



INNOVATIONS FOR SUCCESSFUL SOCIETIES

“INVITING A TIGER INTO YOUR HOME”: INDONESIA CREATES AN ANTI-CORRUPTION COMMISSION WITH TEETH, 2002 – 2007

SYNOPSIS

In 2002, under domestic and international pressure to confront corruption after the economic and political collapse of the 32-year Suharto regime, Indonesia established the Corruption Eradication Commission (the Komisi Pemberantasan Korupsi, or KPK). The new commission had powers so strong that one anti-corruption activist said Indonesian politicians were “inviting a tiger into [their] home” by creating it. Still, the public reacted warily, mindful of past failures and distrustful of the commissioners approved by Parliament. After creating an effective operating structure, the commissioners spent more than a year building capacity by introducing innovative human resources policies, cutting-edge technologies, strong ethical codes and savvy investigative tactics. The commission then launched a series of investigations that netted dozens of high-level officials and politicians, with a 100% conviction rate. By the end of 2007, the KPK was standing on a stable foundation, buttressed by solid public support.

Gabriel Kuris drafted this case study based on interviews conducted in Jakarta, Indonesia in February and March 2012. For a look at the commission’s second term, see the Innovations for Successful Societies companion case study “[Holding the High Ground with Public Support: Indonesia’s Anti-Corruption Commission Digs In, 2007 – 2011.](#)” Note that many Indonesians have only one name, while others prefer to be referenced by their first name rather than their surname. This study follows the naming conventions used by local media and individuals themselves. Case originally published September 2012.

INTRODUCTION

On a Friday night in April 2005, Mulyana Kusumah, an Indonesian election commissioner, knocked on a guest room door in Jakarta’s upscale Ibis Hotel. An auditor from Indonesia’s state audit board welcomed him. After a brief chat, Kusumah calmly handed the auditor the second installment of a cash payment totaling 150 million rupiah (US\$15,800). The audit board had found discrepancies in the tender process for the ballot

boxes used in Indonesia’s 2004 elections—the country’s first direct presidential vote—and Kusumah urged the auditor to overlook the issue in its final report.

What Kusumah didn’t know—and what Indonesians would later be shocked to find out—was that the auditor was secretly wearing an electronic listening device, that hidden cameras were filming the encounter, and that agents of the

KPK, Indonesia's Corruption Eradication Commission, were waiting nearby.

Immediately after arresting Kusumah, KPK officials saw an opportunity to expand the case. Over the weekend, KPK commissioner Amien Sunaryadi hastily trained a team of agents in search tactics while other staffers frantically searched local shops for plastic bags, labels and white cotton gloves for handling evidence. On Monday, the agents raided the office of the election commission and turned up a trove of incriminating documents and computer files, as well as more than \$150,000 in U.S. currency with a note in which the election commission's treasurer specified how the money should be divided among the commissioners. "Every criminal is stingy," explained Sunaryadi. "To prove that no one cheated the other, the treasurer made notes." The evidence unraveled 5.3 billion rupiah (US\$530,000) in kickbacks and led to the arrest of all seven election commissioners, high-level staffers and a state auditor.

The conspirators' bribery convictions were among the first in Indonesia in decades. Although graft was commonly acknowledged at all levels of Indonesian government, corruption and low capacity had hobbled the justice system. The cases against the election commissioners elevated the young KPK's credibility in the eyes of citizens, institutional partners and potential suspects. "Almost every day, the newspaper and television [journalists] wrote about the KPK," said Ary Nugroho, an early KPK adviser. "The expectations of the people became bigger and bigger after that case."

The KPK's headline-making strength was the result of 18 months of careful capacity building. "Before this, there was no surveillance used in corruption investigations," said Sunaryadi. "No electronic surveillance, no human surveillance, no interception [of telecommunications], no search and seizure." When the KPK's first five commissioners took

office in December 2003, they had a strong legal mandate but no office, staff, equipment, policies or procedures. By the time they left office in December 2007, they had built one of the world's most effective anti-corruption agencies.

The story of the KPK's rise demonstrates how leaders can build an institution under difficult conditions by applying personal experience, strategic planning and creative improvisation.

THE CHALLENGE

Nono Makarim, a leading Jakarta lawyer and ethics adviser to the KPK, described corruption as deeply embedded in the political culture of Java, home of most Indonesians. Under the island's traditional monarchies, bureaucrats received little pay but expected to profit from the powers of their positions. "Whenever you need the bureaucracy, you pay," Makarim said. "That is the culture. This is a modern society, and yet the traits of the old are still there."

After winning independence from the Netherlands in 1949, the Indonesian government periodically launched anti-corruption initiatives and operations. But those ad hoc efforts proved either too narrow or too broad to achieve lasting results. A study of newspaper records from the 1950s through the early 1990s led Sunaryadi to conclude that public interest in corruption was "not significant" during that period of economic growth, insurrection and autocracy. People viewed high-level graft as pernicious but endemic, beyond the purview of everyday citizens and distant from more-urgent matters.

However, the public's smoldering concerns exploded during the 1997–1998 Asian financial crisis, when the rupiah collapsed, dozens of major banks failed, and the government cut public subsidies, nearly quadrupling the price of rice.¹ Widespread street protests targeted Suharto, the leader of Indonesia since 1967, and the inner circle of friends and relatives who benefited from

his rule. The protestors' rallying cry was "KKN," the Indonesian acronym for "Corruption, Collusion and Nepotism." Ridaya Laodengkowe, a student protest leader at the time, said the crisis had laid bare the unfairness of Suharto's rule. "There was economic progress, at least on paper," he said. "But we realized that only a few people actually enjoyed the economic growth. The big economic resources and projects were run by Suharto's allies." Transparency International estimated the gains of the Suharto family at US\$15–35 billion.²

After the protests turned violent in May 1998, Suharto resigned, and a new era began called Reformasi, or Reformation. Indonesia, the world's fourth most populous country, with more than 200 million people, rapidly reordered its government. A newly empowered Parliament amended the constitution to protect civil liberties, hold free elections and decentralize authority to local governments. Such reforms helped illuminate instances of corruption and empowered citizens to speak out about it. As decentralization brought graft to the local level, the newly free media picked up on it.

But many Indonesians believed that their newly elected politicians were just as corrupt as the ones they replaced. "The forces of opposition, when they joined the old system, we didn't anticipate that they were going to be corrupt," said Ridaya, who later headed the local affiliate of Publish What You Pay, an international anti-corruption nongovernmental organization (NGO). "The new players of the democracy became the new actors of corruption." Even as they operated within that corrupt system, political candidates campaigned against corruption so as to capitalize on public discontent.

Throughout Reformasi, Indonesia was boxed in by international creditors as it struggled to restructure its debt and liberalize its economy. Foreign nations demanded that Indonesia clamp down on graft and money laundering—practices

that violated international norms and hampered access to Indonesia's resources and markets. An International Monetary Fund (IMF) financial bailout package totaling US\$43 billion was conditioned upon new controls intended to stop the hemorrhage of public funds.³ One of the IMF's demands was that Indonesia establish a comprehensive anti-corruption commission. Gregory Churchill, an American legal adviser involved in Indonesian judicial reforms, described the commission as a reform long desired by Indonesians but ultimately enabled by foreign pressure. Describing the IMF loans' letters of intent, Churchill said, "If you dig deep, you find that the ideas in those letters come from Indonesian reformers. These were ideas that had been in the works, in their desk drawers, waiting for reform. The KPK was one of them."

After political turnover following Indonesia's first free elections, in November 1999, Parliament enacted a hastily drafted, wide-ranging anti-corruption law that gave the government two years to create a new anti-corruption commission.⁴ Based on that law, Romli Atmasasmita, director general of law and legislation in the justice ministry, assembled under the ministry the Corruption Eradication Team (*Tim Pemberantasan Tindak Pidana Korupsi*) in 2000, comprising roughly 25 activists, police officers and prosecutors dedicated to the investigation of serious corruption crimes. However, the Constitutional Court invalidated the team, ruling that the group lacked formal statutory authority and specific powers. Churchill said, "There were serious efforts to learn from that mistake, to amend the law on anti-corruption to create the KPK."

Indonesian civil society insisted that the new agency be stronger than its predecessors. Danang Widoyoko, chairman of the nonprofit Indonesia Corruption Watch, said, "Indonesia has had anti-corruption agencies in the past, but most of them failed because of a lack of resources, a lack of

authority. So when the IMF came with the idea of the anti-corruption agency, we already had knowledge about it. We knew the limits of that kind of solution. When we drafted the KPK law, we felt it had to be stronger than our past institutions.”

Sunaryadi, who helped write the KPK law, identified several factors behind the failures of various government anti-corruption operations, based on his historical study: inadequate human resources systems, poor financial management, internal misconduct and an overemphasis on prosecution rather than prevention. Sunaryadi reasoned that even if an agency met with initial success, it would eventually lose public support if it failed on one of those counts.

Furthermore, even a well-designed agency could wither under the widespread corruption within Indonesia’s justice sector. Citizens complained of a “judicial mafia,” an underground network of case brokers who bribed police, prosecutors and judges to selectively shelve or dismiss cases and who sidelined those who didn’t cooperate. Thus, the drafters of the KPK law needed to consider the prosecution and adjudication of corruption as well as investigatory powers. “We fully understood at the time that we could not rely on the police and attorney general,” said Ridaya. He compared the establishment of the KPK to that of the National Human Rights Commission: “We needed new institutions to deal with corruption, just like [we created] a new institution to deal with the human rights abuses of the past.”

To thrive where its predecessors had failed, the KPK required independence, strong teeth and protection against justice-sector corruption. Its inaugural leadership had to muster the agency’s resources to win public support and armor the agency against the blowback its investigations likely would provoke at the highest levels of Indonesian government.

FRAMING A RESPONSE

To create the KPK, proponents needed to draft establishing legislation and secure the support of the president and Parliament. Once appointed, the agency’s leaders would need to chart a course through the difficult, early years.

Passing the KPK law

A Ministry of Justice steering committee led by Romli drafted the KPK law with technical support from the Asian Development Bank. The committee invited advice from legal authorities, civil society activists and foreign experts. Sunaryadi led one of three subcommittees, dedicated to comparative study. Through study visits and correspondence, his team learned about anti-corruption agencies in Hong Kong, Singapore, Malaysia, the Philippines, South Korea and the Australian state of New South Wales. The committee settled on Hong Kong’s Independent Commission Against Corruption (ICAC) as the primary model for the planned KPK and hired as a consultant Bertrand de Speville, a retired ICAC commissioner. “The KPK is styled quite closely after Hong Kong,” Sunaryadi said.

The ICAC, acknowledged as one of the first and most successful anti-corruption authorities, had pioneered a three-pronged approach to combating corruption: investigation, prevention and education. The drafting committee modified the ICAC model by changing its organizational structure, adding new accountability measures and replacing its leadership with a five-member commission. The draft law gave the KPK stronger powers than the ICAC and most peer agencies worldwide had, including the power to prosecute cases and broader authority over searches and seizures. In addition, the drafters set up a specialized court to try corruption crimes. Australian political scientist Kevin Evans recalled that the combination of investigative and prosecutorial powers worried some foreign

experts. “This was not how it was done in their countries,” he said.

While Parliament leaders and President Megawati Sukarnoputri (2001–2004) supported the creation of an anti-corruption agency, they believed the draft KPK law went too far. Politicians expressed concern about creating a super-powerful KPK given Indonesia’s history of authoritarian repression. Some were concerned that commissioners might abuse their powers for political purposes. Others resisted the anti-corruption agency as a foreign imposition, part of the “shock therapy” the Indonesian government had accepted under economic duress.

The administration jettisoned the draft and proposed a new one, provoking tense negotiations with the IMF. Sunaryadi said, “At the time, international pressure was most important. The IMF said if the government did not make the KPK operational, the tranches of the loan would be stopped.”

A final KPK law acceptable to the administration, Parliament and the IMF passed in December 2002, 16 months beyond its statutory deadline.⁵ An overwhelming majority of legislators approved the law despite sour relations between the president and Parliament and despite concerns about the increased scrutiny the KPK would bring to elected officials.

Legislators approved the law for several reasons. Many were wary of being tarred by the newly combative media as soft on corruption only a few years after protestors had taken to the streets chanting “KKN.” Even within the former ruling party Golkar, which still held a fifth of the seats in Parliament, up-and-coming legislators hoped anti-corruption efforts would target the party’s ossified leadership and clear space for a rising generation. “The new groups [within Golkar] agreed with the idea of anti-corruption to get popular support and marginalize their political opposition within the party,” said Ridaya. Furthermore, the bulk of legislators serving after

Indonesia’s first free elections were inexperienced and preoccupied with higher-profile legislative battles and the political roller coaster of Reformasi.

Ultimately, Indonesia’s power holders both inside and outside Parliament felt little fear of a new anti-corruption agency, especially given the agency’s short-lived and ineffective predecessors. “No one imagined how powerful the KPK was,” Sunaryadi said, grinning as he recalled the KPK law’s passage. “They just agreed.... They did not know.”

What the KPK law created

As a broad, centralized anti-corruption agency, the KPK combined many functions: investigation and apprehension, prosecution, prevention, research, and policy coordination.

The law created an organizational hierarchy that was unusually flat and simple for an Indonesian agency. At the top sat the commissioners (one chairman and four vice chairmen), instructed to make decisions “collectively.”⁶ Below the commissioners were five offices: the Secretariat General, managing internal policies and public relations; repression, covering investigation and prosecution; prevention, including wealth reporting, government anti-corruption policies, and research; information and data, monitoring corruption countrywide and coordinating with international institutions; and internal monitoring and public complaints, responsible for maintaining transparency and integrity. Below those five offices were 18 functionally specialized directorates.

The KPK law specified such a structure in order to put preventive, investigative and educational functions on equal legal footing. The law prohibited reorganization without amendment, as the first-term commissioners realized when they later attempted to elevate the research office from a directorate to a high-level office.

The KPK could investigate and prosecute corruption cases itself or refer them to the office of the attorney general. The commission also had discretion to take over investigations and prosecutions begun by the attorney general. To prevent case brokering, the law compelled the KPK to bring to trial every case it investigated. To limit interagency rivalries between the KPK, the attorney general's office, and the recently demilitarized Indonesian National Police, the KPK law required the KPK to second its investigators and prosecutors from the police and attorney general's office on four-year contracts (later made renewable for one more term). The KPK could recruit the rest of its staff independently.

The KPK law also created a specialized anti-corruption court called the Tipikor, based in Jakarta and dedicated exclusively to KPK cases.⁷ The drafters modeled the Tipikor on the anti-corruption court of the Philippines and saw it, along with a new bankruptcy court, as an enclave of judicial proficiency that would serve as a beachhead for broader court reforms. The Tipikor had a mixed bench that included both career judges and ad hoc judges who were lawyers or legal experts appointed for fixed terms and viewed as less prone to corruption. A panel of two career judges and three ad hoc judges adjudicated each case. To cut down on stalling tactics and case brokering, the Tipikor had to conclude each trial within six months (with two more for appeals) and implement sentences immediately.

The KPK's jurisdiction covered any act of corruption involving at least one state party and either a matter of public controversy or financial losses exceeding one billion rupiah (US\$110,000). The only individuals immune from investigation were active-duty military personnel, who were covered by the military justice system. The KPK interpreted its jurisdiction as applying only to crimes committed after passage of the KPK law,

although some activists disputed the legal basis for that limitation.

KPK agents could make arrests, conduct searches and seizures, investigate and freeze assets, ban suspects from foreign travel, and compel cooperation from any other government agency. Most controversially, they could intercept telecommunications without prior judicial approval. "In the law, it's only one sentence," said Sunaryadi. "Nobody knew one sentence would be so powerful." Sunaryadi noted that the 1997 Telecommunications Law had granted interception powers to the national police and prosecutors, but they were "just not equipped to use that power." In contrast, the KPK made sure to develop that capacity.

As an institutional check on the KPK's power, the law required the commission to report annually to the president, Parliament and the state auditor and to "convey reports transparently and regularly" to each.⁸ Parliament also controlled the KPK's budget. Parliament confirmed KPK commissioners from a pool of 10 nominated by the president based on the work of a selection committee under the justice ministry "composed of government and private individuals."⁹ If Parliament felt that none of the president's nominees were sufficiently "fit and proper," it could call for new nominations. Once confirmed, commissioners served four-year terms without any possibility of impeachment or removal unless subject to a criminal charge.

Selecting the first commissioners

Romli of the justice ministry chaired the selection committee, which convened in October 2003 and submitted nominees to Megawati in early December. Parliament confirmed five commissioners in late December, just days before the legal deadline. Taufiequrachman Ruki, a former police chief and parliamentarian, won the most votes and became chairman. Sunaryadi,

ErryHardjapemekas, Tumpak Panggabean and Sjahruddin Rasul became vice chairmen.

Ruki said the commissioners formed a well-balanced team. “We had a very positive combination,” he recalled. “I had a strong background on the political side,” useful for smoothing relations with Parliament and other agencies. “Erry [Hardjapemekas] had good administrative capability because of his experience in state-owned enterprises.” As an experienced attorney, Panggabean “understood the law very well...how to investigate corruption cases.” Rasul had a “background as an auditor, so he knew the weakness of the system, the bureaucracy.” Sunaryadi was a senior accountant who had connections with foreign law enforcement and civil society as well as experience in financial-crime investigation both through government and with PricewaterhouseCoopers, a global professional services firm.

Civil society and the media were disappointed with those selections, as only Sunaryadi and Hardjapemekas were known allies of the anti-corruption movement. “When the selection process took place,” Ridaya recalled, “people were not happy with the candidates. But in time, they proved they were trustworthy.” The commissioners unanimously adopted a strategy to focus on building internal capacity before taking on cases. “The first step was capacity building,” Ruki said, “to prepare the infrastructure, the systems and the supporting facility.” The downside to this strategy was that to the expectant public it looked like the KPK was dragging its feet. The commissioners faced public pressure to move rapidly to root out government corruption. However, because the KPK could not terminate cases after formal probes were under way, the agency risked humiliating defeats if it began investigations before it was ready. With that in mind, the commissioners deflected criticism and worked for nearly a year on

organization and procedures before announcing their first prosecution. “In the police academy, we are [taught not only] to move forward but to wait [to strike],” said Ruki.

GETTING DOWN TO WORK

The commissioners’ capacity-building strategy required a comprehensive approach to institute international best practices, increase transparency, reform human resources, build a culture of integrity and integrate technology into operations.

Implementing best practices

From the start, the commissioners worked together closely. “Of course we had differences, sometimes very sharp arguments,” said Ruki, “but only a few staff saw those differences.” The commissioners were careful to maintain a united front internally and publicly.

Hardjapemekas recalled that despite heated debate, “almost every decision” was unanimous and only “one or two important strategic decisions” deadlocked the commission. “The law says we have to make decisions collectively,” Hardjapemekas said, although the chair was first among equals. In rare instances when the commissioners couldn’t agree, they made decisions by majority vote.

In the KPK’s first months, the commissioners worked with early staff to develop standard operating procedures (SOPs) based on best practices borrowed from the private sector and foreign anti-corruption agencies. Hardjapemekas and Sunaryadi relied on their private-sector experiences to create policies for strategic planning, finance and human resources (HR). Like corporate executives, Hardjapemekas said, the commissioners “focused on HR, on SOPs and codes, and put control systems in place.” Hardjapemekas called relations with the private sector “interactive,” saying, “We got some input from the private sector, and we also gave them inputs on how to improve their corporate governance.” Local consultants in business

processes helped the KPK develop operating procedures in line with contemporary corporate practices.

The KPK received “very high international support,” according to KPK adviser Nugroho, who managed foreign assistance to the commission. Anti-corruption agencies in such countries as Hong Kong, Singapore, Japan and South Korea offered help. Nugroho said the commissioners instructed him to “take from international best practices, but aligned with Indonesian law.” Australia, Indonesia’s largest bilateral donor, provided substantial technical assistance—including experts in law, law enforcement and management—to help develop procedures and train staff.

Bringing transparency into the courtroom

Even with such strong internal policies, the commissioners were concerned that justice-sector graft might undermine their cases, especially those against powerful defendants. To encourage high courtroom standards, Sunaryadi planned to film proceedings, which was legal but uncustomary in Indonesia. The recording of court proceedings would help the KPK document any judicial negligence or wrongdoing and track patterns of suspicious activity. As a test case, Sunaryadi asked a judge of the South Jakarta regional district court to let him record a trial in early 2004. Sunaryadi said the court “used to be called ‘the Cemetery of the Attorney General’ because [prosecutors] lost every big corruption case.” Surprising the prosecutors, the judge not only agreed but also told Sunaryadi to start his recording with a trial only five days away. With advice from local staff at electronics maker Sony Corp., Sunaryadi hastily assembled a mobile kit to make audiovisual recordings on DVDs and quickly duplicate copies.

A Sony technician operated the equipment at first, later replaced by a KPK staffer. Each day of the trial, the technician arrived early, positioned four cameras around the courtroom, monitored the recordings and then disassembled the equipment and distributed copies of the day’s

hearings to the judge, clerk, defense, prosecution and the KPK. Later, a staffer from the KPK’s office of information technology reviewed the video to spot signs of misconduct and identify opportunities for the KPK trial team to improve its courtroom performance.

The cameras helped keep courtroom proceedings honest and ensure that “[whether] the prosecution wins or loses depends on evidence,” Sunaryadi said. Even in that first test case, Sunaryadi said, a KPK staffer “concluded that the police and investigators were hiding someone. In court, almost all witnesses mentioned a name, but the police did not investigate that name.” Such evidence led to the investigation and, ultimately, the imprisonment, of a three-star general of the police. Over time, the KPK accumulated many more court-recording kits.

Securing exemption from civil service rules

The commissioners believed that Indonesia’s civil service rules were Suharto-era relics inconsistent with modern performance-based management. Ruki called the rules “a wrong system, a failed system and a bad system.” The rules discouraged innovation and did not allow for promotions or financial bonuses based on job performance.

The commissioners examined best practices in the private sector to develop a new human resources model. Sunaryadi and Hardjapemekas oversaw the project, relying on their own corporate experiences and on hired consultants. Human resources director Tina Kemala, hired in May 2005 after having managed human resources for a major airline, played a lead role as well.

First, the KPK needed to secure its legal authority to set its own human resources policy. In theory, the KPK law granted that power, but its mandate was vague. “The most difficult thing was to convince the Ministry of Administrative Reform,” recalled Sunaryadi. “Unfortunately, most people inside that ministry were not reform minded...so every time we proposed that we would like to develop a human resources system

that is more merit-based, more performance-based, they always said, ‘No, you cannot do that under existing regulations.’”

In early 2004, arguing that the KPK law exempted the commission from existing civil service rules, Sunaryadi asked the ministry (called MenPAN) to draft a new government regulation applying only to the KPK. MenPAN refused. During the next 18 months, Sunaryadi pressed the issue: “We did whatever we had to do—presentations, discussions, arguing, persuading.” KPK officials claimed their small, new agency was an ideal laboratory for reforms that MenPAN could later expand nationwide. It flummoxed Sunaryadi that the ministry “complained about the existing system” but resisted change.

In September 2005, frustrated KPK officials turned up the heat. “We took a very hard position,” Sunaryadi said. He said he visited the head of MenPAN at home and told him, “You have to choose. You become our supporter or our enemy. ... I know you have fictitious expenditures. ... Unless you agree to this government regulation, I will investigate.” Sunaryadi said such strong-arm tactics were justified because he felt that MenPAN’s intransigence violated the spirit of the KPK law, which he had helped draft. He believed the KPK could not succeed if it were forced to operate under existing civil service rules.

At a November meeting with Ruki and Kemala, the head of MenPAN softened his position. Kemala implored, “Please trust us to use the new regulation. And if it’s workable, you can adopt it” in other agencies. Finally, MenPAN relented, and in December, the president signed a new government regulation applying only to the KPK, with legal force just below that of a law. The regulation required the KPK to submit reports twice yearly on the progress of the new system and the problems encountered; representatives of seven other government institutions would evaluate the reports. The KPK had won a key battle, but the pressure was on to demonstrate the wisdom of the decision.

Building a new human resources system

During 2006, the KPK’s hard-won legal autonomy facilitated a new human resources system that radically reformed recruitment, compensation and performance management.

The KPK used a competitive tender process to select an independent consultant to manage an online recruitment system. Kemala met with the consultant to fine-tune job descriptions based on a directory of competencies she had drafted with the commissioners in late 2005. Kemala had to give the consultant ample guidance without dominating the process. She compared the process to cooking fried rice: “Not too salty, not too spicy—if we give the wrong ingredients, the consultant will send the wrong person.”

To standardize the process and ensure computer literacy, all applicants had to apply online. The consultant gave each applicant a battery of tests to assess competence, fitness, psychometric profile and integrity. Even though proficiency requirements varied with each position, all candidates needed perfect integrity scores. “If integrity is even one point lower, we cannot accept [the candidate],” said Kemala. And applicants had to be available to work nights and weekends. “We can’t only catch the corruptors from eight to five,” Kemala said.

KPK officials entered the recruitment process only after the consultant had narrowed the applicant list to a few finalists. The commissioners and senior staff interviewed finalists, and Kemala gave presentations about the KPK and its values. “We tell people the bad and the good sides of working with KPK,” she said. “We have to ensure they understand and agree with our system.” Kemala said she tried to weed out applicants who appeared to be motivated mainly by financial considerations—for example, those who wanted to negotiate for higher pay. “They will be more unsatisfied and not have good commitment,” she said.

The process was highly selective. In the system’s first year, KPK received 12,000 applications for 100 positions. By 2010, the

applicant pool neared 45,000. Kemala recalled one high-level position for which the KPK received 800 applicants and rejected all of them.

Three factors helped explain such strong applicant interest. First, success bred success: the more the KPK earned high-profile victories and a professional reputation, the more people wanted to join. In 2008, the KPK ran a print-media advertising campaign called *Indonesia Is Calling* that appealed directly to applicants' patriotism and framed anti-corruption work as high-level national service. About 28,000 people applied for 85 staff positions, and 2,000 sought seven management positions.¹⁰

Second, the KPK gained a reputation for its collegial environment and rigorous ethical standards, attracting police officers and lawyers leery of the cultures of other institutions. Kemala said one accepted applicant said to her, "Thank you ma'am. Now I have moved to an institution where I don't have to be corrupt."

And third, KPK staffers were paid more than their peers in other agencies. According to Kemala, KPK salaries were "benchmarked to market rates for the private sector." However, unlike other civil servants, KPK staffers received no stipends or perks and were banned from paid work outside the commission. In an important reform, the KPK compensated staff for work expenses "at cost," meaning that necessary expenses were reimbursable. Other agencies used a lump-sum system that disbursed fixed amounts per case, a policy that encouraged staff to minimize travel, dispose of cases quickly and pocket the unused cash. "After two years, we were successful in using the at-cost system, so the Ministry of Finance approved a new regulation to apply the at-cost system to all other ministries for traveling," Sunaryadi said.

New recruits received laptop computers and training in how the KPK managed its operations, communications, knowledge sharing and human resources online. Investigators and prosecutors received advanced training, often led by law enforcement officials from Australia, Hong Kong, the United States or Europe. Starting in 2005, the KPK collaborated with Australia's Agency for International Development on a five-year plan to

analyze and modernize its training system and cultivate advanced training capacity both in-house and in collaboration with local universities. "Every year, we make improvements," Kemala said. Staffers also received opportunities for training abroad, after which the KPK expected them to share their new knowledge with their unit and the rest of the staff.

By January 2006, all KPK staffers tracked daily tasks through online time reporting. Staffers who fell behind had their pay temporarily withheld. "The I[nformation] T[echnology] staff arranged it so you can fill in the timesheet by hand phone, so they have no reason not to fill it in," said Kemala. The aggregate data of staff time tracking helped the KPK in its planning, thereby ensuring a balanced distribution of work among staff and guiding priorities for future hiring.

The digital timesheets also contributed to staff performance assessment, based on a balanced-scorecard system applied to upper management in late 2006 and expanded agencywide the next year. That management tool, developed in the United States in the early 1990s and later popularized among private and public agencies worldwide, was unprecedented in the Indonesian public sector. The system used targets determined in a fixed set of metrics to facilitate detailed performance tracking in a large organization.

The KPK also used financial incentives. Based on the directory of competencies, KPK management gave every employee an annual grade of A through E. Workers with higher grades received temporary salary boosts of as much as 5%. Because managers could give A's to no more than 30% of their subordinates, supervisors had to make fine-grained judgments about individual performance. "When I first said I wanted to set this target, all the teams criticized us. We sat down together many times before we set [performance] targets," said Kemala.

The performance-tracking system helped management monitor staff development, identify problem areas, balance workloads and evaluate recruitment. The rigorous, performance-based system helped forge KPK's self-image as a professional, results-oriented culture. KPK

management also welcomed staff input. In addition to receiving annual performance evaluations, employees completed annual satisfaction surveys. Each year, Kemala set higher targets for staff satisfaction. By the end of the commission's first term, the KPK's staff numbered more than 500, and staff satisfaction averaged nearly 3.5 on a five-point scale.

Creating a culture of integrity

One of the KPK's greatest challenges was to integrate police, prosecutors and staffers from other government agencies or private-sector backgrounds. The commission needed a shared identity and common expectations.

From the start, the KPK used induction sessions to create a "solid, unified staff," Ruki said. "I told them it was brainwashing and ice breaking. You are not police anymore; you are KPK. You are not in the attorney general's office anymore; you are KPK. ... It took about six months, I feel, to ensure the organization was solid." Later, the KPK institutionalized its induction process into a two-week course. "They have to accept our values," stressed Kemala.

Integrity was the KPK's paramount value. Knowing the staff would be in situations that might tempt them to overstep their authority and that they would be subject to heightened public scrutiny, Ruki said the commissioners decided on a policy of "zero tolerance for abuse of power."

The KPK developed rigorous codes of ethics for commissioners as well as staff, relying heavily on staff input. In mid-2004, the organization spent several months developing the codes through a deliberative process that Hardjapemekas said involved "intense discussion and arguments" among the leadership and staff. "Because it comes from [the staff] themselves, the commitment to obey the rule is very high," he said. "We create a climate of egalitarianism...[so that the staff] are proud and can talk about

anything, but once the decision is made, they all come together. That is key."

After the staff settled on a draft code, the KPK sought opinions and comments from outside advisers. "The participatory process [was] not only internal but also [included] stakeholders [from] NGOs and the private sector," said Hardjapemekas. A volunteer board of ethics advisers, including retired judges, also contributed advice.

The final result was "very short but strict," Kemala said. She explained that every year, the KPK staff met to review the code and its applications to various real situations, such as whether the strict ban on gifts applied to offers of refreshments when KPK staff visited other government offices (OK, as long as the refreshments offer did not confer special treatment). The KPK codes of ethics developed into a unifying creed for KPK staffers. The participatory process helped boost staff morale and the formation of bonds across units, as did social events such as sports clubs, karaoke sessions and holiday parties—paid for by staffers themselves.

In 2006, the KPK laid plans for an online whistle-blower system to handle anonymous corruption complaints against commission staff. The system went online a year after the initial commissioners' terms ended, expanded to include all public corruption complaints.

The KPK commissioners bound themselves by ethical obligations that were even more restrictive (see Appendix for core articles in translation). Provisions included limits on meetings in public places; a requirement to notify other commissioners of all relatives and acquaintances regularly kept in contact with; notification to other commissioners of all meetings, however relevant; maintenance of a public appearance of impartiality; and a prohibition on playing golf with anyone who might cause a conflict of interest. The code expressed the leaders' awareness that they held

“extraordinary powers” and must “hold their commitment and loyalty to KPK above their commitment and loyalty to their colleagues.”

The ethics codes instructed adherents to “abandon negative past institutional habits,” interpreted both as a warning that the KPK was stricter than other justice-sector institutions and as an opportunity for KPK staffers from such institutions to put their pasts behind them.

Changing mind-sets: Technology and the law

One of the KPK’s first hires was information technology director Budi Ibrahim, who had a doctorate in applied information technology (IT) from a German university and had directed his own IT company after working for an American firm. Ibrahim said that when he joined the KPK, “I didn’t know a lot about corruption” and “didn’t even know if I would be paid,” but he felt a strong desire to fight corruption, which he had personally encountered in the government procurement process. Ibrahim found an eager partner in Sunaryadi, who he said “had the same opinion as me” about the revolutionary potential of applying IT to law enforcement.

Ibrahim’s first tasks were structural. “The first thing was to plan, to build the IT blueprint,” he said. “One of the key success factors was that we didn’t build from scratch,” he said. “Amien [Sunaryadi] and I agreed we should benchmark, take the best practices. With this approach, we could minimize risk and shorten the development process.” For models, he looked to the private sector as well as anti-corruption agencies in Hong Kong and South Africa. However, he noted, “We were to some degree unique in our culture, our problems, our judicial framework.”

To help the commissioners manage KPK operations, Ibrahim built a business-based system to analyze and optimize staff workload. He trained the commissioners and staff to move most communications to email and to use smartphones for everyday tasks. Computer literacy varied widely, but commissioners assisted other commissioners, and staffers assisted each other to

raise overall competency and bring IT procedures into mainstream usage.

Sometimes that commitment to technology clashed with cultural norms. For example, some investigators were reluctant to use a global positioning system (GPS) in their casework, because they were accustomed to asking passersby for directions, a common practice in Indonesia. Ibrahim said he told them, “If you stop to ask people, they will know [you are investigators]! So please use GPS.” He conceded that “it took years to change their behavior, but at the end of the day, they use it.”

Sunaryadi saw technology as key to a broader effort to “change mind-sets” about corruption crimes. Sunaryadi examined Indonesian corruption prosecutions and found that about 85% were based on the nebulous crime of “creating financial loss to the state.” In contrast, straightforward crimes more commonly associated with corruption were rarely prosecuted: only 8% of prosecutions involved bribery, 4% involved extortion and less than 1% involved fraud in construction contracts. Sunaryadi blamed the disparity on insufficient training. “To change mind-sets, we had to convince [prosecutors] that corruption is not only creating financial loss to the state,” Sunaryadi said. “Bribery is corruption. Extortion is corruption.”

However, Sunaryadi found that training alone would not change investigators’ mind-sets. They objected that bribery—typically secretive, informal and consensual—was too hard to prove. The only surefire way to prove bribery would be to catch suspects red-handed.

Sunaryadi turned to Ibrahim, who saw how technology could help catch graft in action. “You have to do some God-work,” Ibrahim said. “You are not seen, but you watch.” In early 2005, Ibrahim assembled electronic-surveillance and computer-forensics teams under the IT department, with technical assistance from anti-corruption agencies in Hong Kong, Singapore, and Malaysia, as well as Sunaryadi’s former colleagues at PricewaterhouseCoopers. In late

March, those teams received their first field test when they installed hidden recorders in the hotel room used in the arrest of election commissioner Kusumah. Their efforts led to the KPK's fourth prosecution and its first conviction of a high-level national figure.

The trove of evidence uncovered by the IT teams—including files gleaned from suspects' computers—converted KPK investigators into technology enthusiasts. Sunaryadi said, "One investigator who was reluctant to do the search came to me a week later and asked when we will do a search again." Sting operations and surprise raids became routine, leading to dozens of arrests and generating favorable media coverage.

The KPK built up its technological operations with support from the United States, Japan and South Korea. The technical investigative teams also gave the KPK a way to hire independent investigators with skills that police officers lacked. "Through the research and IT offices, [the KPK] in effect created its own [investigative] staff, bypassing the police," said American legal adviser Churchill.

The KPK's ultimate surveillance tool involved telecommunications interception. From the start, Sunaryadi assigned his IT staff to research equipment, reaching out to embassies and exporters. "We talked [and] talked just to find out everything about what interception is." During 2005, the team toured agencies in the European Union and South Africa and solicited funds from foreign partners. By late 2006, the IT department's telecommunications surveillance team members had procured and tested field-ready equipment, which they used to quickly locate two of Indonesia's most wanted fugitives. The KPK cooperated with the attorney general's office in several other joint operations, strengthening relations between the institutions.

As with other forms of surveillance besides search raids, Indonesian law did not require the KPK to secure a warrant before tapping communications. Ibrahim said the KPK adopted European oversight practices, mostly "from the

British model." The team kept clear and complete records of all surveillance, as did the telecommunications providers.

The KPK persuaded the Ministry of Communications and Information Technology to form an oversight committee that conducted yearly audits of records and procedures of the KPK and relevant telecommunications providers to identify any discrepancies or signs of abuse. Hardjapemekas said, "It took about a year or two to convince everyone, all operators and regulators," to participate in the audits. As of 2012, the audits had uncovered no abuses. "We found the audits were very useful to prevent misconduct," said Ibrahim.

OVERCOMING OBSTACLES

The primary challenges facing the KPK came from external sources: the public, Parliament, the courts and other agencies. Avoiding these challenges required the commissioners to manage expectations and outmaneuver possible opposition.

Managing great expectations

"The hardest thing was to meet public expectations [that were] increasing every day," Ruki said. "When I caught a governor, they said, 'You have never caught a general.' When I caught a general, they said, 'You never caught a minister.' When I caught a minister: 'What about the president?'" Hardjapemekas recalled that public expectations rose "on and on, higher and higher."

In December 2004, a year after they took office, the commissioners announced their first case, against the governor of Aceh, a well-connected member of the Golkar Party. The governor's conviction for graft impressed many critics of the commissioners' cautious and deliberate capacity-building strategy. A steady stream of other big-fish prosecutions soon followed, commanding public attention and building the commission's credibility. "Since then, the KPK's image has gotten stronger and stronger," said Ridaya, of Publish What You Pay.

As the public lionized the KPK, the institution risked becoming overburdened by unrealistic expectations.

The KPK's successful prosecutions inspired hope among a public accustomed to stillborn anti-corruption efforts. That public support was critical to the organization, providing political cover and investigative tips. Indonesian civil society and media outlets, once skeptical of the commissioners, began trusting the KPK with evidence collected at the grassroots level. "Before the KPK, we were feeding 60 corruption cases to the attorney general's office, and no cases were followed up," said Danang Widoyoko of Indonesia Corruption Watch. "We send a report to the KPK, and the KPK will follow up."

Public cooperation helped the KPK unravel bigger cases. However, high expectations increased the potential for serious backlash in the event of a botched operation or internal scandal. "If we fail, public support would decrease, and then people would not trust us," said Ruki. "We selected cases that we knew we could prove before the court." Barred by law from halting investigations in progress, the commissioners rejected or postponed potential cases in the pre-investigation stage unless they were at least "70% certain" they would win at trial, according to Hardjapemekas. That selectiveness arguably deterred the commission from taking gambles on the most challenging and complex cases.

The public appetite for new cases diverted attention from preventive measures, which the commissioners said were more effective than investigations in the long run. "It's difficult to manage the public relations of the prevention side," said adviser Nugroho, "because the media mostly mention only the investigation side." The KPK tried to educate media outlets about the importance of publicizing prevention efforts but found little media interest.

Playing defense

Few threats against the KPK emerged before the end of the commission's first term, because potential opponents were caught off guard by the agency's combativeness and believed it would weaken with time. Still, the commissioners worked carefully to manage relations with politicians, police, prosecutors and others who might seek to undermine KPK efforts.

The commissioners used their personal relationships to smooth relations with other institutions. As a former legislator and senior police officer, Ruki was a key mediator. "I had good relations with the legislators personally," he said. "I also knew personally the heads of each of the political parties, so I could communicate with them in a good way, more or less. ... I had a close connection with the chief of police, attorney general and Supreme Court chief. I could approach them personally. This is the Indonesian way." The commissioners met monthly with legislators and worked closely with the police and the attorney general. "In those days, we have to admit, we were very dependent on them," Ruki said.

For most of its first term, the KPK prosecuted few suspects from those institutions. At the end of 2007, however, the KPK launched wide-scale investigations that implicated dozens of members of Parliament. "When we decided to investigate them, they fought back," Ruki said. "They showed their dislike to us." Of the five commissioners, only Sunaryadi nominated himself for a second term at the end of 2007. He was rejected.

Some blamed Parliament for the late arrival of the KPK's first-year funding. Initially, commissioners went without salary, paid their support staff out of pocket and conducted meetings in restaurants. Agents were paid by their

former institutions. Ruki disagreed that Parliament was responsible for the financial problems. “It was impossible for the KPK to ask for a large amount of funds the first year because we didn’t have any financial plans ourselves,” he said. By 2006, the KPK had compensated staff for all back pay owed. Parliament generally complied with the KPK’s funding requests, with the salient exception of its denial of the KPK’s request for its own building. The KPK’s lack of a building forced it to scatter staff among three offices borrowed from other agencies, which curtailed the agency’s growth.

A more serious institutional threat to the KPK emerged in 2005 when a defendant prosecuted by the KPK and sentenced by the Tipikor challenged the constitutionality of both institutions on numerous grounds. The recently established Constitutional Court invalidated the Tipikor but upheld the constitutionality of the KPK. “We tried to give a constitutional basis to the commission,” said Jimly Asshiddiqie, chief justice of the Constitutional Court at the time of the ruling. “It is not mentioned explicitly in the constitution, but it has constitutional importance similar to other institutions like the police and the courts.”

In rejecting the part of the KPK law that created the Tipikor, the court found that to avoid creating a dual-track justice system, the anti-corruption court needed to be established independently and opened to corruption cases brought by the attorney general’s office. To prevent the retrial of cases already slated to go before the Tipikor, the court made an unusual ruling that the KPK law was “conditionally constitutional” and gave Parliament three years to re-establish the Tipikor. Jimly said the court feared a shorter deadline would have given Parliament an excuse to stall, killing the Tipikor.

“They would like to make use of the court decision to weaken the KPK and the [corruption] court,” he said. “That was our understanding of the political climate.”

The court rejected the petitioner’s challenge to the KPK’s surveillance powers. “We say it’s constitutional so far as it is clearly regulated in law,” Jimly said. However, the tentativeness of that ruling combined with the KPK’s subsequent assertion of interception powers meant the KPK expected future constitutional challenges to its powers.

KPK personnel faced no serious physical threats. “During our term, [there were] no physical threats, just [threatening] SMS, email and calls,” said Hardjapemekas. Nevertheless, the KPK developed extensive security protocols and trained staff on such skills as how to get out of dangerous situations, how to search suspects safely and how to check for bombs. Commissioners were allowed to carry weapons. Investigators often called on local police to act as security escorts. Commissioners seemed unsurprised by the lack of threats, citing the rarity of overt targeted political violence in modern Indonesia relative to its regional neighbors.

ASSESSING RESULTS

By the time the commissioners’ term ended, the KPK was one of Indonesia’s most trusted and most popular institutions. In a May 2008 survey by the nonpartisan Indonesian Survey Institute, 64.5% of respondents said they were “strongly confident” or “fairly confident” in their trust of the KPK to serve the interests of the people, a higher majority than that received by any other institution except the presidency.¹¹ The survey also found that the KPK was the Indonesian institution most followed by the public—more than the president, Parliament or the Supreme

Court.¹² Nearly four-fifths of respondents reported that the corruption situation had improved in Indonesia because of the KPK.¹³

A January 2008 survey by the same institute found that 48.3% of Indonesians thought the KPK was “good” or “very good” at investigating corruption, compared with 41.3% for the attorney general’s office and 36.9% for the courts.¹⁴ Those public perceptions were backed up by the commission’s successes: a 100% conviction rate of more than 40 defendants—including governors, ministers, commissioners, judges, members of Parliament and other high-ranking officials—and the recovery of more than 350 billion rupiah (US\$37 million) in state assets.

The KPK’s perfect conviction record raised questions about whether the Tipikor had abandoned the judicial principle of presumption of innocence.¹⁵ Others criticized the trials from the other direction, arguing that corruption was so pervasive in the Indonesian government that, in essence, the defendants were scapegoats for crimes that involved many others. Notably, the KPK’s conviction rate was close to the rates of its peer agencies in Hong Kong and Singapore, which had 2009 conviction rates of 85% and 95%, respectively.¹⁶ Those institutions defended their high conviction rates as reflecting careful case selection.

According to Hardjapemekas, the commissioners had hoped to “trigger police and prosecutors to do a better job, and the executive branch of state as a whole to reform themselves to be more productive.” Hardjapemekas conceded that the strategy had failed to produce immediate change. Even though he said the KPK’s prosecutions had political impact, he added that it was “not as significant as we expected.” Nevertheless, he said, “The deterrent effect is there.” KPK investigators could not detect whether high-level bribery had diminished in response to their operations, but they could tell that such crimes had become less brazen,

indicating some deterrent effect. Of course, this made suspects harder to catch.

The impact of the KPK on the corruption environment was hard to separate from other anti-corruption measures, such as the establishment of an independent state audit board, the growth of an active media and civil society, and the increased sophistication of commercial law and the banking sector. Other trends in Indonesia opened new opportunities for corruption, such as the resource-driven economic boom, political decentralization and the flow of funds to electoral campaigns. Not all Indonesians felt corruption had declined since the beginning of Reformasi. Jimly summed up their disenchantment with a popular bitter joke: “In [Suharto’s] New Order, corruption was under the table. After reform, corruption was on the table. Now the corruption *includes* the table. They take it all away, even the table.”

REFLECTIONS

Commissioner Amien Sunaryadi said he learned at least six lessons from his experience in building the Corruption Eradication Commission. First, he emphasized the need to study international best practices and past in-country experiences, both successes and failures.

Second, he stressed the importance of setting strong administrative policies in the areas of human resources management, financial management, information technology and operations.

Third, he said that combating and preventing corruption must proceed in tandem: “If you only understand prevention and are not equipped to investigate, it’s nothing. If you only understand investigation and don’t know prevention, you won’t be able to move forward.”

Fourth, he emphasized the need to “stick to the mission” despite crosscurrents: “These kinds of institutions are easy to abuse for political interests or other purposes,” he said.

Fifth, he noted the importance of third-party assistance. Although the KPK received only about 8% of its funds from international donors, those international funds were delivered quickly and could be used more flexibly than state funds.

Finally, Sunaryadi urged that leaders “need to have courage to identify when momentum emerges” in order to take advantage of unexpected opportunities. “Sometimes things only happen because you’re lucky,” he said.

Information technology director Budi Ibrahim credited his success in integrating technology into the commission’s operations to the strong support he received from the commissioners. “If I was not supported by the commissioners, the story would be very different,” he said.

Civil society leaders were mostly pleased with the commissioners’ performance in their first term. Ridaya Laodengkowe of Publish What You Pay said, “Although we have many notes for them, we should admit that the first KPK [leadership team] was very successful in setting up the institution...and they worked all the way through till the end of their term.”

Besides the foresight of the KPK’s leadership and the strength of its legal powers, Danang Widoyoko, chairman of Indonesia Corruption Watch, cited support by the public as a critical factor behind the KPK’s success. He compared

the political elites of a country establishing an anti-corruption agency to “inviting a tiger into your home, a tiger that can attack you. Whether the tiger will be tame, or very effective, depends on the people.”

Such public support also allowed the KPK to develop a strong symbiotic relationship with civil society partners. Wijayanto, cofounder of the Paramadina Public Policy Institute of Jakarta, described how civil society and the KPK grew to support each other: “On one hand, civil society has provided strong backup for the KPK to survive the ‘attack’ from corruptors and political interests who want to weaken it. On the other, KPK has played a role as a central actor in and unifying factor of the anti-corruption movement in Indonesia.”

As the KPK’s first commissioners stepped down in December 2007, they had shown the benefits of their strong powers and careful strategy of capacity building. Unlike the short-lived anti-corruption forces that preceded it, the KPK had developed into an effective and sustainable institution with a reputation for integrity. However, the commission had also proved itself to have sharp teeth and a taste for high-status lawbreakers. Not all Indonesians welcomed such a tiger. A showdown loomed that would put the agency and its allies to the test.

Endnotes

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⁴ Law No. 31 of 1999 on the Eradication of the Criminal Act of Corruption, Article 43.

⁵ Law No. 30 of 2002 on the Commission for the Eradication of Criminal Acts of Corruption.

⁶ *Ibid.*, Article 21.

⁷ New Tipikor establishing legislation passed in 2009 broadened the court's jurisdiction to include all major corruption cases.

⁸ No. 30, 2002 on the Commission for the Eradication of Criminal Acts of Corruption, Article 15, Article 20.

⁹ *Ibid.*, Article 31.

¹⁰ Emil Bolongaita, "An Exception to the Rule?" U4 Publications, August 2010.

¹¹ Indonesian Survey Institute (LSI), May 2008, <http://www.lsi.or.id/>, accessed 23 May 2012.

¹² *Ibid.*, 24.9% of respondents followed the KPK "often," compared with 23.3% for the president, 16.2% for Parliament and 11.6% for the Supreme Court.

¹³ *Ibid.*, 59.1%.

¹⁴ Indonesian Survey Institute (LSI), January 2008, <http://www.lsi.or.id/>, accessed 23 May 2012.

¹⁵ Simon Butt, *'Unlawfulness' and Corruption Under Indonesian Law*, University of Sydney Law School, Research Paper No. 10/69, July 2010.

¹⁶ Emil Bolongaita, "An Exception to the Rule?"

Relevant Sections from the KPK Code of Ethics (Unofficial ISS Translation)

Article 5

- (1) Basic personal values as defined in Article 4 are to be implemented in the form of attitude, action, behavior and speech of KPK Leadership.
- (2) KPK's Leadership must, for the sake of KPK's dignity and the dignity of KPK's Leadership, watch over its extraordinary powers with behavior, action, attitude and speech as defined in the Code of Ethics.
- (3) The Code of Ethics is applied without the slightest tolerance for deviation (zero tolerance), and requires strict punishment for those who violate it.
- (4) Amendments to the Code of Ethics of KPK's Leadership in accordance with this decision will be performed readily based on responses and input from the community and will be set by KPK's Leadership.

Article 6

- (1) Leaders of KPK are obliged to:
 - a. Practice the worship and teachings of the religion they believe,
 - b. Adhere to the rule of law and ethics,
 - c. Use public resources efficiently, effectively and appropriately,
 - d. Strictly apply the principles, values and decisions that have been agreed,
 - e. Draw a firm line on what is worthy, acceptable and appropriate with what is unworthy, unacceptable and inappropriate,
 - f. Appear when difficult decisions must be made,
 - g. Be impartial in carrying out their duties, functions and authority,
 - h. Be courageous in facing and accepting consequences of decisions,
 - i. Not stop learning and listening,
 - j. Act decisively without burden,
 - k. Improve upon quality performance,
 - l. Abandon past institutional habits that are negative,
 - m. Eliminate arrogant tendencies, both individual and corporate,
 - n. Identify any conflicts of interest that arise or possibility of conflicts of interest that might arise, and notify the other leaders as soon as possible,
 - o. Hold their commitment and loyalty to KPK above their commitment and loyalty to their colleagues,
 - p. Put aside personal or group interests for the attainment of goals that have been set together,
 - q. Resist temptations that could potentially affect the substance of the decision,
 - r. Notify the other leaders of their meetings with other parties that will take place or have taken place, regardless of whether the meetings are one-on-one or in a group and whether or not they bear any relation to the task at hand,
 - s. Refuse payment from or by others for their meals, accommodation or other forms of entertainment,
 - t. Maintain independence in physical appearance by, for example, not exhibiting closeness with anyone in public,
 - u. Limit meetings in public spaces such as hotels, restaurants or office or hotel lobbies, and
 - v. Notify the other leaders of family, friends and others whom they still regularly communicate with.

- (2) Leaders of KPK are prohibited from:
- a. Using public resources for personal or group interests,
 - b. Receiving reward of monetary value for activities related to the functions of KPK,
 - c. Asking for or accepting help from anyone in any form that might cause conflicts of interest with KPK, and
 - d. Playing golf with others who might directly or indirectly cause conflicts of interest, no matter how small the potential conflicts are.
- (3) Leaders who quit or are fired are obliged to:
- a. Return any document or material that has any relation to the work of KPK and
 - b. Not disclose to the public or use confidential information obtained as a result of the performance of their duties during their tenure as leaders of KPK, either directly or indirectly.



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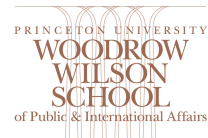
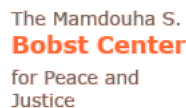
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