IFPSM
INTERNATIONAL FEDERATION OF PURCHASING & SUPPLY MANAGEMENT

ADACI
Associazione Italiana Acquisti e Supply Management

ADACI FORMANAGEMENT

CONVENTION INTERNAZIONALE SUGLI APPALTI PUBBLICI

INTERNATIONAL CONVENTION ON PUBLIC PROCUREMENT

Roma, 6-7 Novembre 2025
Roma Eventi
Centro Conferenze Fontana di Trevi
Piazza della Pilotta, 4 - Roma

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IFPSM Europe - ADACI
International Convention on Public Procurement
ROMA-NOVEMBER 6-7/2025

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Outline

- **Indonesia's Dual Challenge**

- **The Paradigm Shift: From Transactional to Strategic Procurement**

- **The Digital Engine: SPSE & E-Catalog's**

- **Pillar 1: Digital Inclusion for Millions of MSMEs**

- **Pillar 2: Mandating Domestic Product Utilization (P3DN)**

- **The Impact: Measuring Policy Success**

- **Challenges & The Road Ahead (AI and Governance)**

- **Global Takeaways: Lessons for IFPSM Members**

Indonesia's Dual Challenge

- **Challenge 1 (MSMEs/UMKM)**

  The role of 65 million MSMEs : Contributes 60% of GDP & provides employment for 97% of the workforce

  Challenges: visibility and market access.

- **Challenge 2 (Domestic Product Utilization)**

  The mandate to use domestic products amidst protectionist global competition & the use of domestic products will grow the industrial sector

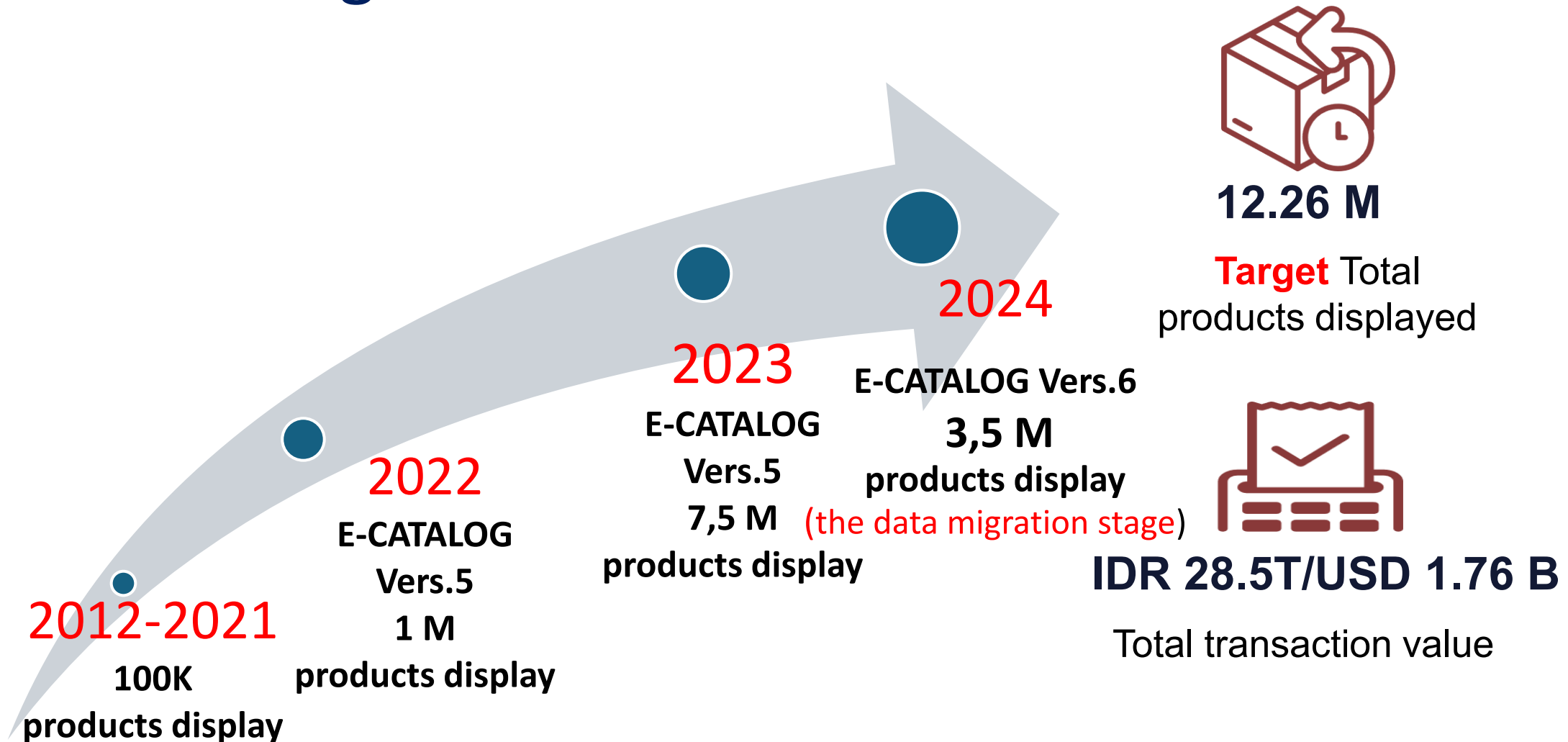 Challenges : how to increase the use of domestic products ?

The Paradigm Shift:
From Transactional to Strategic Procurement

Procurement must exceed efficiency (**BEYOND EFFICIENCY**)

Value for money

Value +policy impact
(economic & social goals)

The Digital Engine:
SPSE & E-Catalog's Transformation

2012-2021

100K
products display

2022

E-CATALOG
Vers.5
1 M
products display

2023

E-CATALOG
Vers.5
7,5 M
products display

2024

E-CATALOG Vers.6
3,5 M
products display
(the data migration stage)

12.26 M

Target Total
products displayed

IDR 28.5T/USD 1.76 B

Total transaction value

The Digital Engine:
SPSE & E-Catalog's Unique Scale

- **Digitalization of Procurement**

   NPPA (LKPP) has a very important role in developing **"SPSE"** (Electronic Procurement System) and "SPSE" as the foundation.

- **Focus on E-Catalog:**

   Why is this unique ?

   This is a national scale of **B2G** (Business-to-Government**)**   ***e-marketplace*** that is managed by the government — not just an e-tendering system.

Pillar 1:
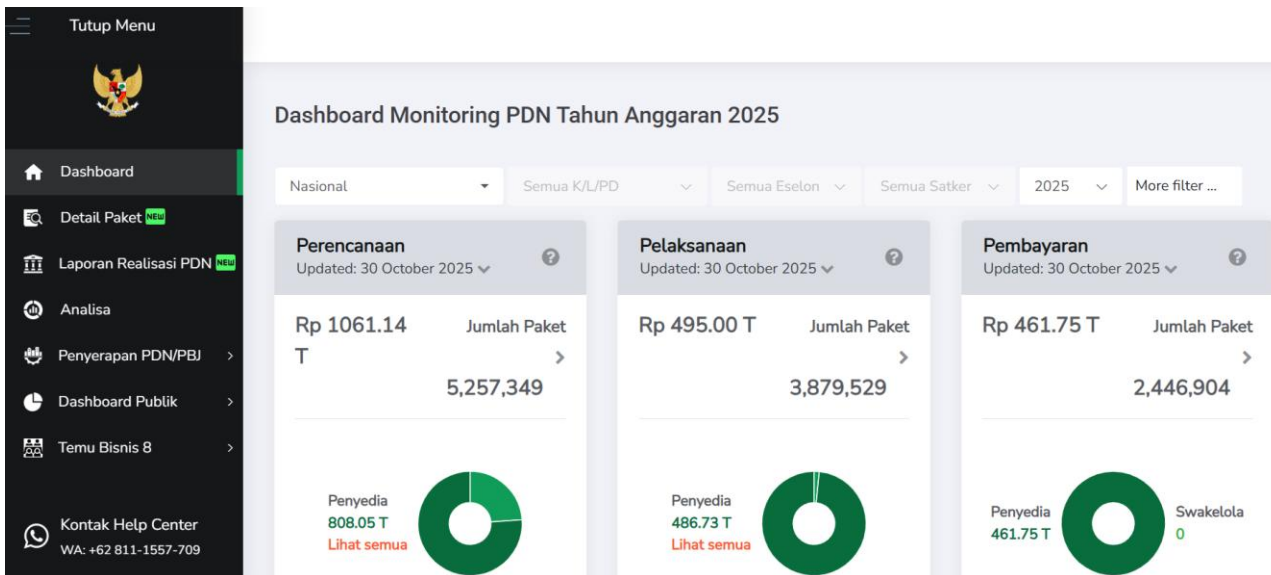# Digital Inclusion for Millions of MSMEs

1. **Zero Barrier Entry:** Easy digital *on-boarding process for MSMEs*.

2. **Fair Competition:** Price Transparency reduces *bid rigging*.

3. **Speed of Transaction:** *direct purchase* in hours/day.

4. **Micro-Segmentation:** special market Segmentation that provides small procurement for MSMEs.

**Number of MSMEs
(Million Business Units)**
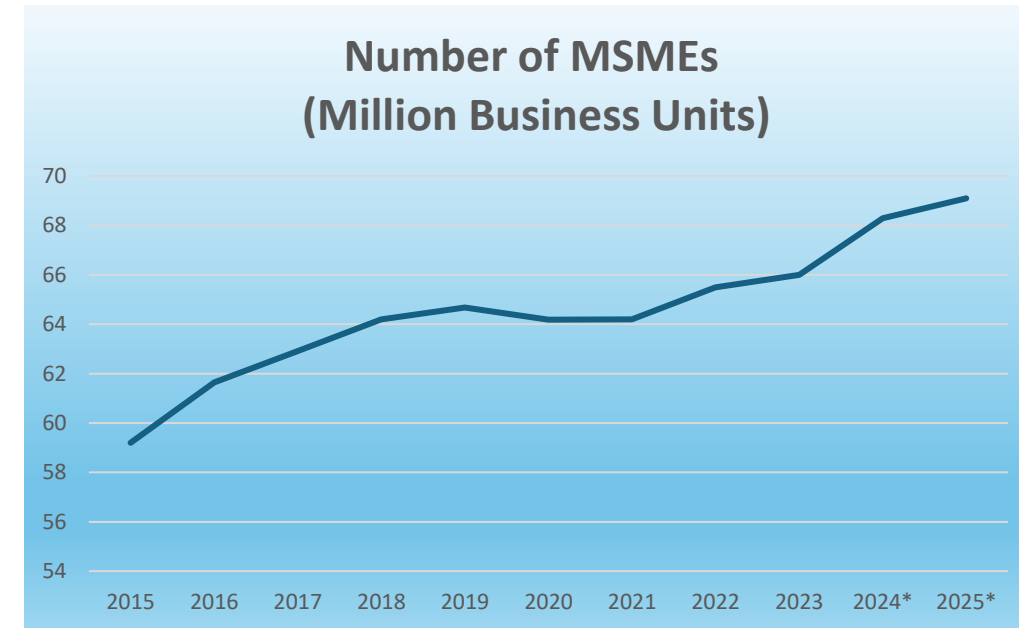
Pillar 2:
Mandating Domestic Product Utilization ("P3DN")

1. **Policy Integration:** Regulations that require government agencies to purchase domestic products, directly through the platform

2. **Digital Labeling:** Use of "TKDN" (Domestic Component Level) as a *digital attribute* on a product in E-Catalog.

3. **Governance & Audit Trail:** A System that automatically tracks and reports compliance for domestic product purchasing and become an anti-corruption tool

Selamat Datang di
KATALOG ELEKTRONIK V.6

LKPP
Lembaga Kebijakan
Pengadaan Barang/Jasa Pemerintah

TKDN Certified Products   See All ›

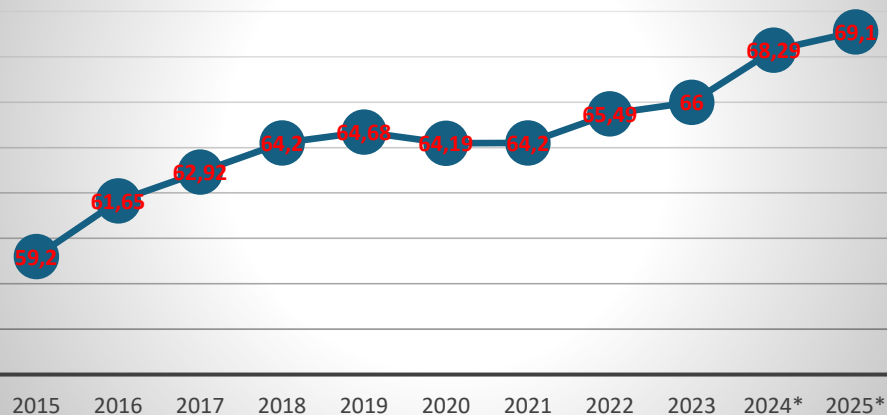| Goods	Goods Pre Order	Goods	Goods Pre Order	Goods	Goods
Dataprint DP-CT-230 A Cyan P (W 2301 A)	GENSET 150 KVA CUMMINS, ATS150KVA	APJ 90 WATT - 7 METER OCTAGONAL POLE 1...	ASUS ExpertCenter EG3408WVAK i7...	3D HOUSE OF WORSHIP MINIATURE PACKAGE...	PANASONIC AC 0.5 PK CS-PN5AKJ
Rp. 1,676,641.00	Rp. 941,613,000.00	Rp. 14,122,012.00	Rp. 24,888,999.00	Rp. 1,684,822.00	Rp. 4,999,440.00
TKDN+BMP 42.32 %	TKDN+BMP 40 %	TKDN+BMP 51.35 %	TKDN+BMP 42.08 %	TKDN+BMP 40 %	TKDN+BMP 51.21 %
PDN	PDN	PDN	PDN	PDN	PDN
UMKK Medan City	East Halmahera Regency	UMKK West Jakarta City A...	UMKK Samarinda City	UMKK Semarang Regency	West Jakarta City Administr...

The Impact: Measuring Policy Success

Number of MSMEs (Million Business Units)

Values: 59,2 (2015); 61,65 (2016); 62,92 (2017); 64,2 (2018); 64,68 (2019); 64,19 (2020); 64,2 (2021); 65,40 (2022); 66 (2023); 68,29 (2024*); 69,1 (2025*)

Source : Ministry of Cooperatives and SMEs

Number of Products Displayed in the LKPP e-Catalog

Values: 100.000 (2012-2021); 1.000.000 (2022); 7.500.000 (2023); 3.500.000 (2024*)

2024 : Data migration to E-Catalog version 6
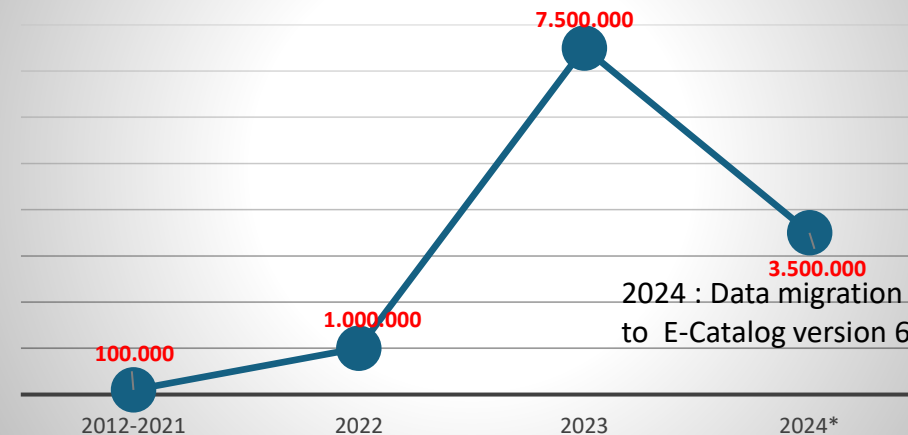
Source: LKPP Procurement Profile

Data of Domestic Product Purchase Through E-Purchasing

Values: 20,6 (2020); 26,2 (2021); 53,7 (2022); 153,71 (2023); 580 (2024*)

- Domestic Product Transactions (PDN) (Rp Trillion)
- Imported Product Transactions (Rp Trillion)
- PDN Contribution to Total E-Purchase

❑ 65 million MSMEs Contributes to 60% of GDP & 97% employment

❑ Post-digitalization: Increase in MSMEs onboarding by 45%

❑ Average revenue growth for MSMEs : **+ 30%** after joining e-catalog

❑ Domestic product utilization increased by 25% in government procurement

Digitalization has turned procurement into a tool of economic stability after the Pandemic /volatility

Case Studies: MSMEs Success Stories

Local furniture producer
increased sales by 50% via e-catalog

Traditional food SMEs expanded to
10 provinces through "SPSE"

Textile SMEs achieved TKDN certification
and secured B2G contracts

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Challenges & The Road Ahead
(AI and Governance)

Various Challenges :

- The digital literacy gap among MSMEs actors,

- Low level of innovation,

- Low level of technological advancement,

- Low productivity and competitiveness in global market

Challenges & The Road Ahead
(AI and Governance)

Next Step:

- Collaboration among key government stakeholder, BUMN and private sector strengthens local value chain

- Improve MSMEs capacity → roadmap for MSMEs onboarding:
  - Step 1: Awareness & Outreach – Socialization of e-catalog benefits
  - Step 2: Digital Literacy Training – Basic platform usage
  - Step 3: Certification Support – TKDN and quality standards
  - Step 4: Access to Financing – Microcredit and government incentives
  - Step 5: Integration – Connect MSMEs to supply chain and procurement system

- Providing advance payment for e-Purchasing transaction

- Domestic Supply Chain Integration (Government Agencies → E-Catalog → MSMEs Suppliers → Local Manufacturers → End Users)

- Integration opportunities into the Global Value Chain and Global E-Commerce market

- Policy lever: "P3DN" ensures domestic products prioritized

- Continuous improvement to developing Electronic Procurement System and Harnessing Artificial Intelligence (**AI)** for *predictive sourcing* dan *fraud detection* .

Global Takeaways:
Lessons for IFPSM Members

Global Benchmark & Best Practices

❑ South Korea: SME-friendly procurement policies and digital platforms

❑ Brazil: Local content requirements in public procurement

Lessons for Indonesia: Combine policy mandates with capacity building

❑ Digitalization must serve policy mandates, not just efficiency

❑ Public Procurement can be a powerful policy lever for Social Equity

❑ Scale and data can be converted into a tool for Good Governance

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THANK YOU

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