



**IMPLEMENTATION OF GOOD GOVERNANCE PRINCIPLES  
IN PROCUREMENT OF REGIONAL GOVERNMENT GOODS AND  
SERVICES BY THE PROCUREMENT SERVICE UNIT (ULP)  
BANJARBARU CITY, INDONESIA**

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**Abstract:**

This research is limited to the scope of implementation of Good Governance in the Procurement of Goods and Services in the Banjarbaru City Government. This study aims to describe how the implementation of good governance in the procurement of goods and services in the Banjarbaru City Government. This study uses an empirical juridical approach, with the specifications of the study including descriptive-analytical research. The type of data used is secondary data in the form of documentation and narration, with data collection using literature studies and documentary studies, and analysis of empirical qualitative data. The application of the principles of good governance in the procurement of goods and services in the Banjarbaru City Government is based on forms of transparency, accountability, efficiency, and effectiveness in the procurement of goods and services of the Regional Government of the City of Banjarbaru. Based on the results of data analysis, the authors conclude that the implementation of good governance in the procurement of goods and services in the Banjarbaru City government is almost close to the guidelines for procurement of goods and services required by the government but still needs to be improved in its implementation, especially related to procurement transparency and accountability.

**Keywords:** procurement of goods and services, good governance, procurement services unit

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## 1. Introduction

The procurement of goods and services by the Banjarbaru City Government is important, because it will affect the effectiveness and efficiency of development implementation, and will ultimately affect development performance in achieving various development goals and objectives. Development is translated into various policies, programs, and projects. The project is the smallest investment unit consisting of several parts or activities that are operational in nature, including the procurement of goods and services, therefore the management system and process will directly and significantly affect the level of success and failure of development. The consistent application of the principles of Good Governance in the management of development policies, programs, and projects, including in the management of the procurement of goods and services, is intended to avoid the failure of development and to immediately be used to improve the welfare of the community and is expected to suppress fraudulent practices. the practice of collusion, corruption, and nepotism (KKN).

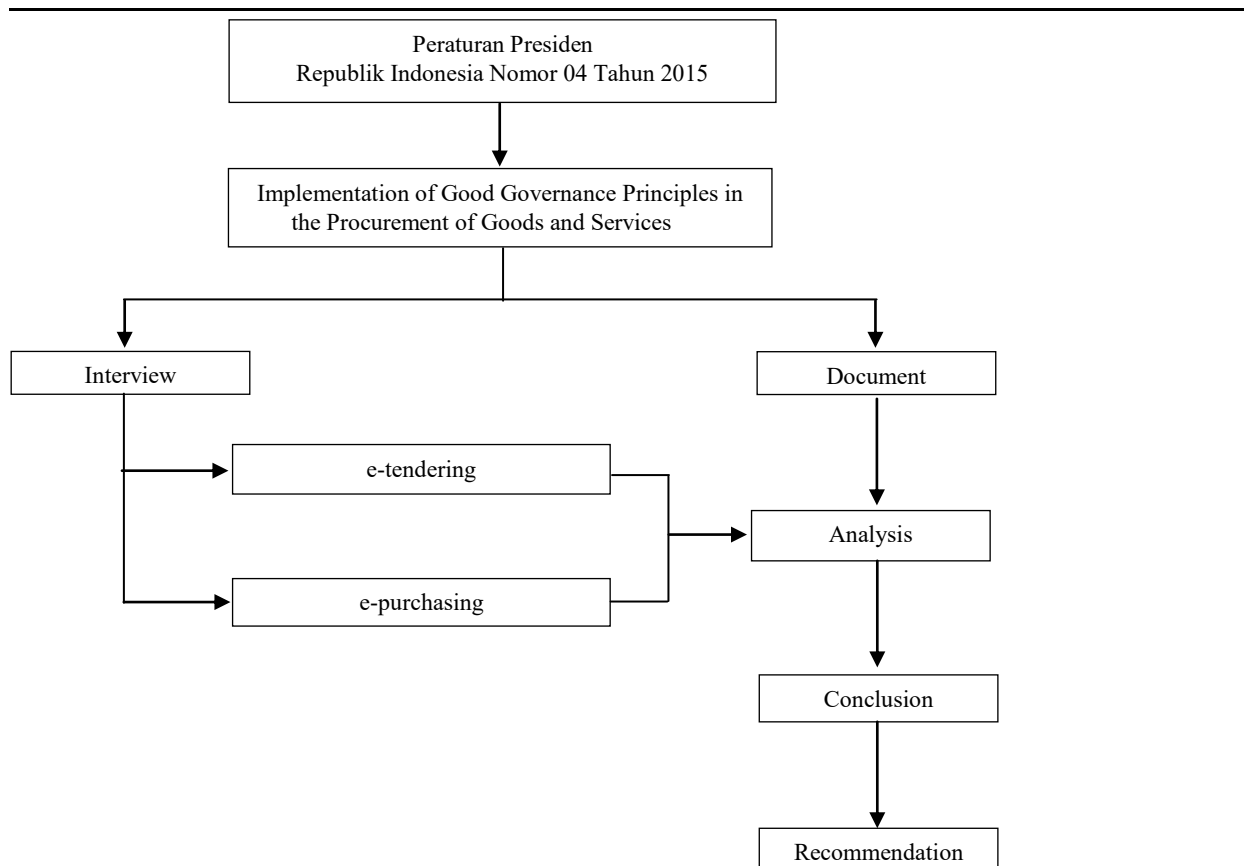
Most of the cases handled by the Corruption Eradication Commission (KPK) and the Business Competition Supervisory Commission (KPPU) are cases related to the procurement of government goods and services. TPK case data on KPK based on the type of case, PBJ is the biggest case after the Bribery and KPPU cases from 2000 to 2016 have received reports from the community of approximately 2,537 reports with 73% of the total reports related to the procurement of goods and services (KPK, 2017). The Banjarbaru City Government realizes the importance of a procurement system that is free from KKN through the application of the principles of good governance. Good procurement will encourage the efficiency and effectiveness of public spending and ensure the creation of fair competition.

One party that plays an important role in the Procurement Service Unit (ULP). The Procurement Service Unit is a government organization unit that functions to carry out the procurement of goods/services in the Ministry/Institution/Region/Institution that is permanent, can stand alone or be attached to existing units. Banjarbaru City is one of the few local governments that have since implemented a procurement service unit, namely in 2006 as a regional government work unit whose task is to process the selection of goods/services providers in the Banjarbaru City Government. The Procurement Service Unit (ULP) was formed based on Keputusan Walikota Banjarbaru Nomor 113 Tahun 2006 concerning the Establishment of a Procurement Service Unit in the City of Banjarbaru. The main reason for the establishment of ULP by the Banjarbaru City Government is not only because this form of procurement organization was mentioned in Keputusan Presiden Nomor 80 Tahun 2003, but rather to the limited human resources that have procurement certificates. With the establishment of the ULP, the limited workload of the committee can be controlled and monitored, as well as the fact that with the presence of ULP, the Municipal Government of Banjarbaru hopes to achieve the image of Good Governance.

Work mechanism, Human Resources, and bureaucratic behavior are problems that have the potential to hinder the realization of clean government. The procurement of goods and services with poor quality results is a reflection of optimism, so it cannot serve the public interest effectively and efficiently, which results in the community being the most disadvantaged. Based on the certificate holder's statistical data on the website of the PBJ Deputy for Human Resources Development and Development ([https://ppsdm.lkpp.go.id/index.php/statistics/procurement\\_experts](https://ppsdm.lkpp.go.id/index.php/statistics/procurement_experts)), Banjarbaru City is a regional government that has a percentage of certified procurement staff and services that are small compared to the whole in the Province of South Kalimantan. Around 123 certified employees in Banjarbaru City compared to 3553 in the entire South Kalimantan Province or 7.14% of the total. Based on these data, it is necessary to research how to apply the principles of Good Governance, which of course must be put forward in the procurement of goods and services of the Regional Government by the Procurement Service Unit (ULP) of Banjarbaru City. Besides, the application of the principles of Good Governance in the procurement of goods and services of the Regional Government by the Procurement Service Unit (ULP) of Banjarbaru City certainly faces a variety of obstacles, which results in a process of transparency and accountability that is not running optimally.

## **2. Methods**

The type of research used is qualitative. The technique of measuring data uses the Guttman scale called the Dichotomous Response Sets scale (Widiyoko, 2012). The process of primary data collection was carried out by field research conducted by in-depth interviews with the Head of Banjarbaru City Goods and Services Management Unit, personnel of the ULP Working Group, PPK, and suppliers of goods and services. The unit of analysis of this research is the Procurement Service Unit of Banjarbaru City in implementing the principle of Good Governance in the procurement of goods and services of the regional government. The variables studied were transparency, accountability, efficiency, and effectiveness.



**Figure 1:** Research Flow

### 3. Research Findings

Based on the results of interviews with related parties on the application of the principles of Good Governance in the procurement of goods and services by the City of Banjarbaru, as stipulated in Perpres No. 54 Tahun 2010 as amended by Perpres No. 70 Tahun 2012, which among others contains transparency, accountability, efficiency and effectiveness in the procurement of goods and services carried out by the Procurement Service Unit (ULP) of Banjarbaru City can be described as follows:

#### 3.1 Principle of Transparency

Transparency focuses on the procurement of goods and services carried out openly and can be accessed by the public. The procurement of government goods and services must run honestly and meet applicable laws, and not be discriminatory, tenders are conducted honestly and openly, encourage fair business competition so that the quality of work and prices are right, and the results are useful and can be utilized the interests of all parties.

Based on the results of interviews with the Banjarbaru City Procurement Service Unit (ULP), which was immediately presented by Ir. Syawalludin Noor, M.T., as the Head of Procurement Division of the Banjarbaru City Regional Secretariat who also acted as the Head of ULP of Banjarbaru City on August 29, 2018, obtained an

explanation that: *“Transparency means that the underlying rules, the agencies involved, the processes, plans and decisions made are accessible to the public or at least representatives of the community. So that all processes and decisions can be monitored, discussed, and received input from parties and policymakers can also be held accountable.”*

The explanation above implies that transparency will not be achieved if there is a reluctance to provide access to a document to certain people/parties as stipulated in the regulation on information disclosure. Transparency requires the government or project manager (in Perpres 70 Tahun 2012 referred to as Procurement Officials/Committees, Commitment Making Officers, and Budget Users) to voluntarily and actively provide complete information to the public through print and electronic media. Especially regarding the selection of needs, plans, and procurement programs. Transparency also means that all parties involved in investment must provide information and consultations on all aspects of the ongoing project.

Furthermore, the Head of the Banjarbaru ULP City also explained the importance of transparency related to the procurement system: *“ULP Banjarbaru City is in the process of procuring goods and services through internet media, including procurement information, bidding documents, related laws and procedures, and tender results and can be accessed free of charge by any party that needs that information. This effort might succeed in suppressing manipulation and has received strong support from all parties.”*

The explanation above shows that transparency can be interpreted that all provisions and information regarding the procurement of goods/services are clear and can be widely known by suppliers of goods/services who are interested and the public at large. In this way it will provide information to help providers to plan, modify, and submit bidding documents available online, and can be equitably accessed by all parties for all providers, another advantage is that location is not an obstacle to accessing the information needed.

In line with the explanation from the ULP Head, in an interview with five Chairpersons of the ULP Working Group it was explained that starting from the procurement document, information if there was an addendum on procurement documents, explanation on procurement (*Aanwijzing*), up to the objection process carried out by ULP Working Groups time by prospective providers in the LPSE System.

In the case of transparency, it can be seen in broad outline at the stages of the process of implementing provider selection carried out by the ULP Working Group as follows:

**a. Announcement**

Announcements and schedules for the procurement of work packages are informed openly through the LPSE website in Banjarbaru city. If there is a change in schedule, the ULP Working Group will give a reason for changing the schedule.

**b. Registration and Procurement of Procurement Documents**

All providers who are qualified in an unqualified qualification can see the work packages being auctioned and can register and download documents related to the

procurement of work packages on the LPSE website in the Banjarbaru city for a predetermined period.

**c. Explanation (*Aanwijzing*)**

At this stage, the provider is given the opportunity for participants to ask questions about everything related to procurement documents, document requirements, technical specifications and others related to the procurement of work packages. The Working Group will explain the work, and if needed for further clarification of the PPK the related work package will be invited to provide a more detailed explanation.

- a. Bidding Documents are entered by the provider by uploading the procurement document by the requirements to the LPSE of Banjarbaru City.
- b. Opening and Evaluating Bid Documents. The opening and evaluation are carried out by the ULP Working Group based on the stipulated provisions in the procurement document. Administrative clarification of documents uploaded by the provider is also carried out, sometimes clarification to the field is also carried out if it is deemed necessary for the offer of the provider.
- c. Announcement of Evaluation Results. The provider can monitor the stages of evaluation at any time that has been carried out by the ULP Working Group, whether the company has escaped or not.
- d. Refute. Goods and services providers are allowed to conduct compensation for the determination of winners by ULP through the Banjarbaru City LPSE website by a predetermined schedule and the ULP Working Group will answer the objection.

Furthermore, related to transparency is emphasized by several partners who often follow the procurement process carried out by the ULP of Banjarbaru City, as stated by one of them, Cece as the senior administrative staff of PT. Chakra Tunggal Perkasa explained that the provider followed all the processes and stages of the auction openly and transparently until finally we were appointed as the winner.

A rather different statement was delivered by A. Fakhru H from PT. Lidy Artha Borneo explains that the providers as bidders, participate in all stages of the auction as well as possible according to existing rules and all participants compete healthily and openly. The provider also explained that according to him the response process from ULP parties at the stage of explanation/*aanwijzing* conducted online was still slow and still according to the provider, the terms of the bidding documents seemed strange and contrived.

Fikri Prasetyo as senior staff at PT. Kuripan Utama said that although the auction was outlined in general, but in terms of the response of the response from the ULP at the stage of explanation/*aanwijzing* and refutation it was felt that it was still slow and inadequate and the terms of the auction document seemed strange and contrived.

The selection standard document which is the reference for making the bidding document has been provided by the auction committee, there is sufficient opportunity to ask when *ananwijzing* is done online, notice that there are changes in auctions such as

schedules, addendum changes to procurement documents, etc., and the results of evaluations and announcement of winners on the related work package auction.

### **3.2 Accountability Principle**

Accountability is an embodiment of the obligation to account for the success or failure of the organization's mission in achieving the goals and objectives that have been set through a media accountability that is carried out periodically. Public accountability in the most fundamental sense refers to the ability to answer someone related to the expected performance.

Characteristics of accountability, among others, can be seen from the extent ULP Banjarbaru in the implementation of the procurement of goods and services by operational standards procedures that have been set in the legislation. ULP Banjarbaru itself in carrying out the operational activities of procurement of government goods/services has been guided by Presidential Regulation Number 54 of 2010 and its changes, as well as the Regulation of LKPP.

Furthermore, accountability can also be seen from the competence of the organizers, as Peraturan Presiden Nomor 54 Tahun 2010 Pasal 127 every PKK official and government goods/services ULP must have a procurement expertise certificate starting no later than January 1, 2012.

According to Presidential Regulation Number 54 of 2010 Procurement expertise certificates are proof of government recognition of the competence and ability of the profession in the field of Procurement of Goods/Services issued by the relevant institutions. The procurement expertise certificate is valid for two years after the certificate is issued. A certificate of expertise is obtained by taking a procurement exam held by LKPP that collaborates with certain institutions.

Regarding the certificate of procurement expertise, according to the Head of ULP Banjarbaru City stated that, *"Banjarbaru ULP City still lacks staff who have a certificate of expertise in procurement of goods and services, so that many members of the ULP Working Group taken from SKPD are outside their own ULP and for this reason, the existence of certified employees continues"*.

Of the 123 certified employees in the city of Banjarbaru, only six certified employees are in the ULP work unit. This amount is felt to be lacking in implementing the work unit duties and functions so that it must ask employees from other work units to carry out the auction process. Furthermore, related to the accountability of the General Procurement Plan according to the Head of ULP Banjarbaru City has been publicly announced, this is conveyed based on the results of the interview as follows: *"Data has been inputted by the SKPD Procurement General Plan (RUP) into the SIRUP portal at the beginning of the year after the DPA SKPD has been determined by regional regulations. Data input is all procurement activities of goods and services carried out by SKPD, both those carried out by direct procurement method, direct appointment, direct election, and e-purchasing/e-catalog and self-management."*

Procurement of goods/services, as well as users of goods/services including goods/services providers, must be committed to always supporting clean government through the signing of integrity pact together. In Pasal 1 Perpres No. 54 Tahun 2010 in conjunction with Perpres Nomor 70 Tahun 2012 concerning guidelines for the implementation of government procurement of goods/services stated that what is meant by Integrity Pact is a statement signed by users of goods/services/committees, procurement/procurement officials/providers of goods/services containing pledges to prevent and not doing KKN in the implementation of goods/services procurement.

According to the Head of ULP Banjarbaru City, related to the accountability process for the procurement of goods and services, an explanation was obtained that, *"The Integrity Pact is a form of written agreement regarding transparency and eradication of corruption in the procurement of goods/services for public goods through related documents, which are signed by both parties, both the public sector and bidders from the private sector"*.

Furthermore, according to the PPK work package and the ULP Working Group, it is explained that the preparation of the HPS can be accounted for because the price estimates from the Data include: from the Central Bureau of Statistics, Engineer Estimate/Planning Consultant and market price survey. Completeness of the proposal documents for work packages such as technical specifications, RAB, HPS has also been verified by the Working Group and if they are less they will be returned to PA/KPA/PPK to be repaired.

Furthermore, related to accountability is emphasized by several partners who often follow the procurement process carried out by ULP Banjarbaru City, as stated by one of them, Widy Whira Buana as Director of PT. Kelana Multi Konstruksi explained that the stages of the electronic auction in the system carried out by Banjarbaru City ULP are by Presidential Regulation Number 54 of 2010 and its changes and derivative regulations such as the announcement stage, download selection documents, *aanwijzing*, upload bid documents, evaluation results, refutation and winner announcement.

The statement was supported by Novie Enggon, ST from PT. Salamandra Petramulya explained that the stages of electronic auctions in the system implemented by Banjarbaru City ULP are by Perpres No. 54 Tahun 2010 and changes and derivative regulations such as the announcement stage, download selection documents, *aanwijzing*, upload bid documents, Evaluation Results, refutation and announcement of winners.

In terms of accountability, it can be seen broadly at the stages of the process of implementing provider selection carried out by the ULP Working Group as follows:

#### **a. Announcement**

The announcement was broadcast at LPSE Banjarbaru City with a period of seven days for general auctions/selections and three days for simple auctions/selection. The Working Group also compiles and sets the schedule for the implementation of the election and after that, the Working Group prepares and sets out the procurement documents and uploads them to the LPSE website in Banjarbaru City.



## **b. Registration and Retrieval of Procurement Documents**

Providers can register and download documents related to the procurement of work packages on the LPSE website in the Banjarbaru city for a predetermined period.

## **c. Explanation (*aanwijzing*)**

The auction participants were given adequate opportunities to ask questions about the procurement of related work packages in real-time through the LPSE website. And if there are questions directly answered by the ULP Working Group.

- a. The entry of Bid Documents is carried out by the provider by uploading the procurement document by the requirements to the LPSE of Banjarbaru City.
- b. Opening and Evaluating Bid Documents. The opening and evaluation are carried out by the ULP Working Group based on the provisions set out in the procurement document. Administrative clarification of documents uploaded by the provider is also carried out, sometimes clarification to the field is also carried out if it is deemed necessary for the offer of the provider.
- c. Announcement of Evaluation Results. After evaluating and producing potential winners and reserves, the ULP Working Group composes and announces the Minutes of Bid Results (BAHP) through the LPSE website in Banjarbaru City. BAHP is also reported to PPK related work packages to be used as the basis for making a Letter of Appointment for Goods and Services Providers (SPPBJ).
- d. Refute. Providers of goods and services are allowed to make objections to the determination of winners by ULP through the Banjarbaru City LPSE website by a predetermined schedule and the ULP Working Group will answer the objection.

The provider also explained that the election standard document which was the reference for making the bidding document had been provided by the auction committee and if there were objections, it would be answered by the ULP Working Group.

## **3.3 Principle of Efficiency**

The budget efficiency is not only applied at the SKPD level as budget users but also to the providers of goods and services. From the provider side, the implementation of e-procurement has reduced spending for providers. Because e-procurement is related to the use of information technology, the expenditure of providers for communication and internet costs can be increased. However, the amount of expenditure is still less when compared to having to do an auction/procurement by manual method. In terms of SKPD, the implementation of e-procurement has successfully cut the budget allocated for the procurement of goods and services. SKPD represented by PPK will determine the value of the budget value and HPS for a procurement. When implementing e-procurement, the value will be lowered by the provider. From this process, the budget efficiency used by SKPD for the procurement of goods and services.

Regarding efficiency in the procurement of goods and services according to the Head of ULP Banjarbaru City, stating that the announcement of procurement was enough to provide procurement information carried out 7 days, of course this was enough for providers to prepare bidding documents, while the *aanwijzing* process was done online enough effective so that the process can be monitored while evaluating the bid is sufficient to conduct an evaluation so that the procurement of goods and services is considered very efficient.

In line with the explanation from the ULP Head, in an interview with four PPK from the Public Works and Spatial Planning Office and several Goods and Services Providers, it was known that the efficiency of implementing goods and services at an auction conducted by ULP Banjarbaru City was quite optimal by reducing costs and saving implementation time.

The procurement bidding process carried out electronically by the Procurement Service Unit can streamline the Banjarbaru City Government Budget. Procurement of goods and services that are auctioned electronically successfully reduces SKPD costs and expenditures during the procurement auction process. The efficiency of the budget does not only occur in SKPD as budget users but also for providers of goods and services. From the provider side, the implementation of an electronic auction (e-procurement) reduces expenses for providers. In terms of SKPD, the implementation of e-procurement has successfully cut the budget allocated for the procurement of goods and services. SKPD represented by PPK will determine the value of HPS for a procurement. When implementing e-procurement, the HPS value will be lowered by the provider. The performance of procurement services for goods and services carried out by the procurement committee of goods and services in the ULP of the Banjarbaru City Government has been following the rules of Presidential Regulation Number 54 of 2010 and its amendments.

### **3.4 Principle of Effectiveness**

The hope of implementing e-procurement is the creation of effectiveness in the procurement process. This will be achieved if the procurement of goods/services takes place transparently and is followed by several procurement participants who are quite numerous and prioritize the process of fair competition. E-procurement will increase transparency, so that healthy competition among business actors can be pushed faster. Thus the optimization and efficiency of regional spending can be realized immediately.

The following is an excerpt from the interview related to the principle of effectiveness by Ir. Syawalludin Noor, M.Tt as Head of Procurement Division of the Banjarbaru City Regional Secretariat who also acted as the Head of ULP Banjarbaru City on 29 August 2018:

Procurement of goods and services carried out by ULP has been guided by Peraturan Presiden No. 54 Tahun 2010 concerning Government Goods/Services Procurement which aims to ensure that the procurement of goods/services of

Government Agencies can be implemented effectively in accordance with the principles of fair, transparent, open competition and fair and decent treatment for all parties, so that the results can be accounted for both in terms of quantity, quality, finance and benefits for the smooth functioning of the Government and community services.

Furthermore, the ULP Working Group was added which explained that the quantity and quality of the technical specifications offered by the auction winner were by the quantity and technical specifications of the work package planned by the PPK. The results of all tenders have been through compliance with minimum standards in the technical specifications of the work package and the quantity specified. Furthermore, it is also known from the process of procurement of TA Goods and Services. In 2016 there were failed auctions for five work packages.

## **4. Discussion**

### **4.1 Application of the Principles of Good Governance (Transparency, Accountability, Efficiency, and Effectiveness)**

#### **a. Principle of Transparency**

Based on the description above, this paper will describe the implementation of the procurement of goods and services of the government and those related to the principles of Good Governance, if we mean it is transparent, it means that all provisions and information regarding the procurement of goods/services are clear and can be widely known by interested suppliers of goods/services and the general public. One application of this principle is to provide information on the variables used in evaluating bids to the public. Thus the public is not only a provider but also the public knows the assessment criteria that will be used in the selection of providers. The keyword of this principle is providing information to the public. Including the technical requirements of procurement administration, evaluation procedures, the results of evaluating the determination of prospective suppliers of goods/services are open to participants who are interested in goods/services and for the general public in general. Based on interviews with ULP, Provider and PPK work packages, it can be said that the transparency of the procurement of goods and services in the Banjarbaru City Government through the work units that have been formed has been running optimally, this is supported by the complete documentation of the procurement process accessed online.

The electronic Government Goods/Services Procurement Process that has been carried out by the Banjarbaru City Government also further enhances and guarantees transparency in spending on state money. Besides, the Government's Goods/Services Procurement Process electronically can also guarantee the availability of information, business opportunities, and encourage the occurrence of healthy competition and the realization of justice (non-discriminative) for all business actors engaged in Government Procurement of Goods/Services.

From the findings in the field, it shows that out of the many procurement processes carried out quite in accordance with the principle of transparency, where all goods and services procurement activities have used online systems, so that all procurement activities can be monitored from time to time, so that this principle shows that openness to the public shows that ULP Banjarbaru City as a Work Unit that organizes the process of procurement of goods and services so that it can be said that the principles of good governance have been fulfilled in the procurement of goods and services of the Banjarbaru City Government. Transparency guarantees information disclosure and processes in the procurement of government goods and services so that all interested parties and the public can access and know the stages of the process carried out transparently in the context of good governance.

#### **b. Accountability Principle**

Associated with accountability for the procurement of goods, Accountable means that they must be by the rules and provisions related to the procurement of goods/services so that they can be accounted for. As explained by the Head of ULP Banjarbaru City, that all activities carried out by the Banjarbaru City ULP in the process of procuring all goods and services have been based on the prevailing laws and regulations, moreover when viewed from its establishment in 2006 Banjarbaru City is one of the few regions in Indonesia that apply the use of ULP or Procurement Services Unit in the auction process. The main reason for the establishment of ULP by the Banjarbaru City Government was based on Kepres Nomor 80 Tahun 2003, and was made to achieve the achievement of Good Governance goals. Therefore, based on the experience of the Banjarbaru City ULP, the establishment of the Banjarbaru City Government goods and services was based on the principles of Good Governance.

Based on the Interview with PPK at the Public Works and Spatial Planning Service, information was obtained that sometimes it would improve bid documents such as technical specifications, HPS, and contract designs that had been reviewed by ULP if they were incomplete or had errors. PPK gets the Minutes of the Results of the Auction and Determination of the Winner of the Auction to be able to proceed with the next stage of goods and services.

Accountability is certainly inseparable from accountability both internally and externally, namely the accountability of the results of tenders aimed at the mayor and the surrounding community. With the Executive Report of the Procurement of Goods and Services prepared by the ULP Secretariat, information related to the procurement of goods and services carried out by ULP can be monitored.

In terms of accountability, the government, institutions or public companies and public officials on the one hand and the private sector, companies and parties that play a role in the company, on the other hand, must be able to account for work and duties, as well as all decisions that are their responsibility. Full accountability procedures must be arranged systematically and can be applied.

**c. Principle of Efficiency**

Furthermore efficient in the provision of goods and services, efficiency can be interpreted that the activities of procurement of goods/services must be sought by using funds and minimal power to achieve quality and objectives within the stipulated time or use predetermined funds to achieve results and targets with maximum quality. The keywords related to this principle are economical, namely saving resources, funding sources and being able to make the procurement time more efficient, taking into account the number of apparatus owned compared to the number of procurement work packages carried out, in 2017 there were 134 procurement packages with a total procurement budget of 213,131,895,900.00 IDR, while for 2018 there were 114 packages with a total procurement budget of 137,630,103,488.29 IDR.

In 2018 the total package budget received by ULP amounted to 177,655,636,137.00 IDR, from which the total budget had been auctioned 177,655,636,137.00 IDR and the total value of the contract produced was 157,542,415,028.81 IDR. Based on the implementation of the procurement of goods and services carried out by ULP Banjarbaru City in 2018 there was a budget efficiency of 20,113,221,108.19 IDR.

Meanwhile, in 2017 the total package budget received by ULP was 213,131,890,900.00 IDR, then the total package budget was auctioned in the amount of 205,209,245,900.00 IDR and the total contract value generated amounted to 171,221,169,150.00 IDR. Based on the implementation of the procurement of goods and services carried out by ULP Banjarbaru City in 2018 there is a budget efficiency of 41,910,721,750.00 IDR and the efficiency of the Budget is 33,988,076,750.00 IDR.

In terms of efficiency, of course, the Banjarbaru City ULP in 2018 deserves appreciation so that it can save on the budget spent, but whether the efficiency gets goods and services that are by the quality and quantity planned previously. Therefore the need for supervision from all parties to the procurement process, but if the efficiency is due to technical and non-technical factors such as location, availability of raw materials, raw material prices, personnel, time, risk, regulation, etc., there should be further information related to this matter so as not to cause new problems in the future related to the results of the procurement.

**Table 1: Matrix of Application of the Principle of Efficiency**

No.	Operational Definition	Application in the Procurement Process of Goods and Services
A.	<b>Time Efficiency</b>	
1.	Auction Preparation	Auction preparations can be done directly on the desk, such as making schedules, announcements, uploading documents. Without having to go to advertising agencies, mass media, photocopies of documents, the time needed will be less.
2.	<i>Aanwijzing</i>	<i>Aanwijzing</i> is done based on the set schedule. The ULP Working Group is possible to provide job descriptions simultaneously despite different work packages.

		This certainly saves more time compared to the <i>Aanwijzing</i> process in the manual procurement process were sometimes delayed due to lack of facilities and infrastructure preparation and the existence of parties who impose an extension of time.
3.	Communication of ULP Working Groups and Providers	The types of communication applied here are invitations, announcements, and changes (Addendum) to procurement documents. This is all done electronically, of course, the time needed is relatively faster (real-time) compared to the manual procurement process where communication is done by correspondence, telephone, or fax. There are times when the way of communication influences the time needed where time plays an important role when faced with deadlines for bidding that affect the winning loss of prospective providers.
<b>B. Cost Efficiency</b>		
1.	Contract value savings compared to the budget value	SKPD that has a budget and HPS for auction. When implementing e-procurement, the value of Anggaran and HPS will be lowered by the provider. From this process, the budget efficiency used by SKPD for the procurement of goods and services

#### **d. Principle of Effectiveness**

Then effectively related to the procurement of goods and services can be interpreted that the procurement of goods/services must be by the needs and targets that have been set and can provide the maximum benefit by the targets set. The keywords of this principle are right, namely the right quality, quantity, time, place, and/or price. Related to the principles of Good Governance in the implementation of the procurement of goods and services of the Banjarbaru City Government, it still must receive attention to a large amount of efficiency carried out by the Banjarbaru City ULP both in 2017 and 2018 which is quite large, whether efficiency still obtains quality and quantity if the same or indeed at the time of budgeting the ceiling that was made too large than the prevailing price, it was necessary to pay attention from the Banjarbaru City ULP to provide advice and input to the Banjarbaru City Government so that budgeting was made more appropriate.

Therefore, effective procurement of goods and services for the principles of Good Governance should be optimized so that the benefits of procurement produce goods and services that are appropriate and there are no risks in the future, as are some cases that have been reported frequently. regarding cases of procurement of goods and services dealing with law enforcement because of the existence of criminal elements in the procurement of goods/services is enriching oneself or enriching other people or a corporation, it can be detrimental to state finances or the country's economy and/or gratification. This means that as long as there are not fulfilled the criminal elements, the procurement of goods/services is in the realm of State Administrative Law (HAN) and Civil Code. Even with the failed auction package, according to the ULP working group, immediate coordination with the PPK related work packages was carried out to immediately review such HPS that were too low, specifications too high, or

specifications that were not common. Then after reviewing, the work package is being re-auctioned.

#### 4.2 Recapitulation of the Application of the Principles of Good Governance

Based on the primary data that has been obtained and the analysis of parameters using the Guttman scale, the application of principles (variables) Good Governance can be presented in numbers by calculating the average value of the parameters.

For one operational variable that has more than one parameter, the calculation results for each parameter are summed and divided by the number of variable parameters in the operational variable so that it will produce a score for the operational variable that can be seen in the following formula:

$$V_o = \frac{p_1 + p_2 + \dots + p_n}{n}$$

$V_o$  = operational variables

$p$  = parameter of the operational variable

$n$  = number of parameters

The variable score is obtained by summing the scores of each operational variable then divided by the number of operational variables that can be seen in the following formula:

$$V = \frac{V_{o1} + V_{o2} + \dots + V_{on}}{n}$$

$V$  = variable score

$V_o$  = operational variable score

$n$  = number of operational variables

To find the percentage level of application of variables in the implementation of procurement of goods and services can be seen in the following formula:

$$\text{Variable Percentage} = \frac{\text{Variable Score}}{\text{Ideal Score}} \times 100\%$$

With primary data obtained from resource persons consisting of five heads of the ULP Working Group, 10 providers of goods and services, and four PPK from the Public Works and Spatial Planning Service, the implementation of Good Governance principles (variables) can be presented in the following table:

**Table 2:** Variable Parameter Score

No.	Variable	Variable Score	Application Percentage (%)
1	Transparency	7.40	74.00
2	Accountability	18.71	98.50
3	Efficient	19.00	100
4	Effective	9.00	100

Based on the explanation of the results of research on the implementation of the principles of good governance in the procurement of government goods and services in the Banjarbaru City Government by the Banjarbaru City Procurement Service Unit (ULP), several things can be conveyed:

If viewed from the above explanations, it can be said that the procurement of goods and services of the Banjarbaru City government is quite capable of realizing good governance based on transparency, accountability, efficiency, and effectiveness in the procurement of goods and services. It's just that for the principle of transparency, implementation is felt to be somewhat lacking when compared with the application of the other three principles.

The main issue faced in public procurement in the context of implementing goods and services procurement reforms is transparency.

Community participation in the context of implementing goods and services procurement activities in Banjarbaru City is still minimal. This is evidenced by almost no reports or complaints that go through the Banjarbaru City Inspectorate related to the government's procurement process. The lack of community participation in the procurement process from planning to the implementation of the process of procurement of goods and services was due to the difficulty of public access to information on the procurement of goods and services of the Banjarbaru City government. Besides, a low level of education also greatly affects the ability of the community to participate in the procurement process of Banjarbaru City.

## 5. Conclusion

1. Implementation of Good Governance principles in the procurement of goods and services of the Regional Government By the Banjarbaru City Procurement Service Unit (ULP) in the form of transparency, accountability, efficiency, and effectiveness, in general, it is good and has been guided by Peraturan Presiden Nomor 54 Tahun 2010 and its amendments. the application of these principles can be described as follows:

- a. Application of the principles of Good Governance - Transparency

Based on data processing, the score of the transparency principle was 74%. This shows that in general, the application is quite optimal, although there are still some shortcomings in the implementation, namely as follows



- 1) Announcement of Auctions on Print media that has been posted on the bulletin board has not been fully done;
- 2) There are still complaints from the provider related to the short duration of the announcement of the existence of the Addendum of the Procurement Document and the qualification requirements in the procurement documents that are less clear;
- 3) There are still complaints from the provider regarding the response/response of the ULP Working Group at the stage of *aanwijzing* (explanation) and objection which is considered slow and inadequate;
- 4) There are still complaints from the provider regarding the period *aanwijzing* (explanation) is too short.

b. Application of the principles of Good Governance - Accountability

Based on data processing, the score of the application of the accountability principle is 98.50%. This shows that in general, the application is optimal. The drawback found is that there are still some work packages similar to the previous work packages carried out by the RPP review covering technical specifications for work, HPS, and contract design.

c. Application of the principles of Good Governance - Efficiency

Based on data processing, the score of the application of the principle of efficiency is 100%. This shows that the application is optimal.

d. Application of the principles of Good Governance - Effectiveness

Based on data processing, the score of the application of the principle of effectiveness is 100%. This shows that the application is optimal.

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GOVERNMENT GOODS AND SERVICES BY THE PROCUREMENT SERVICE UNIT (ULP)  
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