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Indonesian Government Procurement Public Policy on Disaster Management

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Abstract: The unique characteristics of procurement in disaster emergency management are the main obstacle in implementing existing policies, thus requiring flexibility. Another obstacle is the aspect of availability of goods and the moral aspect of individual providers, which causes high prices. From a budget perspective, the procurement process is very good, but the implementation process turns out that operators are still guided by procurement policies for normal conditions. Regarding the quality of goods distribution services, there are problems related to unpredictable delivery times considering the frequent disruptions to infrastructure and facilities on the way. In the coordination aspect, auditors often state that there are price irregularities so that providers are forced to return a number of overpaid claims. This research aims to analyze and review; (i) the implementation of the Disaster Management Government Procurement Budget process in Indonesia; (ii) how quality control against compliance with standards related to the effectiveness and safety of disaster management operations; and (iii) how stakeholder coordination and transparency in the implementation of Procurement in Indonesia.

This research uses a qualitative approach where primary data is obtained from interviews through Focus Group Discussions (FGD) and informants are selected and divided into 5 (five) categories: Regulators, Operators, Providers, Observers, and Associations. The results of the interview transcription were coded and analyzed by using NVivo software.

The research results show that there are problems with obstacles to the implementation of current regulatory policies, so the principles of value for money procurement regulated in presidential regulations often cannot be fulfilled. Procurement policies in disaster emergencies need to be created separately from procurement under normal conditions as regulated through presidential regulations. Procurement policies in disaster emergencies should be in accordance with the principles of speed and accuracy and priorities as mandated in the law on disaster management. This research recommends regarding Flexibility, that Procurement in Disaster Management be categorized as Procurement exempted from Presidential Decree/16/2018 and become one of the Norms amended through the Disaster Management Bill. Regarding Stock Availability, it is expected that the norms and implementation guidelines that will be made will primarily regulate the Determination of the Type of Certain Conditions Needed for Goods in disaster-affected areas and provide an Assignment to PT. Pos as a State Own Enterprise engaged in the National Network Delivery Service sector to distribute BKKT from the Supply Chain closest to the location of refugees. With this policy, there will be no shortage of goods so that price irregularities can be avoided both on the procurement side of goods and delivery services. Finally, regarding Procurement Exceptions in Disaster Management, The Principle of Fast and Precise Disaster Management and Priority is regulated by the PPU at the Law level. So its hierarchy is much higher than the PPU at the Presidential Regulation level which regulates the Procurement Principle.

Keywords: Procurement, Disaster Management, Social Affair Ministry, Budget, NVIVO

Study Background

Geographically, the territory of the Republic of Indonesia is an area that often experiences earthquakes and volcanic eruptions. Indonesia is also located in a tropical area between the Asian Continent and the Australian Continent and between the Indian Ocean and the Pacific Ocean so strong winds often accompany heavy rain. This condition often causes this region to experience natural disasters that cannot be predicted when and where they occur. In the case of the 2020 Natural Disaster, Indonesia experienced 1,658 injured victims and the highest after Turkey's natural disaster. This also means that Indonesia is one of the countries with the highest frequency of catastrophic disasters compared to other countries.

Disasters that occur need to be prioritized in terms of handling because they concern human survival. Through Law Number 24 of 2007 (concerning Disaster Management) and Government Regulation Number 21 of 2008 (concerning the Implementation of Disaster Management), disaster management activities are regulated, especially disaster emergencies that must be carried out immediately and cannot be postponed. The need for goods/services such as food, drinks, clean water, emergency tent facilities, bathrooms, toilets, and others is very urgent and needs to be met immediately. The urgency of disaster management will clearly change the budget structure, especially changes in orientation in Government Procurement of Goods/Services (PBJ/hereinafter referred to as Procurement).

One of the most obvious recent examples is the occurrence of COVID-19, where one of the city governments mentioned a change in the mechanism of Procurement in the conditions in question (Romli, et al., 2021). Conceptually, the procurement of goods and services carried out is a form of government spending that can have an impact on economic development (see among others Loizides & Vamvoukas, 2005; Sodik, 2007; Ying-Wu, et al., 2010; Nurudeen & Usman, 2010; Bharat, et al., 2010; and Odhiambo, 2015). One of the reasons for the increase in government spending from year to year is related to disaster management which is part of the social welfare program. Disaster Management Procurement is regulated through the Regulation of The National Public Procurement Agency (LKPP) number 13 of 2018 (PLKPP/13/2018). According to this regulation, Emergency Management Procurement is carried out through self-management; and/or providers. The Procurement Procedures include: (i). Procurement planning; (ii). Procurement implementation; and (iii). Payment settlement. The procurement planning is divided into: (i). Identification of goods/services needs; (ii). Analysis of resource availability; and (iii). Determination of the method of Procurement of Goods/Services.

The characteristics of Procurement in Social Protection for disaster victims are very different from other Procurements such as we do not know when the disaster will occur and where, not to mention the provision of basic food and clothing needs that must be provided as quickly as possible because it involves human lives. Meanwhile, the existence of Law Number 24 of 2007 and Government Regulation Number 21 of 2008, regulates disaster management activities, especially disaster emergencies that must be carried out immediately and cannot be postponed. In a disaster emergency, of course, there are urgent needs and cannot be postponed. To meet these needs, Procurement activities are needed. The existence of procurement planning procedures, especially in identifying needs and analyzing the availability of resources, becomes something that is impossible to do. An example of a case is the provision of food and drinks to victims of the Mount Merapi eruption, although the identification of needs already exists, namely food, but when analyzing resources such as who provides the food, how is the transportation, how much is it, can it be provided in large quantities, can it be provided within a maximum of 10 (ten) hours, then the answer becomes an apology for the neglect of these stages. There is no legal guarantee that the apology will not be questioned in the future because if it is carried out according to the accountable principle, the social protection function for flood victims, will not be implemented.

Studies conducted by Novitaningrum (2014), Artranti, et al. (2016), Rahardjo, et al. (2022), and Damayunita (2022) stated that accountability in the public procurement sector can be achieved through the implementation of the E-Procurement system so that it can produce more effective and efficient output (see: also Endah & Farista, 2018 and Chamsudi, et al., 2022). Efficiency and effectiveness and implementation of good governance are important aspects, especially in the procurement of goods during disasters because they are often associated with corruption (see: Neupane, et al., 2012; Aigheyis & Edore, 2015; Andriana, 2021; Chan, et al., 2022; and Puspita & Gultom, 2024). According to Indonesia Procurement Watch (IPW), the corruption that occurs in procurement is caused by: (i). Weak legal and institutional framework; (ii). Lack of government capacity in managing the Procurement; and (iii). Compliance with the regulations made is weak as well as in its supervision and enforcement (see Amiruddin, 2012).

The characteristic conditions of the Procurement above are a problem that really needs to be made a new policy as a solution that helps the Ministry/Institution (K/L) and Regional Government (PD) especially the Ministry of Social Affairs in carrying out its functions. The Disaster Management Bill (RUU) being discussed in the House of Representatives and the Government can be seen as an alternative Policy solution outside of the existing policy options. By regulating Procurement in Disaster Management in the form of a law whose hierarchy is higher than the Presidential Regulation, Procurement related to Disaster Management may be an exception to the rules of Presidential Regulation Number 16 of 2018 on Government Procurement and all its derivatives.

Hence, based on the formulation of the problem that has been developed, this study aims to: (i). Review and analyze the problems and challenges in the field including formulating the characteristics of Government Procurement in Disaster Management and comparing them to existing policies; (ii). Review and analyze how the implementation process of Government Procurement in Indonesia; (iii). Review and analyze the quality control against the fulfilment of standards related to the effectiveness and safety of disaster management operations; and (iv). Review and analyze stakeholder coordination and transparency in the implementation of Government Procurement in Indonesia.

Theoretical Background

Public Finance Theory

Government expenditure or spending (G) is the third component or composition of GDP after Consumption and Investment. Pass & Lowes (1988) argue that government spending is investment spending from each level of government to provide public goods and services (health, education, defense/security, highways, etc.), market goods and services, and social costs (unemployment, pensions, etc.). Government spending has a multiplier effect on aggregate demand, this is one of the reasons why government intervention in the economy is necessary, especially during times of crisis. By definition, the multiplier effect is a change in aggregate income caused by changes in government spending (Mankiw, 2007). There are several impacts caused by changes in government spending on the economy, such as: (i). The development of government functions will encourage increased public spending to finance administrative activities and economic regulation; (ii). The development of modern industrial society will increase political pressure for social progress and demand increased reserves for social affairs in carrying out industrial activities; (iii). The increase in public spending will exceed the increase in national income and will encourage the expansion of activities in the public sector. In addition, especially in developed countries, the role of the public sector in economic activities will grow continuously (Chude & Chude, 2013).

However, the concept of government spending is not only limited to macroeconomic theory but is part of the science of public finance. After that, there are several aspects related to public finances, one of which is budget constraints. In general, budget constraints are a microeconomic concept, where each individual wants to achieve maximum satisfaction amidst their budget constraints. The concept of government spending, subsidies or transfers, can be associated with the problem of budget constraints. This concept is also based on the theory of maximum utility, which includes the indifference curve. Price reductions, due to subsidies made by the government to a preference for goods and services in the economy will shift the axis of the indifference curve or shift parallelly which is called the income effect and substitution effect (Gruber, 2013). Efficiency in government spending and whether the results achieved are good or not depends on the quality of the institution itself. This quality can determine whether government spending is said to be inefficient or less efficient so that it will have an impact on waste in the use of the budget and production factors (see Suparmoko, 2016). Furthermore, several criteria are generally used in assessing the appropriateness or otherwise of government policies, one of which is economic efficiency. Suparmoko (2016) stated that the economic efficiency in question is related to the concept of public goods, namely Pareto Optimum. This concept is oriented towards objects such as: Minimizing costs and maximizing benefits or profits. Furthermore, Suparmoko (2016) explained that there are several reasons why government spending is getting higher all the time, one of which is the existence of social welfare programs. The program is also related to the theme of this research, namely related to natural disasters.

Sustainable Development.

Earthquakes, floods, eruptions, and other disasters that are part of this study are an aspect that receives special attention in the Sustainable Development Goals (SDGs). Sustainable development is development that is carried out at this time without ignoring or tolerating the sustainability and ability of future generations to get what they need. Furthermore, Jacobs (1991) stated that sustainable development is a concept related to democracy and

equality that almost all humans want, but there is a deep conflict in how humans should understand, achieve, and maintain it. Detr (1998) stated that effective protection of the environment and minimizing global influences is part of the concept of sustainability. Therefore, natural disasters that occur are part of the impact of climate change. The climate change in question can change the way an entity, including the government, reallocates resources. Furthermore, disaster management is needed so that the impacts that occur are not exacerbated. There are three stages in developing a strategy to address the impacts of climate change during a disaster.

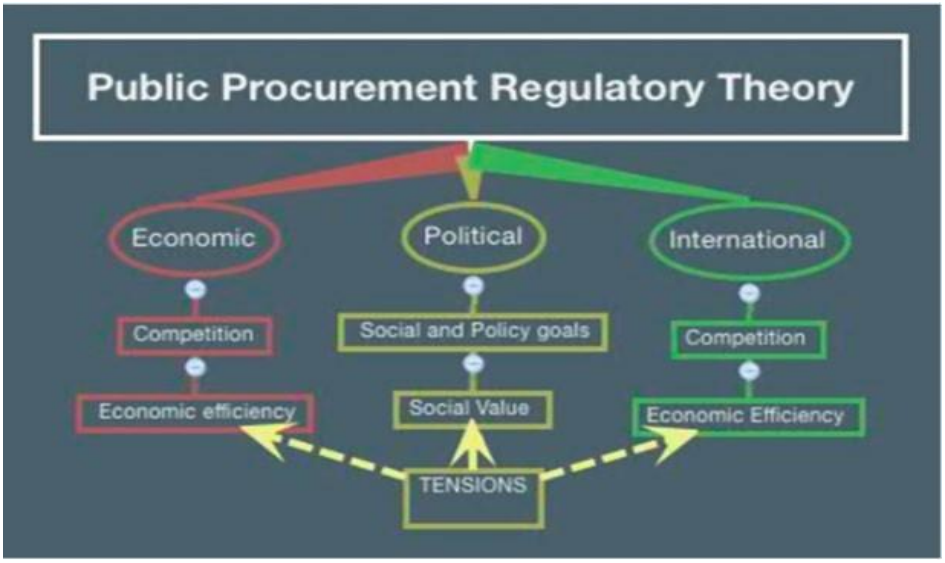
Figure 1. Stages of Strategy to Address the Impacts of Climate Change

Source: IPCC (2012)

Public Procurement Theory

Bovis (2005) argues that public procurement can be defined as a supply chain system in the process of acquiring all the needs of goods, services, and work by the government and its parts in achieving public interests. Trepte (2004) provides a conceptual framework to examine the basic objectives of procurement policies consisting of 3 categories, namely economic, political, and international as shown in Figure 2 below.

Figure 2. Trepte's Public Procurement Regulatory Theory

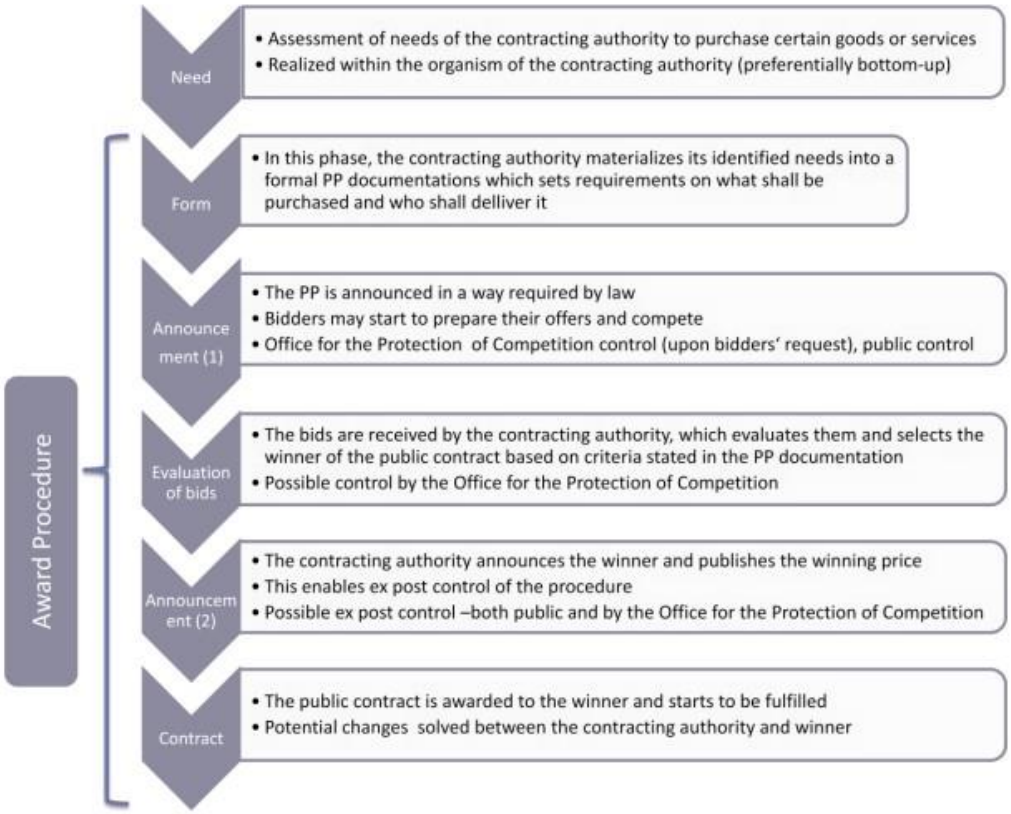


Source: Trepte (2004)

There are several stages in the procurement process from the initial stage, namely identifying the needs to fulfill the contract as shown in Figure 3. The first stage is an assessment of the needs of the public entity to make purchases of certain goods and services. In the second stage (Form), the public entity materializes the needs that have been identified in the first stage by including several requirements and criteria. In the third stage

(Announcement), the required Procurement is announced and the bidders begin to prepare all the needs and requirements to be fulfilled. The next stage is to evaluate the tender and select the winner in the tender. In the advanced announcement stage (announcement 2) the tender winner is announced and the final stage is the contract awarded to the tender winner to be fulfilled.

Figure 3. Procurement Process for Goods and Services



Source: Reimarova (2012)

Market conditions have a significant influence on the public procurement system to maximize competition. In other aspects, the smooth interaction between stakeholders (Procurement unit, Supplier; and (iii). Other stakeholders including users, universities, private, and so on) will also influence the efficiency and effectiveness of the transaction. However, the strong issue is the tendering and supplier selection process. Conceptually, the tender process can be seen from two perspectives, namely on the supplier and buyer side (Thai, 2017). It is known that the costs incurred in the tender process on the supplier side in the public procurement environment are much different compared to procurement in the private sector, one of which is the administrative cost which is often referred to as "Red Tape". In addition, technical proposals from the tender party are considered to require greater effort due to specific and complicated public procurement regulations related to technical specifications. On the buyer side, the tender preparation cost on the buyer side is largely determined by the effort required in market research, in preparing the contents of the tender document, and especially in evaluating tenders, avoiding litigation.

Bergman & Lundberg (2013) argue that the ultimate goal of public procurement is to obtain the optimal combination of high quality and lowest price. To achieve this goal, competitive bidding, low transaction costs, and no corruption and favoritism towards one entity are required. In public procurement, the quality of the product to be purchased often varies between suppliers. Therefore, the right selection of suppliers is an important aspect in supplier selection.

Figure 4. Supplier Selection Method

Source: Bergman & Lundberg (2013)

Based on the image above, there are two methods that can be used in selecting suppliers, namely: (i) Lowest price; and (ii). Economically Most Advantageous Tender (EMAT). Both differ in the need for scoring rules, where if choosing the Lowest Price method, several specifications and scoring need to be done, while not in the EMAT method. There are several categories in carrying out the scoring in question, namely: (i). Quality only; (ii). Price to Quality; and (iii). Quality to Price. The scoring that is done can be in the form of numbers or monetary.

Contract Management and Transaction Cost

Davidson & Sebastian (2011) argue that one of the objectives of public procurement is to provide goods, services, and work needed by the public. In practice, there are still several obstacles in the implementation process, one of which is contract management. Ntayi, et al. (2011) found that there was a certain amount of waste due to errors in the contract management aspect. According to Oluka & Basheka (2014), success in implementing contract management practices, in the sense of efficiency, must be carried out by considering all stakeholder needs, achieving optimum value for money, managing potential risks and obligations, and improving service delivery. Therefore, the regulatory aspect plays an important role in avoiding the inefficient contract management implementation process which ultimately has an impact on poor service delivery. According to the Common Market for Eastern and Southern Africa (2011), there are several factors that influence the implementation of efficient contract management, namely: (i). Resource allocation. Identify and define the contract management process and plan thoroughly by focusing on results (output); (ii). Ensure that contract management is handled by competent people; (iii). Have clear roles and responsibilities. Define thoroughly and clearly related to contractual obligations and clear understanding related to Service Level Agreement (SLA); (v). Payment and incentives. Ensure that payments given to each supplier are in line and in accordance with those stated in the contract; (vi). Communication and feedback mechanisms. Provide feedback on a job or supplier's performance; and (vii). Risk management. Clearly identify and anticipate risks such as service failure, reputation, damage, and other additional costs.

Furthermore, Rendon (2010) further explains the determining factors for the success of contract management, namely quality workers, clear processes, relationships, resources, leadership and policies, all of which have a direct impact on the organization's contract management process and the results produced. The relationship between contracts and transaction costs is described as all costs arising from a contract that is built and has differences with procurement or purchases in the private sector (Reimarova, 2012). Fundamentally, transaction costs according to Williamson (1975) are the costs of running an economic system. In addition, governance is one way to minimize costs (Williamson, 1985). Furthermore, dividing costs into two types, namely: (i). Market cost. Refers to:

(a). The cost of selecting alternative supplier offers (Supplier) related to the intersection between price and quality offered; (b). The cost of finding target buyers (customers) of the product; and (c). Contract costs; and (ii). Hierarchy Cost. Refers to: (a). The cost of selecting alternative human resources and management; (b). The cost of monitoring human resource contracts; and (c). The cost of coordinating and transmitting information within an organization. Ellram (1993) argues that transaction costs are part of the total cost of ownership that includes pre-transaction costs, transaction costs, and post-transaction costs.

Procurement Negotiation.

Weigel & Ruecker (2017) define negotiation as a situation in which people or parties represent different interests and aim to realize mutual benefits, for example negotiations related to the exchange of services for payment instruments and the existence of mutually binding and dependent negotiation prerequisites. Hendon & Hendon (1993) argue that negotiation is an art that changes attitudes, chooses the right strategic alternatives, and creates a true business portrait. Furthermore, Goodpaster (1993) argues that negotiation is a work process in reaching an agreement with a particular party through a dynamic interaction and communication process. Furthermore, Kusumohamidjojo (1999) argues that contract negotiation has 2 (two) characteristics, namely positive and negative. A negotiation is said to have a positive nature if the parties want to reach an agreement that is cooperative in nature. Meanwhile, negative negotiations are conducted to achieve peace because the negotiations are intended to end something bad such as a dispute.

Furthermore, in the context of procurement, negotiations are a crucial aspect, especially related to price. The following are some of the reasons why negotiations are needed: (i). Negotiations regarding approval or acceptance of an offer; (ii). Preventing price increases; (iii). Realization of price reductions; (iv). Volume bundling; (v). Reallocation of work period agreements; and (vi). Negotiation wage dispute. Weigel & Bueckel (2017) also describe three negotiation strategies that can be carried out: (i). Cooperative Negotiation Strategy. The cooperative negotiation strategy aims to establish close cooperation with the negotiating partner to jointly reach a solution. In this case, the formation of a long-term partnership is often the ultimate goal of the negotiation; (ii). Compromise Negotiation Strategy. The compromise strategy is based on rational aspects. Both parties make mutual concessions to reach a fair agreement; and (iii). Competitive Negotiation Strategy has the same basic structure as the compromise strategy (rational aspect); however, the goal is to achieve as much benefit as possible for oneself and as little as possible for the other party's position through a unilateral exchange of concessions.

LKPP Regulation Number 13 of 2018.

According to LKPP Regulation Number 13 of on Government Procurement in Handling Emergency Situations, Procurement in Handling Emergency Situations is the activity of Procurement of Goods/Services during the emergency status determined by the authorized party. Emergency Status is a condition determined by the authorized official for a certain time to overcome an emergency situation. Procurement in Handling Emergency Situations is carried out by self-management; and/or providers. To accelerate the handling of emergency situations, special arrangements are needed in Procurement. Emergency situations as referred to must meet the following criteria: A. Conditions caused by disasters including natural disasters, non-natural disasters, and/or social disasters after Emergency Status has been determined by the provisions of laws and regulations; B. Conditions other than those caused by disasters after Emergency Status has been determined by the relevant minister/head of institution/head of regional apparatus; or C. Conditions as referred to in letter B include: (i). Implementation of search and rescue operations; (ii). Damage to facilities/infrastructure that can disrupt public service activities; (iii). Natural disasters, non-natural disasters, social disasters, developments in political and security situations abroad, and/or the implementation of foreign government policies that have a direct impact on the safety and order of Indonesian citizens abroad; and/or (iv). Provision of humanitarian assistance to other countries affected by disasters.

The Procurement procedure is carried out in several stages including: a. procurement planning; b. procurement implementation; and c. payment settlement. The stages of Procurement Planning include: (i). Identification of goods/services needs; (ii). Analysis of resource availability; and (iii). Determination of Procurement methods. Procurement stages in handling emergencies include: (i). Procurement planning; (ii). Procurement implementation; and (iii). Payment settlement

Research Method

This study uses a qualitative approach with data collection techniques through Focus Group Discussions (FGD). The FGD conducted involved several stakeholders who would be directed to provide perspectives on the

formulation of the problems formed in this study so that the objectives of this study could be achieved. Based on the transcripts that have been prepared, a systematic coding process will be carried out. Bryant (2017) stated that coding analysis techniques are part of qualitative research of the Grounded Theory type. In this case, coding is intended to be able to draw existing themes contained in the informant's perspective in the form of coding nodes. The FGD was held on April 24, 2024 online and the 7 (seven) informants involved can be seen in the following table.

Table 1. Informant Profile

No.	Informant	Occupation	Organization	Category
1	Dr. Robben Rico, A.Md., LLLAJ, SH, ST. M.Si.	General Secretary	Ministry of Social Affairs	Regulator
2	Faisal, S.ST., M.Si.	Director of Social Security	Ministry of Social Affairs	Regulator
3	Cahyanto Hutomo, S.P., M.E.	Budgeting Director	Ministry of Finance	Regulator
4	Daniel F. Pinem, S. Kom.	Member	UKPBJ	Operator
5	Dr. Rustian, S.Si., Apt., M. Kes.	President Secretary	BNPB	Operator
6	Sutrisno Negara Sianturi, S.T., M.M.	President Director	PT. Jhuda Citraguna	Provider
7	Ir. Ikak G. Patriastomo, MSP.	Expert	LKPP	Observer

Source: Authors (2024)

Before conducting data analysis using NVivo, several stages are a single unit in the coding procedure that need to be followed (Bandur, 2019). Saldana (2013) and Creswell (2009) stated that coding analysis is a crucial part of qualitative studies which are usually in the form of words or short sentences that symbolically (essence-capturing) indicate parts of sentences or visual data. This means that there are many ways to conduct coding analysis according to the needs of the study being carried out. Furthermore, coding types can be divided into two according to Saldana (2013), namely: (i). Decoding. Is a technique for breaking down a set of sentences into their original meaning; and (ii). Encoding. Is a technique for labeling the most appropriate code. The types of data that can be coded can be interview transcripts, field observation notes, journal articles, images, artifacts, photos, videos, literature, and so on (see also Saldana, 2013 and Miles, et al., 2014).

Result Analysis and Discussion

FGD Result

In this study, informants were divided into 4 categories, namely: Regulator, Operator, Provider, and Observer. For the Regulator category, there are 3 informants concerned, namely: (i). Dr. Robben Rico; (ii). Faisal; and (iii). Cahyanto Hutomo. For the Operator category, there are 2 informants involved, namely; (i). Daniel F. Pinem and (ii). Dr. Rustian. For the Provider category, there is only one informant involved, namely Sutrisno Negara Sianturi. Meanwhile, for the Observer category, there is also only 1 informant involved, namely Ir. Ikak G. Patriastomo.

The presentation given by Informant 1 (Dr. Robben Ricco) generally refers to handling distribution constraints and the stock availability of goods through the provision of "Lumbung Sosial/Social Barns". The following is a quote that shows what is meant:

"….so the stock of goods that we prepare in case there is an incident that we do not want so the procurement process is based on previous historical data related to the area, especially what we fill may be goods that do not have a long expiration time which suddenly there is an incident to prepare for our limited problems, there is already

stock in social barns throughout Indonesia, until now there have been 623 social barns spread across 25 provinces, 181 regencies/cities and also reaching 590 sub-districts and this is one of the goals is also to answer this obstacle…..".

The informant also implicitly mentioned the flexibility of regulations/rules in times of emergency (disaster management), the following is the statement in question:

"…… the name of an emergency is an abnormal condition, we must immediately, if the goods are not in the social barn, then the rules used are the rules that were conveyed by Mr. Ikak, Mr. Faisal and Mr. Daniel, we use the rules of the LKPP circular letter Number 2 of 2022…."

Furthermore, the presentation given by Informant 2 (Faisal), generally touched on the legal basis and regulations that govern procurement activities and the methods used in the procurement of goods and services in a disaster situation. The following is the statement in question:

"….. Other legal bases are Presidential Regulation Number 12 of 2021 on amendments to Presidential Regulation Number 16 of 2018 on Government Procurement, The National Public Procurement Agency on Government Procurement in Handling Emergency Situations and also the last is the circular of the head of LKPP Number 2 of 2022 concerning explanation of procurement of goods and services in the context of emergency response…..".

The presentation by Informant 3 (Cahyanto Hutomo, S.P., M.E.) generally refers more to the process of submitting and planning budgets, especially in disaster management. The following is a statement that shows what is meant:

"…. From the legal basis, it is the same as what was conveyed by the gentlemen earlier, where there is Law 24 of 2007 on disaster management, the State Budget Law, PP no. 21 and so on, now what we highlight here is no. 6 and 7 on Presidential Decree 75 2021 on joint disaster management funds…..".…Then there is PMK 62 2023 concerning budget planning, implementation of the K/L budget, and accounting and financial reporting. This is an omnibus nature that combines several PMKs".

The theme of the presentation given by informant 3 (Daniel F. Pinem) refers to the implementation of procurement, but specifically to the obstacles found in the field. The following are some of the obstacles found which include: (i). Price volatility, both in terms of fairness and balance of demand and supply; (ii). Distribution of goods; and (iii). Regulatory flexibility.

"…. Well, because at that time when the handover of work occurs and a contract is made, the PPK will request an audit from BPKP and BPKP will ask which providers are required to attach price fairness. Well, that's what providers sometimes ignore, because it has to be held like that no matter how much it costs so that the price will be very high…."

Furthermore, Informant 4 (Rustian, S.Si., Apt., M. Kes.) generally touched on the implementation of procurement of goods at BNPB. The following is what is meant: "…. *In principle, there are two types of procurement in BNPB, the first is preparedness which is carried out in a non-disaster emergency, this is funded by the Disaster for buffer stock in NTB itself, the provincial and city district BPD, the next is procurement in emergency disaster conditions, this procurement is carried out in a state of emergency alert status, emergency response or emergency transition where previously the alert or emergency status was determined by the Mayor, Regent, Governor, or even the president…..*"

The theme of the presentation given by informant 6 (Sutrisno Negara Sianturi) refers to the quality control of goods carried out. *"…. Quality control of goods is very important in ensuring that goods used in Emergency Response meet the required standards, in emergencies like this the need for high-quality goods becomes more crucial because these goods can have a direct impact on the safety and welfare of individuals affected by the disaster…."*.

The presentation by Informant 7 (Ir. Ikak G. Patriastomo, MSP) also refers to the implementation of procurement of goods in an emergency. The following is a statement that shows what is meant: *"... in this disaster, it cannot be postponed, it must be done immediately, this, this, in the procurement sector, it is complicated because procurement would be ideal if everything could be planned when we are faced with an unplanned situation….."*

Coding Analysis

The following is an aggregate coding hierarchy to see which nodes are the most dominant (or have the most coding activities) from all informants, as shown in Figure 5 as follows:

Figure 5. Aggregate Hierarchy

Source: Data processed

Referring to the research objectives set, a node system can be built that includes several research objectives. The intended research objectives include: (i). Analyzing and reviewing how the implementation of the Disaster Management Goods/Services Procurement Budget process in Indonesia; (ii). Analyzing and reviewing quality control against compliance with standards related to the effectiveness and safety of disaster management operations and (iii). Analyzing and reviewing stakeholder coordination and transparency in the implementation of Procurement in Indonesia. Based on these objectives, a node system was built called "Procurement Implementation" which has sub-nodes below it, namely "Challenges", "Processes", and "Quality Control". The development of the node system in question is because the research objectives in context refer to the implementation of Procurement. In aggregate, there are at least 14 Coding nodes with the highest hierarchy, which can be seen in Table 2 below.

Table 2. Nodes Reference Aggregate Hierarchy

No.	Coding Nodes	Ref.	Files Coded	Max. Value	Share
1	Flexibility	6	6	7	86%
2	Sinergy	6	3	7	86%
3	Regulation Law	5	5	7	71%
4	Good Governance	5	4	7	71%
5	Audit	4	4	7	57%
6	Storage	4	4	7	57%
7	Stock Availability	4	4	7	57%
8	Infrastructure and Facilities > Distribution	4	4	7	57%
9	Fair Price	4	4	7	57%
10	Price Exploitation	3	3	7	42%

11	Unexpected Demand	2	2	7	28%
12	Procurement Methods	2	2	7	28%
13	Assessment > Procurement Methods	2	2	7	28%
14	Provider's Capacity	2	2	7	28%

Source: Data processed (2024)

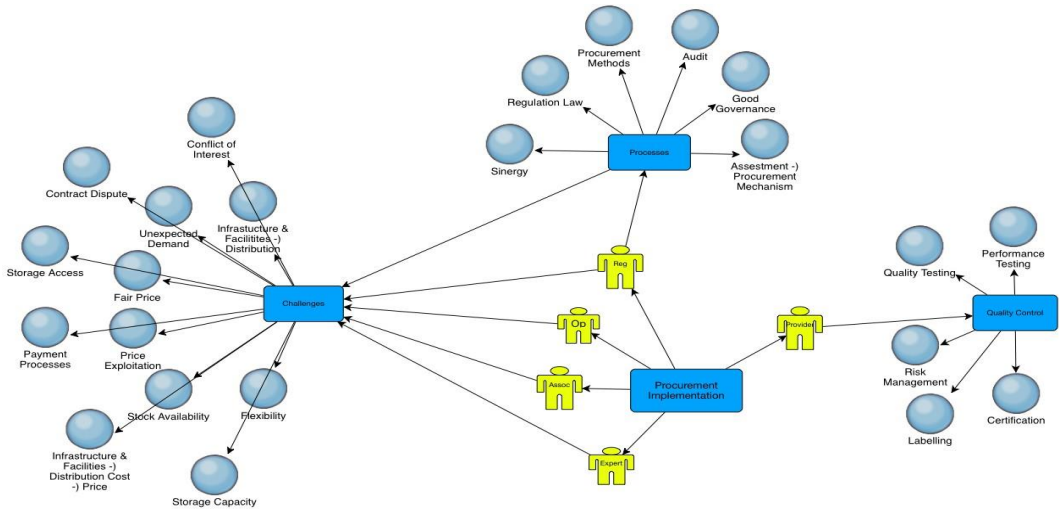
The results show that the 14 Coding nodes above have the largest contribution to the overall hierarchy, both in terms of the number of references and data sources (transcripts). This shows that overall (5 categories of informants), both implicitly and explicitly, they allude to the importance of flexibility in the procurement of goods and services in the context of disaster management during emergency response. In addition, informants also allude to the importance of the aspect of coordination or synergy between stakeholders and between agencies in Procurement in Disaster Management. This indicates that 86% of the informants involved allude to the two things in question. Furthermore, the 5 categories of informants also predominantly allude to the legal basis "Regulation Law" and the importance of Governance in Procurement in Disaster Management, especially in emergency response situations "Good Governance".

The two things in question were alluded to by around 71% of the informants involved. Other things that were also mentioned dominantly (57% of informants) include: "Audit", "Storage", "Stock Availability", and "Infrastructure and Facilities > Distribution". The Audit includes the governance process related to Procurement carried out, especially at the level of price fairness. Meanwhile, "Stock Availability" refers to the availability of supplies of goods in emergency conditions. "Storage" refers to the Social Barn built as a buffer stock. Meanwhile, "Infrastructure and Facilities > Distribution" refers to the connectivity aspect that facilitates the distribution process.

Furthermore, the results of the comparative analysis will be displayed. This section is the second stage in the coding analysis (Second Cycle Coding). The Second Cycle Coding is based on nodes or coding that have been created previously (First Cycle Coding). In the comparison *between Regulator and Provider*, there are about 2 similarities in coding nodes (Good Governance and Synergy) that are mentioned by both parties. In the comparison *between Regulator and Operator*, there are around 9 similar nodes (Unexpected Demand, Good Governance, Synergy, Storage, Stock Availability, Infrastructure and Facilities > Distribution, Flexibility, Audit, and Regulation Law). In the comparison *between the Regulator and Expert* (observer), there are around 5 similar nodes (Storage, Stock Availability, Flexibility, Audit, and Assessment > Procurement Mechanism) mentioned by both parties. Furthermore, in the comparison *between Regulator and Association*, there are around 4 similar nodes (Storage, Stock Availability, Flexibility, Audit, and Assessment > Procurement Mechanism). In the comparison between Operator and Association, there are around 4 similar nodes (Synergy, Storage, Stock Availability, and Flexibility). In the comparison *between Provider and Operator*, there are around 4 similar nodes (Fair Price, Good Governance, Provider's Capacity, and Synergy). In the comparison *between Expert and Operator*, in this case, there are about 6 similar nodes (Price Exploitation, Fair Price, Storage, Stock Availability, Flexibility, and Audit. In the comparison *between Provider and Expert*, there is 1 similar node (Fair Price) which is mentioned by both parties. After all, in the comparison *between Expert and Association*, there are about 3 similar nodes (Storage, Stock Availability, and Flexibility).

Next, based on the analysis that has been done (first cycle coding and second cycle coding) a concept mapping will be built to draw a comprehensive pattern. The following is Figure 6 which shows what is meant.

Figure 6. Concept Mapping



Source: Data processed

Based on the image above, it can be seen that the concept mapping combines several aspects in the implementation of Procurement, especially for disaster management. There are several obstacles that are mapped in the procurement process and in the field, namely the availability of goods, regulatory flexibility, price fairness, accessibility, distribution, to conflicts of interest in the procurement process. The obstacles in question are also part of the procurement planning process, for example those related to budgeting. The budgeting process gives rise to "Synergy" nodes which mean that there is coordination carried out in the budgeting process to coordination in the field. The existing implementation process also includes Governance and a legal basis for procurement. In addition, the Provider category looks separate from the other four, meaning that the provider only mentions the role of quality control.

Conclusion and Policy Recommendations

Conclusion

Based on the results and analysis that have been described previously, several points of conclusion can be drawn related to this study, as follows:

1. There are several obstacles mapped in the Procurement process in Disaster Management, namely: Flexibility, Storage, Stock Availability, and so on. These nodes refer to the need for flexibility of the rules needed in an emergency so that the Procurement implementation process can be modified during disaster management until the selection of service providers. Meanwhile, several main characteristics of Procurement in disaster management can be seen, namely (i) there is freedom to modify the rules; (ii) there is a waiting period for determining emergency status; (iii) the goods needed are often not available at the disaster location; (iv) access to the disaster location is cut off; (v) high costs for logistics transporter service providers and (vi) there is an unreasonably high price of goods.
2. The quality control aspect plays an important role in the Disaster Management Procurement process which is achieved through the fulfillment of the quality standards of goods/services. The capacity of the provider is a key factor in creating the fulfillment of the quality standards of the goods provided. Furthermore, several stages in quality control were mapped, such as: (i). The Performance Test; (ii). Certification; (iii). Risk management; (iv). Labeling; and (v). Transparency and Accountability.
3. Coordination between parties has occurred, both in the budgeting process, procurement, and the distribution of aid in the field. Coordination in the budgeting process involves several Ministries/Institutions such as BNPB, Ministry of Finance, Ministry of Social Affairs, and so on which have duties and functions related to disaster management. At the procurement and distribution stage, coordination occurs between the LKPP and Service Providers through a series of e-purchasing processes. In addition, in the distribution process, there are also other parties (forwarders) involved. In terms of providing Types of Goods during the emergency response to disasters,

BNPB becomes the coordinator who divides the tasks of each K/L/PD involved in handling the disaster. However, several informants still stated that there were problems, namely (i) regarding the recognition of the level of price fairness between the Auditor and Provider, (ii) the provision of certain goods that are not the task of the informant's agency and (iii) the goods provided by their agency cannot be effectively used because the goods provided by the other agency as a support for the function of the goods they provide are not there.

Policy Recommendations

1. Regarding Flexibility, this paper recommends that Procurement in Disaster Management be categorized as Procurement that is exempted from Presidential Decree/16/2018 and become one of the Norms that are amended through the Disaster Management Bill. By exempting Procurement in Disaster Management, each Ministry/Institution can make its own regulations according to the Portion of its duties and functions in disaster management. Regional Governments can also make their own regulations that follow the characteristics of Infrastructure conditions, Regional Demography, and Types of Disasters in their areas;
2. Regarding Stock Availability, it is expected that the norms and implementation guidelines that will be made will primarily regulate the Determination of the Type of Certain Conditions Needed for Goods (BKKT) in disaster-affected areas and provide an Assignment to PT. Pos as a State Own Enterprise engaged in the National Network Delivery Service sector to distribute BKKT from the Supply Chain (Traditional Markets, Shops, Warehouses) closest to the location of refugees. With this policy, there will be no shortage of goods so that price irregularities can be avoided both on the procurement side of goods and delivery services;
3. Regarding Procurement Exceptions in Disaster Management, The Principle of Fast and Precise Disaster Management and Priority is regulated by the PPU at the Law level. So its hierarchy is much higher than the PPU at the Presidential Regulation level which regulates the Procurement Principle which must be "Efficient" and "Accountable".

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