REGULATION OF THE MINISTER OF FINANCE
OF THE REPUBLIC OF INDONESIA

NUMBER 13/PMK.01/2014

CONCERNING

DIRECT ELECTRONIC PROCUREMENT
AT THE CIRCLE OF THE MINISTRY OF FINANCE

BY THE GRACE OF GOD THE ALMIGHTY

THE MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA,

Considering:

a. whereas pursuant to Article 35 paragraph (2), paragraph (3), paragraph (3a) and Article 41 paragraph (3) of Presidential Regulation Number 54 of 2010 on Procurement of Goods/Services as amended by Presidential Decree Number 70 of 2012, the selection of Provider of Goods/Construction Works/Other Services and Consulting Service Provider can be done with direct procurement method;

b. whereas pursuant to Article 106 paragraph (1) Presidential Regulation Number 54 of 2010 concerning Procurement of Goods/Services as amended several times lastly by Presidential Regulation Number 70 of 2012, government procurement of goods/services can be done electronically;

c. whereas in order to achieve efficiency, effectiveness, transparency and accountability in the implementation of direct procurement conducted electronically, it will require a direct electronic procurement guidelines in the circle of the Ministry of Finance;

d. whereas pursuant to the considerations set forth in paragraphs a, b, and c, it is necessary to stipulate Regulation of the Minister of Finance on Direct Electronic Procurement in the Circle of the Ministry of Finance;

In the view of:

1. Presidential Regulation Number 24 of 2010 concerning Position, Duties, and Functions of State Ministries and the Organizational Structure, Duties, and Functions of Echelon I of State Ministries as amended several times lastly by Presidential Regulation Number 56 of 2013 (State Gazette of the Republic of Indonesia of 2013 Number 126);
2. Presidential Regulation Number 54 of 2010 concerning Procurement of Government Goods/Service as amended several times lastly by Presidential Regulation Number 70 of 2012 (State Gazette of the Republic of Indonesia of 2012 Number 155, Supplement of State Gazette of the Republic of Indonesia of 2012 Number 5334);

3. Presidential Regulation Number 84 of 2012 concerning Procurement of Government Goods/Services In Order To Achieve Accelerated Development of Papua Province And West Papua Province (State Gazette of the Republic of Indonesia of 2012 Number 198);

4. Regulation of the Minister of Finance Number 233/PMK.01/2013 concerning the Implementation Procedure of Electronic Procurement of Goods/Services In the Circle of the Ministry of Finance;

In regard with: Regulation of Head of National Public Procurement Agency Number 14 of 2012 concerning Technical Guidance of Presidential Regulation Number 70 of 2012 Concerning Second Amendment of Presidential Regulation Number 54 of 2010 Concerning Government Procurement of Goods / Services;

BE IT HEREBY RESOLVED:

To stipulate: REGULATION OF THE MINISTER OF FINANCE CONCERNING DIRECT ELECTRONIC PROCUREMENT IN THE CIRCLE OF THE MINISTER OF FINANCE.

CHAPTER I
GENERAL PROVISION

Part One
Definition

Article 1

The terminologies herein shall be defined as follow:

1. Electronic Procurement (E-Procurement) is procurement of goods/services that are implemented using information technology and electronic transaction in accordance with the statutory provisions.

2. The Service Center of Electronic Procurement of the Minister of Finance, hereinafter referred to as LPSE Center of the Minister
of Finance, is a structural unit in the circle of the Minister of Finance who provide services and conduct electronic system for procurement of goods/services.

3. Ministry / Agency is Central / Local Government Instrumentality who have worked with the Minister of Finance in the use of electronic procurement service facilities.

4. Direct Procurement is the procurement of goods/services directly to the Provider of Goods/Services, without going through the Auction/Selection/Direct Appointment.

5. Direct Electronic Procurement is direct procurement carried out through the application of direct procurement management information system.

6. Direct Procurement Management Information System Application, hereinafter referred to as SIMPeL Application, is an application used to implement Direct Electronic Procurement in the circle of the Minister of Finance.

7. Commitment Making Officer, hereinafter referred to as PPK, is the official responsible for the implementation of procurement of Goods/Services.

8. Procurement Officer is the designated personnel to carry out the direct procurement.

9. Project Acceptance Committee / Officer, hereinafter referred to as the Committee/PPHP, is a committee / officer designated by Budget Authority/ Proxy of Budget Authority in charge to examine and accept the project.

10. Provider of Goods / Services is a business entity or individual person whose operations provide Goods/Construction Works/Consultancy Services/Other Services.

11. Supervisor is a third party ordered by the PPK if necessary, to carry out supervision and inspection over all performance of the work carried out by the Provider of Goods/Services.

12. Auditor is a team or individual who was given duties, responsibilities, and rights in full by the officials to carry out supervision or inspection to government agencies and/or other parties in which national interests lies in accordance with the laws and regulations.

13. User ID is the name or unique identifier as an identity used to operate in an electronic system.

14. Password is a collection of characters or strings used by the network user or a multi user operating system to verify the User ID to the security system owned by the network or the system.
15. Super Admin is an employee designated as the manager of a reference database and/or log access of SIMPeL based in LPSE Center.

16. Admin System is an employee designated as the manager of SIMPeL at the level of the Ministry/Institution based in LPSE Center or the Ministry/Institution.

17. Admin Agency is an employee designated as manager of SIMPeL at the provincial level based in the LPSE of the Local Minister of Finance or working unit of the Local Ministry/Institution.

18. Working Unit Admin, hereinafter referred to as Working Unit Admin, is an employee designated as manager of SIMPeL at the working unit level based in the vertical agency working unit.

19. Sub Working Unit Admin is an employee designated to assist Working Unit Admin in the management of SIMPeL at the level of relevant working unit and based in the vertical agency working unit.

Part Two
Scope

Article 2

The implementation of direct procurement in the circle of the Minister of Finance include:

a. Procurement of Goods/Construction Works/Other Services worth at the maximum of IDR 200,000,000.00 (two hundred million rupiah), with conditions:

1) operational requirements;

2) simple technology;

3) small risk; and/or

4) conducted by the Provider of Goods/Services, natural person enterprise, and/or small business entity as well as small cooperative, excluding work packages requiring technical competence which could not be met by Micro Enterprises, Small Enterprises and small cooperative.

b. Procurement of Consulting Services worth at the maximum of IDR 50,000,000.00 (fifty million rupiah).
Article 3
The parties in the SIMPeL Application consist of:

a. Organizer, i.e. LPSE Center of the Minister of Finance.

b. System operative personnel:
   1) Super Admin;
   2) Admin System;
   3) Admin Agency;
   4) Working Unit Admin; and
   5) Sub Working Unit Admin.

c. System user:
   1) PPK;
   2) Procurement Officer;
   3) Committee/PPHP;
   4) Provider of Goods/Services; and
   5) Auditor.

Article 4
The appointment of system operative personnel as referred to in Article 3 paragraph b, determined by:

a. Decree of Head of LPSE Center, to Super Admin, Admin System, and Admin Agency.

b. Appointment letter from Head of Working Unit, to Working Unit Admin and Sub Working Unit Admin.

CHAPTER II
DUTIES AND AUTHORITY

Part Two
General

Article 5
(1) The parties referred to in Article 3 shall comply with the procurement principles and ethics as stipulated in Presidential Regulation Number 54 of 2010 as amended several times lastly by Presidential Regulation Number 70 of 2012.

(2) In addition to adhere to the procurement principles and ethics
referred to in paragraph (1), the parties as referred to in Article 3 shall:

a. maintain confidentiality and prevent misuse of User ID and Password;

b. maintain confidentiality and prevent misuse of data and information related to the Direct Electronic Procurement in the circle of the Minister of Finance within its authority; and

c. Comply with the laws and regulations.

(3) Misuse of User ID and Password as referred to in paragraph (2) letter a is the responsibility of the parties involved in the Direct Electronic Procurement in the circle of the Minister of Finance as the owner of User ID and Password concerned in accordance with the applicable regulations.

Part Two
LPSE Center

Article 6
In the implementation of the Direct Electronic Procurement in the circle of the Minister of Finance, LPSE Center has the duties and authority to:

a. prepare formulation of policy in the field of Direct Electronic Procurement;

b. provide guidance and supervision of the implementation of SIMPeL Application of the Ministry of Finance;

c. carry out the management of SIMPeL service system;

d. provide SIMPeL Application service to the Ministry/Institution involved; and

e. carry out other duties assigned by the relevant management with regards to the implementation of the Direct Electronic Procurement.

Part Three
Super Admin

Article 7
Super Admin has the duties and authority to:

a. provide User ID and Password to Admin System;

b. carry out maintainance of reference database;
c. deactivate User ID and Password of Admin System; and  
d. review log access on SIMPeL Application.

Part Four  
Admin System  

Article 8  
Admin System has the duties and authority to:  
a. provide User ID and Password to Admin Agency, User Monitoring, and User Auditor; and  

Part Five  
Admin Agency  

Article 9  
Admin Agency has the duties and authority to:  
a. Provide User ID and Password to Working Unit Admin;  
b. verify User ID and Password requests from Provider of Goods/Services who have applied;  
c. provide User ID and Password to Provider of Goods/Services who have passed the verification process; and  

Part Six  
Working Unit Admin  

Article 10  
Working Unit Admin has the duties and authority to:  
a. provide User ID and Password to Sub Working Unit Admin, PPK, Procurement Officer, and Committee/PPHP;  
b. verify User ID and Password application from Provider of Goods/Services who have applied;  
c. provide User ID and Password to Provider of Goods/Services who have passed verification process; and
d. deactivate User ID and Password of Sub Working Unit Admin, PPK, Procurement Officer, and Committee/PPHP.

Part Seven
Sub Working Unit Admin

Article 11
Sub Working Unit Admin has the duties and authority to assist Working Unit Admin to:

a. provide User ID and Password to PPK, Procurement Officer, and Committee/PPHP;

b. verify User ID and Password application from Provider of Goods/Services who have applied;

c. provide User ID and Password to the Provider of Goods/Services who have passed verification process; and

d. deactivate User ID and Password of PPK, Procurement Officer, and Committee/PPHP.

Part Eight
PPK

Article 12
PPK has the duties and authority to:

a. formulate and establish the technical specifications of the goods/services;

b. formulate and establish Owner Estimate (OE) for direct procurement by Work Order (SPK);

c. establish supporting team, if required;

d. approve invoices or to sign receipts/Work Order (SPK); and

e. oversee the implementation of the work.

Part Nine
Procurement Officer

Article 13
Procurement Officer has the duties and authority to:

a. find relevant information on price and substances of work to be done, through the electronic and/or non-electronic media;
b. compare prices and quality of at least 2 (two) different resources of information;

c. establish procurement document;

d. carry out administrative, technical and price evaluation on the incoming bids;

e. carry out technical and price negotiation;

f. determine the Provider of Goods/Services;

g. enter direct purchase data into SIMPeL Application; and

h. announce the implementation of Direct Electronic Procurement at www.simpel.lpse.kemenkeu.go.id home page.

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Part Ten
Committee/PPHP

Article 14

Committee/PPHP has the duties and authority to:

a. examine results of the procurement of goods/services in accordance with the provisions contained in the contract;

b. accept the results of the procurement of goods/services after going through inspection/testing;

c. enter the results of the testing of goods/services into SIMPeL Application, for the direct purchase procurement;

d. approve/reject the development of the work progress submitted by the Provider of Goods/Services into SIMPeL Application for direct procurement by Work Order (SPK); and

e. print and sign Minutes of Hand Over;

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Part Eleven
Provider of Goods/Services

Article 15

Provider of Goods/Services participating in the implementation of SIMPeL Application has the duties and responsibilities to:

a. fill and complete Provider of Goods/Services data;

b. examine the details of requests for quotation;

c. submit quotation;
d. carry out technical and price negotiation;

e. approve/reject technical and price negotiation result;

f. sign invoices/receipts/Work Order (SPK);

g. file a request of addendum of Work Order (SPK);

h. request the development of work progress;

i. submit invoices/payment requests; and

j. monitor the status of development of work progress and invoices.

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Part Twelve

Auditor

Article 16

(1) Auditor has the duty and authority to carry out supervision or inspection on Direct Electronic Procurement in the circle of the Minister of Finance using SIMPeL Application through LPSE Center of the Minister of Finance.

(2) Auditor as referred to in paragraph (1) has access right to SIMPeL Application after being given the User ID and Password by LPSE Center of the Minister of Finance.

(3) Provision of User ID and Password to Auditor as referred to in paragraph (2) shall be done through the following mechanism:

a. Auditor to submit application letter of User ID and Password to the Head of LPSE Center of the Minister of Finance enclosing letter of supervision or inspection duty which at least contains:

   1. Auditor’s identity; and

   2. name of working unit/inspection or supervision objective.

b. LPSE Center of the Minister of Finance to provide User ID and Password to Auditor in accordance with the scope of inspection and supervision duty to be done, no later than 2 (two) business days after the date of receipt of the application letter of User ID and Password.

c. The User ID and Password shall be given for a maximum period up to the date of the last supervision or inspection specified in the supervision or inspection official letter of
d. Provision of User ID and Password by LPSE Center of the Minister of Finance to Auditor shall be delivered via electronic mail (e-mail).

e. LPSE Center of the Minister of Finance to deliver a notice on the provision of User ID and Password to the issuing official of supervision or inspection official letter of duty no later than 1 (one) business day after submission of electronic mail (e-mail).

CHAPTER III
IMPLEMENTATION MECHANISM OF DIRECT ELECTRONIC PROCUREMENT

Part One
General

Article 17
(1) Direct Electronic Procurement, shall be conducted through SIMPeL Application.

(2) SIMPeL Application as referred to in paragraph (1) shall be used for:

a. Direct Purchase using:
   
   1) Invoice, for Procurement of Goods/Other Services worth up to IDR 10,000,000.00 (ten million rupiah); or

   2) Receipt, for Procurement of Goods/Construction Works/Other Services worth up to IDR 50,000,000.00 (fifty million rupiah).

b. Direct Procurement by Work Order (SPK), for procurement of:

   1) Goods/Construction Works/Other Services, worth up to IDR 200,000,000.00 (two million rupiah); or

   2) Procurement of Consulting Service, worth up to IDR 50,000,000.00 (fifty million rupiah).

Part Two
User ID and Password

Article 18
(1) Provision of User ID and Password of SIMPeL Application to be
carried out with the following steps:

a. Working Unit must first register online to get User ID and Password as Working Unit Admin from Admin Agency of LPSE of the Minister of Finance;

b. Working Unit Admin as referred to in paragraph a to provide User ID and Password to PPK, Procurement Officer, and Committee/PPHP.

(2) Provider of Goods/Services participating in the implementation of SIMPeL Application shall get User ID and Password with the following steps:

a. Provider of Goods/Services must first register online through www.simpel.lpse.kemenkeu.go.id home page;

b. Provider of Goods/Services to register offline by going to the working unit office upon invitation or the nearest LPSE office of the Minister of Finance.

Part Three
Implementation Mechanism

Article 19

Implementation mechanism of Direct Electronic Procurement with invoice and receipt shall be carried out with the following stages:

a. PPK to order Procurement Officer to carry out Direct Procurement.

b. Procurement Officer to order goods as needed or go directly to the Provider of Goods/Services.

c. Procurement Officer to carry out transaction.

d. Procurement Officer to receive goods.

e. Procurement Officer to carry out payment.

f. Procurement Officer to receive invoice or receipt.

g. Procurement Officer to review and to take responsibility for the process of Direct Procurement.

h. Procurement Officer to submit invoice or receipt to the PPK.

i. Procurement Officer to enter Direct Procurement data into SIMPeL Application.

Article 20
Implementation mechanism of Direct Electronic Procurement by Work Order (SPK) shall be carried out with the following stages:

a. PPK to create package on SIMPeL Application and to deliver it to the Procurement Officer by:
   1) filling Owner Estimate (OE);
   2) filling technical specification; and
   3) Uploading supporting file, if necessary.

b. Procurement Officer to review the procurement package.

c. Procurement Officer to find information regarding the work to be done and its price, via electronic media and/or non electronic media.

d. Procurement Officer to compare prices and quality from at least 2 (two) different sources of information.

e. Procurement Officer to invite candidate of Provider of Goods/Services trusted to be able to submit administrative, technical, and price bid. The trust is obtained based on qualification of the candidate of the said Provider of Goods/Services.

f. Invitation shall enclose technical specification and/or drawings as well as other documents describing the required type of work.

g. Provider of Goods/Services being invited to submit administrative, technical, and price bid through SIMPeL Application.

h. Procurement Officer to open bid and to carry out administrative and technical evaluation.

i. Procurement Officer to carry out technical clarification and price negotiation to secure Provider of Goods/Services on reasonable price and can be accounted for.

j. Price negotiation to be done based on Owner Estimate (HPS).

k. Should the price negotiations fail to produce an agreement, Direct Procurement shall be declared unsuccessful and Direct Procurement shall be reconducted by inviting other Provider of Goods/Services.

l. Procurement Officer to submit Minutes of Direct Procurement to PPK and to announce Direct Electronic Procurement on www.simpel.lpse.kemenkeu.go.id home page.

m. PPK to sign Work Order (SPK).

n. Committee/PPHP to review goods/services delivered by Provider
CHAPTER IV
MONITORING AND EVALUATION

Article 21

(1) Monitoring and evaluation of the implementation of the Direct Electronic Procurement in the circle of the Minister of Finance shall be conducted every semester.

(2) In the event of any obstacle/problems faced by working units in relation with the implementation of SIMPeL Application, monitoring and evaluation referred to in paragraph (1) may be made at any time.

(3) Monitoring and evaluation referred to in paragraph (1) shall be coordinated by LPSE Center of the Minister of Finance.

(4) Monitoring and evaluation result shall be submitted to:

a. Head of LPSE Center of the Minister of Finance as a recommendation in order to repair/for improvement of SIMPeL Application in the circle of the Minister of Finance; and

b. Secretary General as information of the implementation of SIMPeL Application in the circle of the Minister of Finance.

CHAPTER V
REPORTING

Article 22

(1) LPSE Center Minister of Finance to compile reports on the implementation of the SIMPeL Application and submit it to the Ministry of Finance c.q Secretary General of the Minister of Finance.

(2) The report referred to in paragraph (1) shall be submitted by LPSE Center of the Minister of Finance every semester.

(3) In addition to the submission of each semester as referred to in paragraph (2), LPSE Center of the Minister of Finance to submit
the report referred to in paragraph (1) at any time if needed.

(4) In case of a request from the management of the Minister of Finance and/or other working units within the circle of the Minister of Finance, the report referred to in paragraph half (2) can be submitted at any time by LPSE Center of the Minister of Finance.

CHAPTER VI
OTHER PROVISIONS

Article 23

(1) The implementation of SIMPeL Application that can not be carried out in accordance with the provisions stipulated in this Ministerial Regulation as a result of the occurrence of force majeure or technical problems, such as the interruption of electrical power, network, and application, Procurement Officer may:

a. cancel the Direct Electronic Procurement process;

b. adjust the schedule according to the number of days of the occurrence of technical problems; and/or

c. create and implement alternative solutions to other things that can not be accommodated or facilitated in SIMPeL Application and write it in down the Minutes.

(2) Force majeure as referred to in paragraph (1) is a condition that occurs outside of the will of the parties and can not be predicted in advance, so that the responsibility being determined can to be met, including:

a. act of God;

b. non-natural disaster;

c. social disaster;

d. strike; and/or

e. fire.

(3) Excluding force majeure are the things that inflict harm caused by the act or omission of the parties.

Article 24

(1) LPSE Center of the Minister of Finance to make necessary changes in order to repair and for development of SIMPeL Application.
(2) Changes referred to in paragraph (1) are amendment to add, reduce, and/or repair facilities provided by SIMPeL Application, which can be done at any time with or without prior notice.

Article 25

(1) Implementation of Direct Electronic Procurement of Minister of Finance in the territory of Papua and West Papua Province, made by Presidential Regulation Number 54 of 2010 concerning the Procurement of Government Goods/Services as amended several times lastly by Presidential Regulation Number 70 of 2012, except for:

a. Procurement of Goods/Construction Works/ Other Services worth at the maximum of IDR 500,000,000,00 (five hundred million rupiah), which can be implemented with Direct Procurement mechanism; and

b. Direct Procurement for Regency of Nduga, Regency of Yahukimo, Regency of Intan Jaya, Regency of Puncak Jaya, Regency of Puncak, Regency of Tolikora, Regency of Memberamo Tengah, Regency of Yalimo, Regency of Pegunungan Bintang, Regency of Deiyai, Regency of Dogiyai, Regency of Paniai, Regency of Jayawijaya, and Regency of Lani Jaya, to be done are worth up to the maximum of IDR 1,000,000,000,00 (one billion rupiah).

(2) Implementation of Direct Electronic Procurement through SIMPeL Application in Papua and West Papua Province as referred to in paragraph (1) may be done by the Working Group of Procurement Services Unit (ULP) or 1 (one) Procurement Officer and is only intended for local entrepreneurs who meet the qualification requirements.

Article 26

Further provisions on the procedure for the implementation of the Direct Electronic Procurement in the circle of the Minister of Finance are stipulated by the Decree of the Minister of Finance.

BAB VII
TRANSITIONAL PROVISIONS

Article 27

(1) Pilot project of the implementation of Direct Electronic Procurement in the circle of the Minister of Finance put in place at the central level Echelon I Unit of the Minister of Finance since this regulation comes into force, covering Procurement of
Goods/Services by using the Work Order (SPK).

(2) Implementation of Direct Electronic Procurement thoroughly enforced in the Minister of Finance in Fiscal Year of 2016.

(3) Stages of implementation of the Direct Electronic Procurement is stipulated by the Decree of the Minister of Finance.

Article 28
At the time of this Ministerial Regulation comes into force, the implementation of manual Direct Procurement can still be held up to the enactment of the Direct Electronic Procurement as a whole in the circle of the Minister of Finance in Budget Year 2016.

BAB VIII
CLOSING

Article 29
This Ministerial Regulation shall come into force from the date of June 1st, 2014.

For public cognizance, this Ministerial Regulation shall be promulgated in the State Gazette of The Republic of Indonesia.

Stipulated in Jakarta
on January 20th, 2014

MINISTER OF FINANCE OF THE REPUBLIC OF INDONESIA,

signed

MUHAMAD CHATIB BASRI

Promulgated in Jakarta
on January 20th, 2014

MINISTER OF LAW AND HUMAN RIGHTS OF THE REPUBLIC OF INDONESIA,

signed

AMIR SYAMSUDIN

STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2014 NUMBER 96