BACKGROUND

- Business ethics and integrity has not been fully understood by business players and their stakeholders in Indonesia. Business with ethics and integrity, is not merely un-corrupt, but is more about being responsible in the long run.

- Companies that practice CSR, should by minimum comply with law/regulation, exercise business ethics and integrity. IBL and its partners are developing business community that is committed to ethical practices.

- Following series of meetings and discussions among CEOs of companies and leaders of organizations, the Indonesia Integrity Initiative was agreed in Jakarta, on 27 August 2014.

- Indonesia Integrity Initiative aims at creating a level playing field among participating companies with the support of key stakeholders, conduct collective action:
  a) to raise the awareness and inspire companies about the meaning of ethical business and integrity,
  b) to strengthen the human resource capacity in companies, and
  c) to ensure each member doing business with fairness, integrity, ethical conduct, and anti-corruption principle.
BACKGROUND

- This Initiative is aligned with the mission of ASEAN CSR Network Working Group on Business Integrity: “To promote and achieve the highest standard of business integrity through collective action on advocacy, capacity-building, and stakeholder engagement”.

- The one of main challenges faced by The Initiative is the vast geographical coverage of Indonesia, which require considerable travelling when advocating in provincial level.

- Internet based platform on campaigning business ethics and integrity would be one of practical solutions; spreading information and advocacy to broader stakeholders across Indonesia and as an online resource for private sector to strengthen their performance on ethics and integrity.

- Since July 2015, IBL has been receiving support from ASEAN CSR Network (ACN), through its Small Grant Fund (an initiative which is supported by the Government of Swedish), to develop its internet based platform.
PROJECT DESIGN

- Title: Strengthening Business Integrity and Ethics through Digital Campaign

- Purpose: Creating an online platform as a part of private sector’s collective action strategy to promote and convince all stakeholders in business to strengthen business integrity and implement business ethics practices in Indonesia in relation to ACN's vision: “A corruption-free ASEAN”.

- Cost to ACN: SGD 9,473.68 or equivalent with IDR 90,000,000

- Activity:
  a) Developing The Platform
  b) Socializing The Platform

- Strategy:
  a) Consultation with IBL Board and Steering Committee of Business Integrity and also its main stakeholders from private and public sector to get insight and capture the needs; this is to mitigate the risk of the usefulness of this platform
  b) Promotion of this platform through IBL network and public events; this is to mitigate the risk of public and targeted-audience’s awareness of this platform
PROJECT DESIGN

**Indonesia Business Integrity Portal**

- **Integrity Article Web-blog**
  - Providing articles related to business ethics and integrity. These articles will be written by business integrity champions in Indonesia and regional of ASEAN, enlightening business people on ethics and integrity.

- **Business Ethics Website**
  - Providing knowledge and best practices on business ethics.

- **Indonesia Integrity Initiative**
  - Providing all information regarding a collective action of private sector on business integrity and used as ‘the anchor’ or hub for all platform features/elements.

- **Integrity Online Forum**
  - A ‘real-time’ discussion forum among business people on business ethics and integrity, capturing real and up-to-date issues faced by business people on doing their daily operation as well as providing practical and ethical solution to those issues.

- **Online Self-assessment Tool**
  - This feature could be used by companies to measure their business integrity level and the result could be used to improve their system and mechanism.
PORTAL DEVELOPMENT

- IBL developed a design and Terms of Reference (TOR) as a reference for platform developer. Before finalizing the design and TOR, IBL consulted with Business Integrity Steering Committee, which consist of business people, to get their concerns and feedbacks.

- IBL assigned credible and capable vendor to develop the Platform. The developer (PT. Deptech Digital Indonesia - www.deptechdigital.com/) has rich experiences on developing development organization’s portals and webs.

- Along the development process, IBL always consulted with its main stakeholders, to capture their needs.

- At the end of December 2015, the domain for this portal has been registered, the link is

  www.indonesiaintegrityinitiative.org
PORTAL SOCIALIZATION: IBIF

- On 30 September 2015, IBL has soft-launched this portal during “Indonesia Business Integrity Forum (IBIF)”. Through this forum, IBL wanted to know the challenges faced by private sector on doing business ethically and to get feedback on how private sector would tackle those challenges and what kind of role of IBL to help them.

- Some of their feedbacks would be a justification for IBL to utilize the developed portal as a resource for them (private sector or business players) to practice business ethically and with integrity.
PORTAL SOCIALIZATION: IBIF

- Soft-launch of the Portal

The Portal of Indonesia Business Integrity is an online forum discussion to build a strong platform for collective actions through continuous dialogues in creating business integrity.

The web portal is to support an initiative on Anti-Corruption under the auspices of the ASEAN CSR Network “Integrity has no borders”
PORTAL SOCIALIZATION: IBIF

- Result on IBIF: area of challenges

Which critical areas of your business operation are prone to unethical practices? You can choose more than one.

<table>
<thead>
<tr>
<th>Area</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permit and License</td>
<td>32.4%</td>
</tr>
<tr>
<td>Procurement and Logistic</td>
<td>25%</td>
</tr>
<tr>
<td>Sales and Marketing</td>
<td>19.4%</td>
</tr>
<tr>
<td>Finance and Taxation</td>
<td>13.9%</td>
</tr>
<tr>
<td>Social Responsibility (CSR)</td>
<td>9.3%</td>
</tr>
</tbody>
</table>
PORTAL SOCIALIZATION: IBIF

- Feedback for IBL to tackle the problems

<table>
<thead>
<tr>
<th>Votes</th>
<th>Issue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Permit &amp; license: expanded mandatory regulation of public limited liability for anti-corruption / integrity system in the company.</td>
</tr>
<tr>
<td>1</td>
<td>Procurement: How, HR competencies: soft and technical skills, integrity from vendor and company, technology: e-learning and e-procurement, process: segregation of duty and continuous monitoring.</td>
</tr>
<tr>
<td>1</td>
<td>Permit &amp; license: utilize social media as the anti-corruption control</td>
</tr>
<tr>
<td></td>
<td>CSR: There should be a common understanding in all level regarding CSR</td>
</tr>
<tr>
<td>0</td>
<td>CSR: creating platform to share best practice CSR</td>
</tr>
<tr>
<td></td>
<td>Permit &amp; license: revising the tariff regulation which consist of: i official one time payment for permit; and ii. Introduce a different level of service</td>
</tr>
<tr>
<td>0</td>
<td>Finance/taxation: create a taxpaying society (via advocating tax importance in the education system, campaigns)</td>
</tr>
<tr>
<td>0</td>
<td>Government has built One door service for company who require certain permit, otherwise this process become quite complicated</td>
</tr>
<tr>
<td>0</td>
<td>Finance/taxation: establish a public/private dialogue platform</td>
</tr>
<tr>
<td>0</td>
<td>Finance/taxation Group: good</td>
</tr>
<tr>
<td>0</td>
<td>Finance/taxation: continue this forum/think tank on taxation... inviting academic experts, tax professionals, individual corporations, and SMEs</td>
</tr>
</tbody>
</table>

Objective are clean and fair money.
PORTAL SOCIALIZATION: ACTION FORUM

- On 17 December 2015, IBL has launched the Portal and promote its link www.indonesiaintegrityinitiative.org during its biggest event in 2015: “Action Forum for Indonesia Responsible Business”.

![Image of the event]

Ensuring Ethical Business: Positioning Indonesia in ASEAN
WHAT WE WILL DO IN 2016

In order to optimize the function of this website, we have some plans to do in 2016:

1. **Determine the membership system**
   It is very important to determine the requirements of membership system, who can be our member, and what kind of benefits that the member will get from their membership in our portal, especially in online forum discussion. We will also determine the verification system.

2. **Increasing public awareness and visitors**
   To invite many active member and build the online discussion forum, we need to increase the public awareness and also the visitors of this portal. Social media strategy is very important to promote this portal.

3. **Invite business people to write**
   Quality is also the most important thing for the sustainability of this portal. We initiate to invite business people especially those who have many experiences in business to write their analysis, experiences, or share their idea about business integrity. This can be used to attract more visitors and build more comprehensive discussion.
THE PORTAL

www.indonesiaintegrityinitiative.org
In December 2015, the Indonesia Integrity Initiative is prepared to be the initiative to create a level playing field among participating companies which is supported by key stakeholders, ensuring each member will conduct a fair business based on competitive innovation, ethical conducts, and anti corruption practices. After its soft launching on December 17th 2015 at Action Forum for Indonesia Responsible Business. We have done some efforts to refine this portal, especially to answer the needs of our member and users.
ONLINE DISCUSSION FORUM

This feature can be used for users to discuss their idea, experiences, or any issues related to business and integrity value. The mechanism is quite simple. The user must register first to become the member. After verification process, user can login to join the online discussion forum and choose their topic.
This tool is designed for organizations, as a signatory of the Integrity Pledge, to help in gauging the extent to which participating organization’s existing policies and practices are aligned with the Unified Code of Conduct for Business.

This tool can be used to help user measure their organization polices. The user should contact IBL before using this assessment tool. Registered member can download and fill the assessment tool and send it back to IBL.

“Not Applicable” (NA) is not considered as an option in the Rating Level entries. While some statements may seem to be more applicable for large-scale or multi-national companies, the interpretation of the statement should consider equivalent ways of doing things in the Small and Medium Enterprises (SMEs). The intent behind the statement, which is that of compliance at the minimum, remains.

Disclaimer

This assessment tool is deployed with permission from Integrity Initiative Inc. Any use of this tool is recommended to seek assistance from IBL by email to fahmi@ibl.or.id.

Any unsolicited use of this tool will not be the responsibility of IBL.

Click here to download the assessment tool.
This feature is provided to give information about current business and integrity issues and also report of event held by IBL related to integrity in business. User can read the analysis of current condition of business and also find the brief of event held by IBL.
END OF REPORT