 2011) on 12 May 2011 and Inpres 17/2011 (on the National Action Plan for Corruption Prevention and Eradication, 2012) issued on 19 December 2011.

The Government has ratified the United Nations Convention Against Corruption (UNCAC) 2003 by the Law 7/2006.

This ratification is politically a form of Indonesia's commitment to the international community to participate in CPE, and at the same time carry out internal consolidation by readjusting the strategic steps required for CPE.

Over the last four years, the Government has formulated a National Strategy for Corruption Prevention and Eradication (Nastra CPE) consisting of long-term objectives and medium-term objectives. Nastra CPE provides direction and a source of reference for the various CPE efforts which is more comprehensive for all the stakeholders. Good reference is necessary in order to have a concrete impact on the improvement of welfare, sustainable development, and the consolidation of democracy.

The preparing of the Nastra CPE was done with the active involvement of various elements of the stakeholders from among the civil society as well as from the government. A stronger political commitment, a more systematic-comprehensive strategy, and policy formulation that is more focused and consolidated in the framework of encouraging acceleration in CPE is already understood by all the stakeholders as being a nonstop effort.

Nastra CPE has both a long-term vision and medium-term vision. The vision for the long term (2012-2025) is: "to create an anti-corruption nation that is supported by a system of cultural values with integrity". Whereas for the medium term (2012-2014) the vision is "to create a government that is free from corruption, and having the capacity to prevent and take action against corruption and a system of integrity as a cultural values".

The long-term vision and medium-term vision shall both be realized in all the domains, that is, within the government in a broad sense, the civil society, as well as the business world.

The vision is expressed in the following missions: (1) to build and establish a system, mechanism, capacity for preventing and taking action against corruption which is integrated on a national scale ; (2) to reform the national laws and regulations that support CPE in a consistent, consolidated, and systematic manner; (3) to build and consolidate a system and mechanism for confiscating the assets gained by corruption through effective national and international cooperation; (4) to build and internalize an anti-corruption culture among the government structure and the society; and (5) to develop and publicize a system for reporting the performances in implementing Nastra CPE.

The Vision and Mission are then formulated into six strategies as follows:

### **Prevention**

Corruption is still massive and systematic. Its practice can occur everywhere, within the government agencies, private agencies, and even in day-to-day life. In view of such conditions, it is only fitting that the prevention of corruption be given the position of priority as the first strategy. Through a prevention strategy, it is hoped that other steps will come forth as contribution for improvements in the future. This strategy is the answer to an approach which is more focused on repressive action. The paradigm for development of a repressive approach is that it provides a punitive effect on the perpetrator of the crime of corruption. Unfortunately, however, the repressive approach has apparently not yet been able to reduce corruptive behaviour and practice systematically and on a massive scale. The success of the prevention strategy is measured by the increase in corruption perception index value and the rate of starting a business.

### **Law Enforcement**

There are still many corruption cases that have not yet been completed resolved, yet the interest and attention of the public has been drawn to such cases for a long time and they expect to see a fair settlement. When law enforcement is inconsistent in its positive law, it will consequently affect the degree of trust of the community towards the law and its apparatus. When trust is weak, the public will be driven towards forming the opinion that the law can no longer be trusted as a means for settling conflicts. People will tend to settle their conflicts and problems in their own way which, unfortunately, is often in opposition with the law. Also, when there are other parties who take advantage of this inconsistency in law enforcement for their own interests, it aggravates the situation even more. The absence of trust in the community naturally creates a sense of dissatisfaction and the feeling that the legal institutions and their apparatus are unfair. And at any time when there are attempts to improve law enforcement in Indonesia, this condition will be an obstacle in itself. For this reason, the settlement of corruption cases that have attracted the attention of the public must, absolutely, be accelerated. The rate of success of this strategy is measured by the conviction rate in courts handling the cases of crime as a corruption.

### **Harmonizing the Laws and Regulations**

The ratification of UNCAC is evidence of the consistence of the Indonesian Government in its commitment to accelerate the efforts in corruption eradication. As a consequence, the clauses in the UNCAC must be applied and are binding as legal provisions in Indonesia. Some of these clauses contain new material, and thus need to be regulated/accommodated further in the regulation related to corruption eradication, while also revising some provisions in the regulation that are still overlapping. The degree of success of this strategy is measured by the percentage of compliance between Indonesia's anti corruption regulation and the UNCAC clauses.

### **International Cooperation and Confiscation of Assets Gained Through Corruption.**

With regard to the attempt of returning assets that were gained through the crime of corruption, both in the country as well as abroad, it is necessary to have an established

mechanism for prevention and for the direct return of assets as provided in UNCAC. Indonesian laws do not provide for confiscation from another country, especially the confiscation of assets without a court decision in a corruption case ("confiscation without a criminal conviction"). The confiscation of assets must be supported by the management of state assets in a professional institution so that the assets obtained through corruption can be returned to the State optimally. The success of this strategy is measured by the percentage of return in assets obtained from the crime of corruption to the State based on a court decision.

### **Anti-Corruption Education and Culture**

The increasingly massive practices of corruption call for collaborative determination on the part of the Government and all stakeholders concerned. This can be in the form of prevention through anti-corruption educational activities and internalisation of an anti-corruption culture among the general public and in private circles. When all individuals throughout Indonesia have the same view that corruption is evil, then hopefully there will emerge positive initiatives for CPE in particular, and improvements in the government in general. The degree of success of this strategy is measured by the percentage in increase of the national integrity index.

### **Mechanism of Reporting Corruption Eradication Actions**

A mechanism which prioritizes the strengthening of mechanisms within the Ministry/Agency, private institutions, and the community will facilitate the flow of data/information related to the progress in implementing the UNCAC provisions. Consolidation and the publication of information in various media, both electronic and in print, including a CPE web portal will make it easier to access and use the information to formulate policies and to measure the performance in CPE.

Success is measured by the percentage of preparing reports and publications as regulated by the government's policy regarding CPE.

It is hoped that all the needs for information and reporting related to the process of formulating policies and the assessment of progress in CPE can be better fulfilled and made in real time.

# CHAPTER I.

# INTRODUCTION

## The Nastra CPE in Brief

Eradication of corruption has become one of the main focuses of the Government of Indonesia after the reform era. Various efforts have been made, both to prevent and to eradicate corruption, simultaneously by those in power at the executive (through the Central Government and the regional governments), legislative, and judicial bodies.

These efforts have begun to show results: The determination to eradicate corruption is widespread throughout Indonesia. This is evident from the increased amount of state funds/assets that have been saved each year as the result of prevention and the settlement of corruption cases brought to court. Several implementing agencies and institutions in support of corruption eradication have been established, among others includes the Corruption Eradication Commission (KPK), the Financial Transactions Analysis and Report Centre (PPATK), and the Witness & Victim Protection Agency (LPSK).

The President has also issued a number of instructions and directives for corruption prevention and eradication (CPE), such as the Presidential Instruction (Inpres) 5/2004 on Acceleration of Corruption Eradication in Indonesia. Through this Instruction, the President has instructed several strategic steps to take, among others include the National Action Plan for Corruption Prevention and Eradication (RAN-PPK) 2004-2009. This document is declared to be the reference for all parties in the Central Government and the regional governments for eradicating corruption and emphasizes the efforts of prevention and repression; in addition it is also a guide for conducting monitoring and evaluation.

With regard to government policies, there are some interesting dynamics. On the one hand, institutions have been established and consolidated; while on the other hand the public has become more aware and critical about the importance of eradicating corruption. This has not only been accommodated in the RAN-PPK 2004-2009, a number of regions have voluntarily developed a Regional Action Plan for Corruption Eradication. Not surprisingly, there are regions that have initiated innovation in their policies and have proven to be capable of preventing the practice of corruption in their government bureaucracy.

The efforts to eradicate corruption in Indonesia have attracted the attention of the international community. Indonesia, through Law 7/2006, has ratified the United Nations Convention Against Corruption (UNCAC) of 2003. In 2011, Indonesia became one of the first countries reviewed by other member countries in the UNCAC scheme. The efforts made by Indonesia to eradicate corruption were compared with the clauses in UNCAC in a gap analysis study. The results of the study indicated that a number of adjustments would have

to be made immediately in order to fulfil the clauses of UNCAC, particularly concerning criminalisation and the rules and regulations.

No less than that, Transparency International each year conducts a poll of the Indonesian people to record their opinions regarding the existence of corruption, particularly regarding commercial activities, by measuring the Corruption Perception Index (CPI) of Indonesia. The Indonesian CPI today, despite having experienced the largest increase in the Association of Southeast Asian Nations (ASEAN) up to 2011, is still quite low: 3.0 out of the maximum 10. In 2014, it is targeted to accomplish a number of measured increases; among others the government has targeted 5.0 for the CPI And 100 percent settlement of the recommendations made from the implementation review of Chapter III and IV of UNCAC as a tool for measuring success in corruption eradication. Moreover, a National Integrity System to complete the success indicators will be developed for the long term.

In order to meet the targets of 2014, in May 2011, the President announced that Inpres 9/2011 (on the Action Plan for CPE in 2011) would be continued with Inpres 17/2011 (on the National Action Plan for CPE (NAP-CPE) for 2012) in December 2011. The President instructed the implementation of various detailed action plans with the main focus on preventing corruption in law enforcement agencies. The actions included improving accountability, information disclosure, improved capacity and development of the human resources, and coordination between agencies. Inpres 9/2011 and Inpres 17/2011 are expected to become the first and second parts of the National Action Plan for CPE that will be carried out annually.

The implementation of these national documents on corruption eradication obviously presented a number of challenges. One of these, the implementation by the Ministry/Agency and the regions felt like they were all going their own separate ways, there was no synergy, and thus the achievements were not maximal in encouraging corruption eradication. It is for this reason that a comprehensive Long Term National Strategy on Corruption Prevention and Eradication 2012-2025 and the Mid-Term 2012-2014 (Nastra CPE) is urgently required, especially as a source of reference or a compass for all the stakeholders in determining their steps.

Nastra CPE hopefully will continue, consolidate, and perfect whatever the effort and policy applied in the eradication of corruption so that it can have a significant impact on the improvement of the people's welfare, the sustainability of development, and consolidation of democracy. The Nastra CPE is also important for directing the measures in corruption eradication so that they will be carried out in stages-continuously, for the short term (annually), medium term (until 2014), and long term (until 2025). In relation to the existing national document, Nastra CPE will be positioned as a reference for those parties that prepare the annual NAP-CPE. The related institutions (Ministry/Agency and regional governments) may also refer to this Nastra CPE as well as use the tools provided in Nastra CPE for carrying out efforts of corruption prevention and eradication.

The preparation of Nastra CPE is made through public consultation and focus group discussions. In the preparation the stakeholders are also actively involved, namely elements from the government up to civil society. In addition to strengthening the sense of ownership in the program, this kind of effort is important as it allows CPE actions to move in the direction agreed upon to achieve maximum results.

## Vision and Mission

The vision of Nastra CPE is plotted in two time periods:

- a) Long-Term Vision (2012-2025): “A Nation free of corruption supported by a system of cultural values with integrity.”
- b) Medium-Term Vision (2012-2014): “A government free of corruption supported by the capacity to prevent and take action against corruption and a system of cultural values with integrity”.

The long-term and medium-term vision shall be realized in all three pillars of CPE, which is the government in a broad sense, the civil society, and the business world. In the framework of realising the Visions, a number of Nastra CPE missions are determined as follows:

- a) To build and establish an integrated system, mechanisms, capacity to prevent, and take action against corruption on a national scale.
- b) To reform the national laws and regulations that support corruption prevention and eradication in a consistent, consolidated, and systematic manner.
- c) To build and consolidate a system and mechanism for confiscating the assets of corruption, through national and international cooperation.
- d) To build and internalize an anti corruption culture within the government structure and the society.
- e) Developing and publicizing an integrated system of reporting the performances in implementing Nastra CPE.

## Targets

The main target of the Nastra CPE is to reduce corruption and to build a prosperous Indonesian society free from corruptive acts. The success indicators used here are:

- a) raising the Corruption Perception Index;
- b) increased compliance between the anticorruption regulations in Indonesia and the clauses in UNCAC, including the settlement of recommendations produced by the review on implementation of Chapter III and IV;
- c) raising the Annual National Integrity Index, which is a system being developed in an effort eradicate corruption in Indonesia in a holistic manner by elaborating on all pillars (legislative, executive, judiciary, political parties, oversight bodies, media, civil society and the private sector).

Whereas the success indicators of each strategy are as follows:

- a) raising the Corruption Prevention Index, in which the number is obtained from the sub-indicator of the *Control of Corruption Index* and the rating of *Ease of Doing Business*
- b) raising the Anticorruption Law Enforcement Index, in which the number is obtained from accounting the percentage of settlement of each stage of the law enforcement process of a corruption case, starting from the settlement of corruption complaints up to the settlement of execution of anticorruption court verdicts;
- c) percentage of settlement of the recommendations from the UNCAC review results in relation to rules and regulations (results of implementation review of Chapter III and IV);
- d) percentage of assets of corruption recovered and success rate of international cooperation, which is viewed from the percentage of success in the implementation of Mutual Legal Assistance (MLA) in criminal matters and Extradition in relation to corruption, both requested to or received from other countries;
- e) raising the Anticorruption Behaviour Index; and
- f) Satisfaction index of Stakeholders towards CPE Reports.

The targets for improving the success indicators above are described in the Roadmap for the Long Term (2012 - 2025) and Medium Term (2012 - 2014) as contained in the Attachment on Nastra CPE.

# CHAPTER II. STRATEGY

The Vision and Mission of the National Strategy for Corruption Prevention and Eradication (Nastra-CPE) must be descended to the implementation level. That is why a strategy is needed. Presently, six national strategies have been formulated, namely:

- (1) Carrying out preventive measures.
- (2) Implementing strategic measures in the field of law enforcement.
- (3) Carrying out measures to harmonize the drafting of rules and regulations in the field of corruption eradication and other related sectors.
- (4) International collaboration and asset recovery from corruption cases
- (5) Improving anti-corruption education and culture.
- (6) Improving coordination in the implementation of reporting mechanisms in combating corruption.

## Strategy 1: Prevention

### Issues

Various anti-corruption approaches of the Indonesian government, as we know, are inclined to be repressive. This also becomes the paradigm of the public, namely that this approach is considered to be an effective attempt to generate a deterring effect.

In reality, corruption practices still occur massively and systematically at all levels; in the executive, legislative, judiciary, State-Owned Enterprises (SOE), financial and banking institutions, as well as in other parts of our society. Prevention efforts, is thus expected to be the appropriate measure that will impact future improvements, considering the enormous potential for its continuity.

The Indonesian public is now more aware of their rights and obligations as citizens. Aspects of ease and speed in administrative services is becoming a higher demand in an increasingly dynamic society. Despite the Central Government and Regional Governments efforts in improvements and reforms of public services, in practice, the public still does not receive optimum benefits. The Bureaucratic Reform Agenda which is not yet completed, specifically in terms of right-sizing, business processes and human resources has often been said to be the main problem. In addition the disclosure of information is also the right of the people to be met by the government. This is guaranteed by Law No. 14/2008 on The Disclosure of Public Information, which until now still needs to be carried out thoroughly and with quality. Easy and effective access to information for the public is essential. One of the crucial information to be disclosed is on planning and the realization of budgets, where currently there is very minimum information that can be seen by the public to oversee the planning and realization of the institutional budgets of the government.

Several other issues which have also been identified are: the inadequacy of reward and punishment mechanisms for public services, lack of integrity, career and remuneration

systems not entirely based on performance and management performance and minimum service standards that have not been structured. These problems can not be tolerated as a justification, but it is a reality in provision of public services that can still be prevented, corrected, and resolved.

Prevention affects public perception of corruption. This is so because the areas of prevention are closely related to public services which are directly in contact with the public and business owners.

In the international scale, measurement of public perception has been done by various institutions. One of which is Transparency International through a survey of corruption perception index (CPI) which assesses the public's perception of the existence of corruption based on surveys comprised by various institutions. This survey still puts Indonesia in a low position despite a trend of increasing numbers. In 2011, Indonesia's CPI ranked 100th out of 183 countries with a score of 3.0 (up about 0.2 compared to 2010 or a 1.0 since 2004).

Other points are shown by the global corruption barometer (GCB) in 2010. According to GCB 2010 some respondents claimed they have made bribes. The figure reached 18 percent. The higher the index of an institution means a higher perception of the institution as corrupt. The GCB index gives the highest score with an index value of 3.6 to the legislative institution, followed by the police and political parties with an index of 3.5. Judicial branches given an index of 3.3, followed by executive officials 3.2.

In addition, bribery and other corrupt practices related to the licensing and execution of businesses is one of the major obstacles in the development of investment and businesses in Indonesia. Regulations that are still open to the possibility of overlapping of licenses and questionable legal certainty are also common problems related to business in Indonesia. In the international business world, there is an index of Ease of Doing Business (EoDB) or ratings for the ease of doing business in certain countries issued by the World Bank. One indicator is the value of Starting a Business which concerns the evaluation for starting a business. Currently Indonesia is ranked 129<sup>th</sup> in the EoDB index, with a ranking of 155<sup>th</sup> in Starting Business among 183 countries.

Various preventive attempts have been made, among others, improving the quality of licensing services, as exemplified by several areas through the establishment of one stop services (one-roof service). However, in its implementation, public perception still reflects a weakness, especially regarding licensing regulations in the regions that leaves loopholes for corruption.

Likewise with improvement in tax services, problems are still existent with an incomplete and nonintegrated single identification number program. In addition to taxation problems, the completion and integration of this program is believed to be able to resolve many in-house works, relating to corruption eradication. Another area that has a lot of work to be done concerns procurement processes that is often considered to be a rich sphere for the occurrence of corrupt practices. Various breakthrough efforts have to be made to minimize corruption in these fields.

An Integrity Survey conducted by the Corruption Eradication Commission (KPK) in 2011 states, the average score of Public Sector Integrity for Indonesia reached 6.31. This score is relatively low compared to other countries, though for Indonesia it is an improvement from the calculation basis of 2007 with a score of 5.53. From this survey we could conclude that, less than maximum quality of bureaucracy and law enforcement accompanied by a weak mechanism for the provision of licenses and supervision of state revenues is the root of the problem of corruption. Unfortunately, reform in state finance management, especially in terms of planning and budgeting for development, is still not thoroughly completed. All of

these aspects make up a systemic problem that must be prevented through hard work in improvements of systems and institutions.

The above issues suggest that, in order for corruption eradication to be optimal in the context of prevention strategies, the involvement of the private sector and the public must be performed by government personnel as the provider of public services. That is, the three pillars of corruption eradication (government, the public and private sector) should consciously build a shared commitment to the prevention of corruption.

### **Objective**

Minimizing the chances of corruption in governance and the public in regards to corruption-free public services and case handling.

### **Challenges**

01. The incomplete bureaucracy reform. This is indicated among others by: the inadequacy of reward and punishment mechanisms for public services, lack of integrity, career and remuneration systems not entirely based on performance and management performance and minimum service standards that have not been structured.
02. Prevailing lack of public institutions to implement disclosure of information regarding administrative and public services, including handling of cases, although Law 14/2008 (on Public Information Disclosure) and Law 25/2009 (on Public Services) has been enforced.
03. Services related to procurement of goods and services of the government by public agencies still do not fully implement the provisions of Presidential Decree 54/2010, including e-procurement that has not been thoroughly implemented.
04. Limited public involvement in monitoring the management of state finances in the central and regional levels, including difficulty in obtaining access to information related to the implementation of the State Budget Revenue and Expenditure (APBN) and Local Budget Revenue and Expenditure (APBD).
05. Poor handling of complaints from the public and reporting (whistle blowing) that are followed up, due to non-optimal mechanisms and infrastructure for public complaints.
06. The licensing process is still covered with many human interactions that increase chances for corruption.

### **Indicators of Success**

The realization of transparent, accountable and corruption-free public services to minimize the chances of corruption in accordance with this strategy is measured by the Corruption Prevention Index.

This index is measured based on two sub-indicators namely the Control of Corruption (CoC) index and the EoDB rate issued by the World Bank. The CoC index essentially measures the effectiveness of policies and the institutional framework of a country in corruption prevention. The EoDB rating measures the ease of starting and executing a business, which relates to license provision process. The selection of such indicators is to measure the success of the prevention strategy based on the consideration of issues and challenges faced in the CPE, as well as an effort to expedite the increase of the CPI. The compilation of both sub-indicators becomes the Corruption Prevention Index through the conversion of index measurement of 1 (as the worst) up to 10 (as excellent). The conversion method of the CoC and EoDB can be seen in greater detail at the end of this document. The higher the Corruption Prevention Index number obtained, the better corruption prevention is believed to be,

## Strategy 2: Law Enforcement

### Issues

The various efforts that have been made by the government of Indonesia does not necessarily reduce corruption and aid in clearing governance procedures and social governance from corruption, collusion, and nepotism. In the past five years, many corruption cases regarding state officials were processed in court. The Ministry of Home Affairs noted, since 2004-2011, the President has signed off on permission for corruption investigation towards at least 168 Governors and Regents/Mayors involved in corruption cases.

There are still many cases of corruption that have not even been resolved even though it has attracted the attention of a wide audience. It is important to note, that law enforcement that is inconsistent with the prevailing law affects the level of public trust towards the law and law enforcement officers. The poor public perception of the law enforcement process, in turn, leads to social patterns of distrust in the law as a means of conflict resolution.

The tendency to resolve conflicts in their own way then arises. In the end there are other parties who takes advantage of the inconsistency of law enforcement for their own interests, which effects others in a detrimental way.

The absence of trust among the public that fosters discontent towards legal institutions and officials is gradually rising. This may become its own obstacle in the future when remediation efforts of law enforcement in Indonesia are actually being made.

Efforts to accelerate the resolution of cases that attract public attention need to be made. Law enforcement efforts can not be separated from improvement of overlapping legislations. Law enforcement needs to be supported by an adequate regulatory framework to ensure that law enforcement can fulfill the public's need for justice, suspected criminals of corruption not fleeing, until corrupted state assets are safe. Supervision of the institutions, officials, and the elements of law enforcement related professions, also needs to be reinforced through public participation. Public participation, either as complainant or witness, is still not supported by legal protection that should be duly received. Complaint mechanism for the community is not well established, as well as transparency of settlements of corruption cases. These factors increasingly worsen existing conditions.

In view of such conditions, the corrective measures with strategies that can address these issues are urgently needed in order to optimize law enforcement. Therefore, in addition to the efforts in corruption prevention, it is reasonable that law enforcement be placed as the second pillar of the Nastra-CPE.

### Objective

Completion of corruption cases consistently and in accordance to the applicable laws to restore public trust in just and transparent law enforcement.

### Challenges

- a. Corruption becomes more widespread. Many state officials are caught and processed until the judicial level.
- b) The absence of trust within the public generates feelings of discontent towards legal institutions and their officials.
- c) The numerous overlapping legislation whereas law enforcement needs support from an adequate regulatory framework.
- d) Monitoring of agencies, personnel, and elements in law enforcement related professions is still weak.

- e) Community participation, either as complainant or witness, is still not supported by legal protection that should be duly received. Moreover public complaint mechanisms are not yet adequate

### **Indicators of Success**

Based on the above issues and challenges, it is necessary to conduct a thorough and systematic effort to return the public trust in relation to just and transparent law enforcement. This law enforcement process starts from the process of submitting a complaint, to pre-investigation, investigation, prosecution until execution of verdict. The success of this strategy is measured through the achievements of the Corruption Law Enforcement Index, which covers five sub indicators as follows:

- a) Percentage on the settlement of corruption complaints, accounted from the number of corruption complaints raised to the pre-investigation stage compared with the total number of complaints received by law enforcement officers;
- b) Percentage on the settlement of corruption pre-investigations, accounted from the number of corruption pre-investigations raised to the investigation stage compared with the total number of corruption cases under pre-investigation;
- c) Percentage on the settlement of investigations, accounted from the number of corruption investigations raised to the prosecution stage compared with the total number of corruption cases under investigation;
- d) Conviction Rate, accounted from the number of guilty verdicts on corruption cases compared with handover of corruption case dossier to the court;
- e) Percentage on the settlement of execution of verdicts, accounted from the number of verdicts in execution (body) compared with the total number of legally binding corruption case verdicts.

In its implementation, this strategy requires good support and coordination from the concerned law enforcement agencies, including the Police, the Attorney's Office, the KPK and the Supreme Court.

## Strategy 3: Harmonizing Legislation

### Issues

One of the obstacles in CPE, as mentioned before, lies in the in-adequate legislation. In that sense there are overlapping and inconsistent legislations, with rules that open up opportunities for the continuity of corruption in absence of regulations, thereby inhibiting CPE.

Legislation is a supporting factor that is an inseparable part of the strategy and the CPE action plans. Therefore, adequate anti-corruption regulations need to be ensured. This is done by evaluating, revising, or supplementing the existing rules and regulations. The regulations in question are not merely corruption-related, but also regulations with the intent of the anti-corruption and / or minimizing the chances for corruption.

For consistency of CPE, the Indonesian Government has ratified the UNCAC 2003 through Law 7/2006. This intention implies, that the provisions of the UNCAC should be applicable and binding as law provisions in Indonesia. Several provisions of the UNCAC are new to Indonesia, in which there is a need to be arranged or accommodated further in laws and regulations relating to combating corruption. This is necessary so that criminal acts done in the future will have adequate legal basis for the enforcement of the law. These new cases for example are bribery of public foreign officials and officials of international public organizations, trading influences, illicit enrichment, or corruption in the private sector.

In addition, UNCAC member states will mutually review and recommend corrective measures. Currently, a review of Indonesia has been done on Sections III and IV of the UNCAC. The results of these reviews can be a reference for improvements in compliance with UNCAC. Accommodative measures in the preparation or the revision of regulations for harmonization is necessary so that CPE can be implemented with an adequate legal framework. With this strategy, a strong foundation for the sustainable prevention and eradication of corruption can be realized.

### Objective

- a) Formulate and revise laws and regulations in the field of corruption and in other strategic fields that have potential opportunities for corruption, in order to establish a harmonious and adequate regulatory structure for CPE.
- b) Achieving compliance between the provisions of the UNCAC with the applicable laws of Indonesia.

### Challenges

- a) Legislations in other sectors that open up opportunities for corruption are still not identified comprehensively.
- b) Many UNCAC provisions are still not accommodated in laws and regulations in Indonesia.
- c) Legislations on law enforcement and case handling in the judicial system must be improved and refined.

### Indicators of Success

Indicators of success of this strategy lie in the improvement of the inconsistent conditions of the legislation in Indonesia in order to provide adequate legal basis for CPE. The success rate of this strategy is measured by the percentage of compliance between anti-corruption regulations in Indonesia with the UNCAC provisions, including the percentage of completion of the recommendations. Obtaining 100% (one hundred percent) means that the laws and regulations of Indonesia are in accordance with the common practice of other countries.

## Strategy 4: International Cooperation and Asset Rescue of Corruption Cases

### Issues

The handling of corruption oftentimes requires international cooperation. There are several examples of cases which are dependent on matters beyond state boundaries, namely when a suspect, evidence or assets of corruption are located abroad. In a case like this, international cooperation between state authorities is necessary for the handling of corruption in line with the provisions of UNCAC. International cooperation can be conducted through mutual legal assistance in criminal matters (MLA) on search and seizures of persons, evidence and asset recovery. With regard to returning corruptors to Indonesian jurisdiction, this can be done through extradition.

Up to this day, Indonesia continues to face obstacles in implementing international cooperation on handling corruption, even though several MLA and Extradition agreements have been signed. The success rate of the returning of persons, evidence and asset repatriation from abroad is still low. Several problems relating to such matters include:

- a) The conformity of the legal process of the country with requests for cooperation from other countries of different legal systems often follow different paths.
- b) Coordination between law enforcement agencies, Central Authority, and other related agencies needs to be enhanced through compliance of a clear mechanism to support the smooth process of international cooperation.
- c) The capacity and capabilities of the human resources of the related agencies need closer attention.
- d) Efforts on extradition from other countries have not found any success with similar obstacles. Even more so with the need to strengthen and develop more extradition agreements with safe heavens of corruptors.

Specifically concerning asset recovery, both domestic and abroad, a prevention mechanism on the transfer of assets and its return is necessary with the consideration of the UNCAC provisions. From the beginning of the legal process, the use of financial intelligence is also considered important for seizure of assets in the country or abroad. Specifically on the process of asset recovery of the proceeds of corruption located abroad which contain different legal characteristic, the technical knowledge and capacity of law enforcement officers would be a primary requirement, with full cooperation support from all related agencies in the pre-investigation, investigation, prosecution and court stages. For domestic asset recovery, the disciplined execution of court verdicts needs to be guarded so that all compensation can be fulfilled by the convicted corruptor.

Furthermore, the Management of state assets of corruption, must be recognized, is still not implemented properly. There is a need to explain the management mechanism and make it as a lesson to develop policies relating to recovery of corruption assets in the future.

In its relation to the UNCAC, Indonesia does not yet have sufficient regulations to handle the requests of other countries, including requests for seizure/confiscation of assets. Indonesia also does not have regulations on the implementation of asset seizure (confiscation) without a criminal conviction. Completing the necessary regulations to support requests from other countries for international cooperation in corruption eradication also needs to be done.

### Objective

To raise the percentage of asset recovery to restore state losses through enhancing international cooperation in the context of CPE, specifically with submissions of mutual legal

assistance in criminal matters, enhancing intensive coordination between law enforcement agencies, and raising the capacity of law enforcement officers.

### **Challenges**

- a) The low rate of success on asset recovery, both from abroad and domestically, and other forms of MLA requests.
- b) The low rate of success on extradition requests from other countries.
- c) Weakness of the financial information flow to prove the relation of an asset of corruption that needs to be seized by the state.
- d) Coordination between law enforcement agencies and its capacity to handle international cooperation, specifically asset recovery, is not yet optimal.
- e) Internal Mechanism of processing asset recovery needs to be improved for optimum results.
- f) Indonesia's legislation does not regulate the implementation of verdicts for confiscation (seizure) of other countries.
- g) Management of recovered assets is still not performed.

### **Indicators of Success**

Successful implementation of this strategy is measured based on 2 (two) success indicators, which are the percentage on the rate of success on international cooperation in the field of corruption and the percentage of recovery of corruption assets. Increasing the success of international cooperation in the field of corruption is measured by 2 (two) sub-indicators namely the percentage increases on the success of MLA and Extradition, both sent to other countries or received from other countries. The success of the MLA and extradition is measured by the completion of the files for request from Indonesia to other countries for follow up, and the follow up action of files of request for cooperation from other countries.

With regards to asset recovery, the measures of success is viewed from the percentage of the corruption assets recovered originating from the country or abroad in accordance with the court verdict, for both the Attorney General's Office (AGO) or the KPK. The assets recovered is measured from the realization of corruption assets returned and deposited into the state treasury compared to the total assets confiscated for the state based on court verdicts. The higher the percentage of international cooperation and asset recovery means that this effort will expedite compliance to the UNCAC.

In its implementation, this strategy will require the support from the concerned law enforcement agencies including the Police, the Attorney's Office, the KPK, the Supreme Court, PPATK and the Central Authority at the Ministry of Law and Human Rights.

## Strategy 5: Education and Anti-Corruption Culture

### Issues

Even though honesty is a value upheld high in Indonesia, corrupt practices that are clearly contrary to this value frequently happens. One of the root causes of corruption is suspected to come from the low integrity of the perpetrators and a permissive culture towards corrupt acts. This weak deterrent effect on corruption perpetrators contributes to the rise corrupt practices.

In a modern organizational culture, a universal value system must be enforced, both within the government and private sectors. A public with a culture that encourages a social structure with corruptive behavior must change its thought patterns to be free from corrupt values, moreover, to uphold its integrity. The public's active participation in preventing corruptive behavior in their environment is absolutely necessary. Individuals who can influence and take action in preventing corruptive behavior are also needed, not only passively preventing corruption from his/her own self.

Development of value systems and anti-corruption attitudes need to be done through various campaigns that provide space for public participation as an effort to combat corruption. One primary channel is through education and internalization of an anti-corruption culture in the government, the private sector, the public and other stakeholders. Anti-corruption education networks and universities or anti-corruption assessment centers should be developed in line with the strengthening of social sanctions.

An anti-corruption social movement needs to be integrated with the anti-corruption values in the system of the local culture. Therefore, in addition to creating an understanding of corruptive behavior, the development of national character with integrity and anti-corruption can also be expected to strengthen an anti-corruption movement and its social sanctions.

### Objective

Strengthening each individual in making ethical decisions with integrity, as well as to create a culture of zero tolerance towards corruption. The public is expected to play its active role in preventing and eradicating corruption thereby enabling themselves to affect ethical decisions with integrity in their surroundings, greater than his/herself.

### Challenges

- a. The persistence of permissive attitudes in society towards perpetrators of corruption; social sanctions for the offender needs to be strengthened to produce a deterrent effect. This permissive attitude is often shown by a passive individual in confronting a corrupt act by another person in his/her surroundings.
- b) Absence of a communication strategy in the education of an anti-corruption culture. This is indicated by the lack of effective material or the way of delivering the anticorruption education and campaigns to the public.
- c) Anti-corruption education has not been integrated into the school curriculum and universities.

### Indicators of Success

The development of a society with a culture of integrity in the various aspects of life as a nation. This strategy is measured based on the Anticorruption Behavior Index of those in the government or individuals throughout Indonesia. The higher the index indicates that the anticorruption cultural values are better internalized and is showing in the actual behavior of each individual in combating corruption.

## Strategy 6: Reporting Mechanisms of Implementation of Corruption Eradication

### Issues

With the ratification of UNCAC, the Indonesian government made a commitment to implement provisions and at the same time to report its achievements. That is, as a participating country that has signed and ratified the UNCAC, Indonesia is obliged to provide and publicize information periodically about programs that have been, currently, and will be implemented, as well as the plans and practices in its efforts to eradicate corruption.

The reporting mechanisms can be done in stages with strengthening the internal reporting system of stakeholders as implementers of UNCAC provisions, and it is then reported to the Conference of Participating Countries (Conference of the States Parties, CoSP). Unfortunately, until now, there is no internal mechanism that allows each governmental institution and associated agencies to provide information easily (internal information gathering mechanism) with regards to the implementation of the UNCAC provisions in Indonesia.

In addition, information on the wide range of CPE efforts is also needed for the public, whose attention on CPE continues to increase. Currently, there is numerous information that have not been publicized and used to support public participation in CPE.

In order for the process of internalization and flow of reports to run smoothly, a person in charge (Pj) of reporting should be appointed. The Pj is obliged to: (1) ensure that all parties regularly report activities related to the implementation of UNCAC provisions, (2) consolidating such reports into the CPE Implementation and UNCAC Implementation report ; and (3) publicize such reports to the media, including the CPE web portal, in order to ease its usage in the development of policies and measuring the performance measurement of the national CPE.

### Objective

- a. Ensuring the availability of routine reports and information on the implementation of the UNCAC provisions and activities of CPE in Indonesia along with its achievements.
- b) Ensuring that all parties, implementers of UNCAC provisions and CPE actions, contributes actively in reporting performance and attainments which has been, currently, and will be held on a regular basis.
- c) To periodically report and publish efforts that has been, currently, and will be implemented by the government, legislative, judicial, and the public, in regards to the implementation of the provisions of UNCAC and CPE.
- d) Fulfillment (100 percent) of all obligations related to reporting of implementation of the provisions of UNCAC.

### Challenges

- a) Information and coordination on the implementation of CPE, although is an issue that is often discussed in various meetings between agencies, is lacking in implementation, consistency and continuity.
- b) Information gathering, reporting, and publication of information, is often stalled due to lack of records, documentation, and discipline of the reporting parties.
- c) An effective report and publication format needs to be developed so that it can be utilized by the public to participate in the CPE and its oversight
- d) Appointment of person in charge (Pj) for the preparation of reports without having a legal foundation and sufficient authority, resulting in difficulties coordinating with other

parties to build commitment in sharing information. The principal tasks, functions, and authorities should be in the form of regulations at the Presidential Instruction level or Presidential Regulation level - adjusted by the adequacy and effectiveness in coordinating and gathering information of the parties concerned.

### **Indicators of Success**

The success of the CPE reporting mechanism strategy is conducted through the Stakeholder Satisfaction Index towards the CPE reports which is measured from 2 (two) elements, namely the utilization of the CPE Report and timeliness of the CPE report publications, including the UNCAC implementation and its achievements. The higher the rate of the Stakeholder Satisfaction means that all needs for information and reports relating to the policy development process and the CPE progress evaluation can be obtained , thereby the CPE efforts can be continuously be supervised and on target.

# CHAPTER III.

# FOCUS ACTIVITY

# PRIORITY

## Long-Term Focus (2012 - 2025)

### Strategy 1. Prevention

The wise advice "prevention is better than cure" is most relevant this strategy. Improvements in the areas of prevention will be implemented systematically so that the resulting impact can fix the existing condition. The long-term activities are:

- a. Increased transparency and accountability in administration and public services, management of state finances, handling of cases based on information technology (IT), and procuring IT based goods / services in central and regions.
- b. Increased effectiveness of the people's supervision and participation system in governance and state financial affairs, and value of integrity is included in performance assessment system.
- c. Increased effectiveness of license provisions related to business activities, employment, and land affairs that are free of corruption.
- d. Increased effectiveness of tax and customs services, which are free of corruption.
- e. Strengthened anti-corruption commitments in all elements of Government (Executive), judicial, and legislative.
- f. Application of selection / placement / promotion system of public officials through integrity assessment (tax clearance, clearance for financial transactions, etc.) and integrity pact.
- g. Mechanism for nationwide anti-corruption grievance / complaints
- h. Improved internal and external oversight and the value of integrity are included in the performance appraisal system.
- i. Enhancing transparency and accountability in finance management and performance to aim for the audit opinion of Proper Without Exemption with Premium Performance
- j. Revamping/improving of governance system through bureaucratic reforms.
- k. Execution of e-government.

### Strategy 2. Law Enforcement

The focus of priority activities related to the improvement of law enforcement mechanisms in order to improve public trust towards the authorities and law enforcement agencies are:

- a. Strengthening institutional mechanisms and cooperation among law enforcement agencies in order to optimize law enforcement process against Corruption.
- b. Strengthening the IT-based facilities for coordination among law enforcement agencies in handling cases and judicial process (e-law enforcement).
- c. The application of zero tolerance for corruption related crime and more severe legal sanctions in all levels of government (executive), legislature, and the judiciary.

### Strategy 3. Harmonization of Laws and Regulations

The main issue in coping with the overlapping of regulations related to corruption eradication efforts is the harmonization and drafting of laws and regulations within the framework of the UNCAC implementation. Long-term activities in this strategy are focused on:

- a. Harmonization and synchronization of laws and regulations in accordance with national policy and regional needs related to natural resources.
- b. Harmonization and synchronization of laws and regulations and its formulation in the framework of modernizing law enforcement in criminal justice system.
- c. Monitoring and evaluation mechanisms of laws and regulations on overlapping and inconsistent implementation of laws and regulations
- d. Mapping and revision of laws and regulation related to the law enforcement process, among others: witness protection and justice collaborators, and obstruction of justice.
- e. Harmonization and drafting of laws and regulations in the context of UNCAC implementation and other supporting regulations.
- f. Simplifying the number and types of licenses in Regional capacities.
- g. Harmonization of oversight in the implementation of regulations relating to the provision of authority from the Central Government to the Regional Government.

### Strategy 4. International Cooperation and Asset Recovery of Corruption Proceeds

It is important to return assets of corruption proceeds in the framework of Corruption eradication. In order to increase the percentage of asset recovery and recovery of state loss, the long-term activities in this strategy is focused on the following:

- a. Institutional optimization in the framework of MLA implementation focusing on strengthening the Central Authority in the Ministry of Law and Human Rights in the process of assets recovery, international cooperation, as well as the implementation of extradition.
- b. Structuring of institutions managing corruption related assets by taking into account national and international needs.
- c. Training and technical assistance for law enforcement agencies in the framework of asset recovery from corruption proceeds.
- d. Socialization of laws and regulations to law enforcement officials related to asset recovery and its implementation.
- e. Increased international cooperation with other countries in MLA and extradition.

### Strategy 5. Anti-corruption Education and Culture

With a unified perspective that corruption is very detrimental to the public and to every Indonesian, it is expected that improvements would be made. Education and internalization of anti-corruption culture in all levels of society is one way of unifying such a perspective. Long-term activities in this strategy are focused on:

- a. Development of anti-corruption system of values and attitudes in various activities of life in the three pillars of CPE: the public, the private sector, and government officials.
- b. Development and application of anti-corruption values, honesty, openness, and integrity in various activities at schools, universities and social sphere in order to develop a national character with integrity.
- c. Comprehensive and planned anti-corruption campaign.

- d. Broaden public participation in the framework of CPE.

## Strategy 6. Reporting Mechanism of the Implementation of Corruption Eradication

The reporting activities in implementing CPE and UNCAC provisions should be focused on efforts and achievements that have been done, which are being done and which will be done by various relevant elements. Such activities are specific actions which have a direct and significant impact on the improvement of the CPI and in accordance with the UNCAC provisions. Its media for publication needs to be selected by taking into account its accessibility for parties in assessing and developing CPE policies. For the fluency of the supply of information, reporting, and publication, the reporting activities will focus on:

- a. Development and application of standards of information, documentation, and reporting of relevant parties, particularly IT-based reporting system
- b. Reporting mechanism of National CPE in an integrated manner.
- c. Openness and communication of CPE efforts, as well as public participation in planning, implementing, monitoring and reporting.
- d. Supervision and implementation of Law 14/2008 (Public Information Disclosure), including verification and clarification mechanisms in CPE implementation.
- e. Expansion of access to information concerning the implementation of CPE and UNCAC provisions.

## The focus of Medium Term (2012 - 2014)

### Strategy 1. Prevention

The prevention strategy will have a significant impact on the eradication of corruption, if carried out thoroughly. Medium term activities in prevention strategy are:

- a. IT-based public service system with a focus on:
  - Ministries/Agencies and local governments in all provinces by taking into account internal integration of institutions that already have a clear target until 2014, with a focus on the provision of licensing;
  - Integration of mechanisms for handling grievance/ complaints against CPE efforts, including law enforcement processes;
  - Open inter-agency access to follow-up public complaints;
  - Information transparency in handling of cases (including corruption cases), planning, and government budgeting.
- b. Transparency of standard operating procedure of case handling and processing of those who abuse their authority.
- c. Completion of the code of ethics with clear sanctions (strengthened with the issuance of Government Regulation on Employees Discipline).
- d. Control and supervision of the public service processes, strengthening the Government Internal Control Systems as well as publication of those abusing their authority/position.

- e. Implementation of the Public Service Law, openness in appointing public officials, and the alignment of the Law on the Balance of Finance between the Central and Regional Government.
- f. Revamping of the system through Bureaucracy Reforms with a focus on law enforcement agencies and the judiciary.
- g. Certification of judges for Corruption Crime based on competency and integrity.
- h. Development of internal and external complaints systems and management (including from the public) regarding abuse of power.
- i. Stabilization of state financial administration, including elimination of off-budget funds, and to publish receipts of grants / aid / donor in public agencies and political parties.
- j. Drafting and publication of financial reports in a timely manner, with Proper without Exemption opinion for all Ministries/Agencies and Regional Governments.
- k. Restrictions on cash transactions value.
- l. Enforcement and publication of the Wealth of State Officials Report of public officials.
- m. Strengthening of institutional mechanisms for recruitment, placement, transfer and promotion of law enforcement officers based on the assessment of track record, competence, and integrity in line with the needs of law enforcement agencies.
- n. Transparency and accountability in the procurement mechanism of goods and services.
- o. Implementation of integrity pact.

## Strategy 2. Law Enforcement

The focus of priority activities related to improvement of law enforcement mechanisms in order to improve public trust towards the authorities and law enforcement agencies are:

- a. Strengthening and improving the consistency of legal and administrative sanctions for the actors as well as law enforcement officers who deviate and abuse their authority or carry out corruption crime.
- b. Strengthening of legal sanctions against abuse of authority, for instance by returning assets of corruption and pay for damages caused by the said abuse of authority.
- c. Strengthening the coordination of handling of corruption cases among law enforcement agencies with the support of a comprehensive IT (e-law enforcement).
- d. Anti-bribery and corruption regulations in the profession code of ethics, including lawyers, public accountants and tax consultants.
- e. Giving heavier sanctions for bribery performed by professionals having the codes of ethics.
- f. Revocation of license, return of profit, and compensation for entrepreneurs / private sectors/ individuals who bribe.

- g. Application of reverse burden of proof on wealth that cannot be proved.
- h. Facilitate the process of obtaining bank information by law enforcement agencies in the framework of corruption eradication.
- i. Limiting remissions granted to perpetrators of Corruption.
- j. Consistency of law enforcement in all regions.

### Strategy 3. Harmonization of Laws and Regulations

To overcome the overlapping of laws and regulations related to efforts to combat corruption is by harmonizing and drafting laws and regulation in the framework of UNCAC implementation. Ffocusses of the Medium-term activity of this strategy are:

- a. Harmonization and synchronization of laws and regulations in accordance with national policies with local needs related to natural resource issues.
- b. Harmonization and synchronization of laws and regulations related to problems in forestry, mineral and coal, water resources, land affairs, spatial planning, and financial balance between Central and Regions
- c. Harmonization and drafting of laws and regulations within the framework of the implementation of UNCAC and other supporting regulations.
- d. Harmonization, synchronization, and drafting of laws and regulations to modernize law enforcement in the criminal justice system.
- e. Mapping and evaluation of the National Laws and Regulations Program related to corruption eradication and revisions of laws and regulations related to law enforcement process and other supporting regulations.
- f. The completion of the Bill on the Criminal Code, Criminal Procedural Code, asset seizure/forfeiture, Corruption, extradition, MLA, and transfer of sentenced persons (whose substance is in accordance with UNCAC provision).
- g. Harmonization and cancellation of regulations regarding levies that are contradictory to Central regulations.
- h. Simplifying the number and types of licenses in Regional capacity
- i. Supervision on the implementation of regulations relating to the transfer of authority from the Central Government to the Regional Government.
- j. Harmonization of Laws on Financial balance between Central and Regional Government
- k. Arrangement and enforcement of rules on conflict of interests, which also apply to political parties.
- l. Analysis of court verdict and decision-data base on corruption as a precedent for judges.
- m. Regulations for the CPE in the private sectors.

- n. Regulations on illicit enrichment, trading in influence and the bribery of foreign officials.
- o. Ease of public access in the legislation process, including guarantee of participation for public examination

## Strategy 4. International Cooperation and Asset Recovery from Proceeds of Corruption

The steps that need to be taken are through improving international cooperation in order to prevent, recover assets, and to settle other crimes. Such steps are taken through drafting legal instruments and mechanisms for cooperation (international, bilateral, regional), Specifically on issues related to the submission of MLA on criminal matters, intensive coordination between law enforcement agencies, and enhancing the diplomatic efforts and capabilities of law enforcement officers. The focuses of the medium term activities are:

- a. Ensure and strengthen the Central Authority for Corruption as the implementing agency.
- b. Improve MLA mechanisms in the framework of corruption eradication.
- c. Ensure the establishment of asset management unit of corruption proceeds to support the law enforcement process and transparency in the management of other related assets as a form of utilization of the management of assets from the proceeds of Corruption.
- d. Training and technical assistance for law enforcement agencies, both qualitatively and quantitatively, in order to recover assets from the proceeds of corruption, including matters of financial intelligence/forensics.
- e. Increased cooperation with foreign law enforcement agencies in the framework of the CPE.
- f. Establishment of the Asset Recovery Unit, including in each relevant institutions.

## Strategy 5. Anti-corruption Education and Culture

With a unified perspective and mindset that corruption is very detrimental to the public, it is expected that positive initiatives that lead to improvements can occur. This can be accommodated in medium-term focus of activities in this strategy, namely:

- a. Development of value systems and anti-corruption attitude in various activities of the three pillars of CPE, namely: the public, the private sector, and government officials.
- b. Development of anti-corruption values in the various activities of education, i.e. in schools, universities and social scopes in order to create a national character with integrity, including through curriculums and activities outside the curriculum.
- c. Comprehensive anti-corruption campaign.
- d. Clear and planned communication, information, and education strategy.

- e. Cooperate with the media in developing anti-corruption values and integrity, including through a variety of creative media.
- f. The integration of anti-corruption campaign management (Dissemination of AC Forum network/ ToT on the drafting of the Regional Action Plan on Corruption Eradication, budget coordination for campaign needs).
- g. Publication and dissemination to the public on the results of public input by the Ministry/Agency or relevant local government;
- h. Publication of best practices of anti-corruption (integrity education network).
- i. Expand public participation in the effort to eradicate corruption by disseminating anti-corruption by the public (CSO, NGO, CBO).

## Strategy 6. Reporting Mechanism Implementation of the Eradication Corruption

In this strategy, national / internal assessment and reporting mechanisms are built to present information on the implementation of the UNCAC provisions and other information on the CPE efforts in Indonesia to the wider community. These activities are based on monitoring and evaluation systems that are based on measurable outcomes and achievement in the context of CPE. Stakeholders in this mechanism include officials of law enforcement agencies / ministries and non-governmental organizations. The medium-term activities in this strategy are:

- a. Expand and ease access to information of various efforts in the framework of the CPE process from each ministry / agency.
- b. Public participation in planning, implementing, supervising actions and CPE performance report.
- c. Drafting of legal umbrella and policy that supports the smooth drafting of the report and the publication of the implementation of National CPE routinely and consistently.
- d. Drafting of work mechanism of the parties to support reporting and publication of National CPE.
- e. Preparation of supporting infrastructure for the development and publication of CPE reports.

# CHAPTER IV. ANTI CORRUPTION TOOLS

The following is a list of anti-corruption tools that can be adopted by ministries / agencies and regional governments, in order to implement the Nastra-CPE. This list does not limit the adoption of other anti-corruption tools that are suitable with the situation and condition of the ministries / agencies and regional governments in an effort to expedite corruption prevention and eradication.

- a. a. **Profile assessments**; include implementation of recruitment, transfer, and promotion based on competence and integrity in the framework of improving the quality of human resources.
- b. **Citizen's charter**, is the will to establish commitment for public services provided by relevant institution by responding to the responses and input from the public.
- c. **Code of ethics**, are guidelines containing provisions that demonstrate the commitment of relevant institution in eradicating corruption.
- d. **Mechanisms of social control**, with a mechanism that promotes public participation, the government can be encouraged to work more efficiently, in relation to both time and cost.
- e. **Information disclosure implementation mechanism**, providing access to documents, except for classified documents, so that the public can participate in supervising the work and performance of the government.
- f. **Transparent mechanism for handling public complaints** is aimed at improving the accountability of relevant agencies in public services or law enforcement.
- g. **Mobilization of civil society through education and increased public awareness**, by disseminating the behavior expected from government (in general) or officials (in particular) in order to improve accountability of public service providers.
- h. **Integrity pact**, a formal pact that contains commitments to carry out duties, functions, responsibilities, authorities, and role in line with prevailing laws and regulations, as well as the capability not to carry out corruption, collusion and nepotism. Integrity Pacts can also be implemented in the process of procurement of goods and services with contractors and other relevant parties.
- i. **Managing conflicts of interest**, where officials are not only obliged to disclose his/her personal interest when conflict of interest arises, but must also ensure that the measures taken is to abolish such conflict. The absence of conflict of interest can also be a prerequisite for filling up certain positions.
- j. **The use of positive incentives to improve the culture and motivation of employees** can be reached, among others, by increasing remuneration / compensation. Aside from that, it can also be done by improving professional status, job security, and working conditions. In general, positive incentives can prevent and eradicate corruption.

- k. **Strengthening judicial institutions**, by improving competence, professionalism, and integrity of judges is very important to combat corruption. This can be done through, among others, training of judges, enforcing the judicial codes of ethics, transparency of trial process, transparency of the wealth and income of judges, and managing judges' appointment in corruption cases in such a way that it is difficult for outsiders to predict or influence which judges are to be assigned for a certain case.
- l. **Strengthening local government**, several elements of the anti-corruption strategy are planned at central level, but to be effective, implementation in Regions is required. There are also anti-corruption elements, which, both its planning and implementation, are fully conducted in the Regions. This tool is important to assist the planning and decision making that match the needs of the relevant region, and is also important to facilitate the integration of tools used at regional level vertically (with national program) and horizontally (with other regional programs). This tool can also be used to improve public participation in the Regions.
- m. **Reduction of procedural complexity** is the rearrangement of administration, which aims at cutting administrative procedures and clarification of authority. In addition to narrowing the opportunities for corruption, it also aims to increase transparency, integrity, service, and reduce costs.
- n. **Protection for whistle blowers and justice collaborator** is essential for encouraging disclosure of corruption.
- o. **The process of public services and procurement of goods and services based on IT** will reduce human interaction, which results in narrowing the chances for Corruption.
- p. **The implementation of transparency and disclosure of assets and income** shall be carried out effectively in order to become an entry point for the application of rules regarding public officials' improper acquisition of wealth.
- q. **Integrity test** should be carried out unexpectedly by conditioning a particular situation where the relevant employee has the opportunity to corrupt. This will make it easier to find out whether or not a civil servant or a government unit is involved in a corrupt practice. Integrity test is also aimed at increasing the ratio of capturing an offender to cause a deterrent effect.

# Attachment

## 01. Road Map for Nastra CPE Long Term (2012-2025)

No	Main/Supporting Output Targets	2011-2014	2015-2019	2020-2024	2025
1	Corruption Perception Index (CPI)	5	6,5	7,9	8
2	% of compatibility to UNCAC ratification	80%	100%	100%	100%
3	National Integrity System Index (SIN-KPK)		increase by 15 %	increase by 15%	increase by 5 %
4	Corruption Prevention Index		increase by 15 %	increase by 15%	increase by 5 %
5	Corruption Law Enforcement Index		increase by 20 %	increase by 20%	increase by 5 %
6	% of completion from UNCAC recommendations	80%	100%	100%	100%
7	% of corruption proceed asset return	80%	90%	95%	96%
8	Anticorruption behaviour index	3.25 from a scale of 5	4 from a scale of 5	4.5 from a scale of 5	4.6 from a scale of 5
9	Stakeholder satisfaction index on the CPE reports	3.25 from a scale of 5	4 from a scale of 5	4.5 from a scale of 5	4.6 from a scale of 5

## 02. Road Map for Nastra CPE Medium Term (2012-2014)

No	Main/Supporting Output Target	2011 (baseline)	2012	2013	2014
1	Corruption Perception Index (CP)	3	3,5	4,25	5
2	% of compatibility to UNCAC ratification	-	30%	70%	80%
3	National Integrity System Index (SIN-KPK)	-	-	Establishment of baseline	increase by 5 %
4	Corruption Prevention Index	-	3.94	4.51	5.08
5	Corruption Law Enforcement Index	-	Establishment of baseline	increase by 5%	increase by 5 %
6	% of completion from UNCAC recommendations	Review of Chapters III and IV UNCAC	30%	70%	80%
7	% of corruption proceed asset return	-	70%	75%	80%
8	Anticorruption behaviour index	-	Establishment of baseline	3 from a scale of 5	3.25 from a scale of 5
9	Stakeholder satisfaction index on the CPE reports	-	Establishment of baseline	3 from a scale of 5	3.25 from a scale of 5

### 03. Formula for Measurement of Success Indicators

No	Success Indicators	Sub-Indicators	Formula for Measurement	Source of Data
1	Corruption Perception Index (CPI)	-	Survey	TI
2	% of compatibility to UNCAC ratification	-	Survey	KPK
3	National Integrity System Index (SIN-KPK)	-	Survey	KPK
4	Corruption Prevention Index	<i>Control of Corruption</i>	Survey	World Bank
		<i>Ease of Doing Business</i>	Survey	World Bank
5	Law Enforcement Index	% of settlement on corruption reports	Ratio of the number of follow up actions with the total number of reports received	INP, AGO, KPK
		% of pre-investigations becoming investigations	Ratio of the number of investigations with the total number of pre-investigations	INP, AGO, KPK
		% of investigations becoming prosecution	Ratio of the number of prosecutions with the total number of investigations	INP, AGO, KPK
		<i>Conviction Rate</i>	Ratio of the number of convictions with the total number of prosecutions	AGO, KPK
		<i>% Execution Rate</i>	Ratio of the number of executions with the total number of convictions	AGO, KPK
6	% of completion from UNCAC recommendations		Ratio of the number of completions with the total recommendations	UNCAC, KPK
7	% of corruption proceed asset return	-	Ratio of the number of assets stored to the state treasury with the total court verdicts	KPK, AGO
8	% of success on International Cooperation		Ratio of the number of realization with the total requests	Ministry of Law and Human Rights

			for MLA and Extradition Agreements	
8	Anticorruption behaviour index	-	Survey	BPS, Bappenas
9	Stakeholder satisfaction index on the CPE reports	-	Survey	BPS, Bappenas

#### 04. Formula for Calculating the Corruption Prevention Index and the Corruption Law Enforcement Index

##### Corruption Prevention Index

(CoC equality Index + Ease of Doing Business equality Index) / 2

Control of Corruption Equality Index (CoC)

CoC - <i>Convergnance Score</i> (-2.5 up to 2.5)	CoC equality Index
2.5	10
2	9
1.5	8
1	7
0.5	6
0	5
-1	4
-1.2	3
-2	2
-2.5	1

## Ease of Doing Business Equality Index (EoDB)

EoDB - Ranking	EoDB equality Index
1 - 18	10
19 - 36	9
37 - 54	8
55 - 72	7
73 - 90	6
91 - 108	5
109 - 126	4
127 - 144	3
145 - 162	2
163 - 183	1

Corruption Prevention Index 2011:  $4.37 = (4.37 + 4) / 2$

## Corruption Law Enforcement Index

Sub Indicators	Weight
% of Settlement of Corruption Reports	10 %
% of Pre-investigations becoming Investigations	20 %
% of Investigations becoming Prosecutions	30%
% Conviction Rate	30 %
% Execution Rate	10 %

Sub Indicators	Formula for Measurement
% of Settlement of Corruption Reports	$\frac{\text{Corruption Reports becoming investigations}}{\text{Total Corruption Reports Received}} \times 100$
% of Pre-investigations becoming Investigations	$\frac{\text{Pre-investigations becoming Investigations}}{\text{Total Pre-investigations Received}} \times 100$
% of Investigations becoming Prosecutions	$\frac{\text{Investigations becoming Prosecutions}}{\text{Total Investigations Received}} \times 100$
% Conviction Rate	$\frac{\text{Prosecutions becoming Final Verdicts}}{\text{Total Prosecutions Received}} \times 100$
% Execution Rate	$\frac{\text{Execution of Final Verdicts}}{\text{Total Final Verdicts}} \times 100$

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