



ABSTRACT

Good governance is the basis for the formulation and implementation of policies of a democratic state in the era of globalization. Public infrastructure takes a large proportion of government's investment. The transport sector is one of the important areas, which become an essential role in the development of a country. Since in this area the velocity of money is very high, many stakeholders attention are looking to this opportunity to take a part of it. Public procurement becomes a key process to transfer the design, which is based on civil society's needs, to become a project.

Based on findings, a questionnaire as a toolkit has been developed to measure the level of effort in achieving good governance in public procurement. To keep the simplicity of the toolkit, Microsoft Office Excel is used to do the calculation in Analytic Hierarchy Process (AHP) and developing an index. AHP is used to determine the weighting to establish a proportion of an index. Each variable will have an impact in measuring good governance, to determine how much the effect from each variable, Structural Equation Modelling method is used.

By review journals and documents about good governance and public procurement process, a discussion was drawn the findings that accountability, transparency, integrity, participation, equity, effectiveness and efficiency are the main principles that public procurement process should have to achieve good governance. This report concluded that the toolkit is valid and reliable to be used in further research.

Keyword: Good Governance, public procurement, principles, toolkit