

THE ROLE OF THE GOVERNMENT INTERNAL CONTROL APPARATUS (APIP) AND CORRUPTION CONTROL STRATEGY IN INCREASING REGIONAL ORIGINAL REVENUE (PAD) IN INDONESIA



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Abstract

Regional Original Revenue (PAD) plays a vital role in ensuring regional fiscal independence, yet many local governments in Indonesia still rely heavily on central transfers. This study aims to analyze the role of the Government Internal Control Apparatus (APIP) and corruption control strategies in improving PAD, as well as to identify the most affected PAD components. Using a quantitative research method with local government data from 2022 and a total of 534 observations at the provincial, regency, and city levels, this study employs simple linear regression analysis. The findings reveal that the role of APIP and effective corruption control strategies significantly and positively affect the increase of PAD. Specifically, regional taxes and other legitimate local revenues show consistent improvement, while regional levies and segregated regional wealth management exhibit insignificant influence from the tested variables. These results underscore the importance of strengthening APIP's supervisory function and implementing integrated anti-corruption measures to enhance accountability and optimize regional revenue management. The study concludes that effective internal control and corruption prevention are essential for fiscal independence, and recommends future research using multi-year panel data and moderation variables for deeper analysis.

Keywords: Corruption Control; Regional Original Revenue

INTRODUCTION

Regional Original Revenue (PAD) plays a crucial role in supporting the sustainability and effectiveness of local government (Rachmadi & Muslimin, 2024) The large contribution of PAD reflects the level of fiscal independence of a region, where the ability of regions to collect and manage their own sources of income is an important indicator of the success of regional autonomy (Raharjo & Zulkarnain, 2025) The higher the PAD obtained, the greater the financial capacity of local governments to finance development and public services independently, while reducing dependence on fund transfers from the central government, but the reality is that most of them still depend on transfer funds from the central government (Hardiana, 2022). As a concrete example, provincial and regency/city governments in various regions noted that PAD's contribution to total regional revenue is still relatively low. (Rizqi, 2025) shows that PAD only contributes a portion of total regional income while the balance fund still holds a fairly large portion. Meanwhile (Melmambessy, 2022) in his research shows that some areas such as Jayapura City are still at the stage of high dependence on the central and provincial governments.

In the context of increasing PAD, the function of internal supervision and corruption prevention is also an important factor that often receives less attention in empirical research (Kusuma & Firmansyah, 2024) The function of the Government Internal Control Apparatus (APIP) as an internal supervisory unit at the regional level, based on regulations such as (*Peraturan Pemerintah Nomor 60 Tahun 2008 Tentang Sistem Pengendalian Intern Instansi Pemerintah (SPIP)*, n.d.) and other guidelines, has the main task of conducting audits, reviews, evaluations, monitoring, and other supervisory activities to provide confidence that the implementation of organizational tasks has been in accordance with the benchmarks effectively and efficiently. Furthermore, the national commitment to strengthen the functions of APIP and anti-corruption supervision has been realized through various programs by the Corruption Eradication Commission (KPK), including the action plan to strengthen APIP for local governments (Herwanto et al., 2021) For example, the KPK stated that the majority of corruption cases handled until 2023 come from local governments, so strengthening the internal supervision function in the regions is a priority for the KPK (Zahra & Haryanto, 2025) Corruption control strategies are also an important part of clean and accountable governance efforts (Kurniati et al., 2025) In this case, the role of APIP and the anti-corruption strategy do not stand alone, but rather support each other so that the potential for regional revenues such as PAD can be maximized effectively and efficiently.

Although the functions of APIP and corruption control have clear relevance to regional financial governance, the empirical literature that specifically links the two variables to the increase in PAD is limited. Most studies focus more on the influence of APIP on accountability or corruption prevention alone, or on the factors that form PAD without including internal control and anti-corruption variables on efforts to increase PAD, such as (Raharjo & Zulkarnain, 2025) showing that the Inspectorate (APIP) can improve accountability in PAD management through the implementation of internal control frameworks, risk-based audits and synergy with stakeholders Interests. Research (Yusri & Hasrina, 2018) in order to increase PAD, the implementation of an internal control system in Nagan Raya Regency has proven to be effective due to the clear separation of duties, orderly procedures, and good coordination in the management of documents and responsibilities related to regional revenue. Furthermore, (Sofyan, 2016) found that the implementation of

good internal control, such as integrity enforcement, the application of ethical values, and commitment to competence, has succeeded in increasing Regional Original Revenue (PAD) from the regional tax sector, especially restaurant taxes. The research by (Wibisono & Khoirunurrofik, 2023) Corruption prevention has a positive and significant impact on increasing regional tax revenues at the district/city level in Indonesia. Research (Kamase et al., 2024) found that corruption has a positive and significant influence on the realization of Regional Original Revenue (PAD) at the provincial level in Indonesia during the era of fiscal decentralization.

Based on the phenomenon and several previous studies, it was found that research gaps (Research GAP) are important to fill. Most previous studies have focused on the relationship between APIP and financial management accountability or between corruption and regional economic performance, but not many have examined the influence of APIP's role and corruption control strategy on increasing Regional Original Revenue (PAD). In fact, these two variables are closely related in the context of clean, transparent, and integrity regional financial governance. In addition, previous research has rarely examined in detail the elements that form PAD, such as regional taxes, regional levies, the results of segregated regional wealth management, and other legitimate local revenues to find out which sectors are most influenced by the effectiveness of APIP's role and corruption control strategies. This gap is relevant considering that Law Number 1 of 2022 concerning Financial Relations between the Central Government and Regional Governments (HKPD Law) emphasizes the importance of regional fiscal independence through optimizing PAD and increasing transparency in regional financial management.

The object of this research focuses on the role of the Government Internal Control Apparatus (APIP) and corruption control strategies in increasing Regional Original Revenue (PAD) in Indonesia. APIP, as an internal supervisory unit, plays a vital role in ensuring that local financial management is conducted effectively, efficiently, and free from irregularities, as mandated by Government Regulation Number 60 of 2008 concerning the Internal Control System of Government Agencies (SPIP) (Herwanto et al., 2021) Strengthening APIP's role is also a national priority, given that most corruption cases handled by the Corruption Eradication Commission (KPK) originate from local governments (Zahra & Haryanto, 2025). In this regard, the integration of effective corruption control strategies becomes essential to building clean, transparent, and accountable governance (Kurniati et al., 2025). The relevance of this study lies in its contribution to understanding how the synergy between APIP's supervisory function and corruption control efforts can optimize PAD, especially in the context of regional fiscal independence as emphasized in Law Number 1 of 2022 concerning Financial Relations between the Central Government and Regional Governments (HKPD Law). Through this approach, the study not only expands the theoretical discussion on local financial governance but also provides practical implications for strengthening internal control mechanisms to enhance PAD performance.

Therefore, this study aims to empirically analyze the role of the Government Internal Control Apparatus (APIP) and corruption control strategies in increasing Regional Original Revenue (PAD) in Indonesia, as well as identify the elements of PAD that are most influenced by the effectiveness of these two factors. This research is expected to contribute novelty to the regional financial literature by linking the aspects of internal supervision and

anti-corruption to the increase in PAD, as well as providing practical implications for local governments in strengthening internal control systems and anti-corruption strategies that have a direct impact on increasing regional fiscal independence.

REVIEW OF LITERATURE

Good Public Governance

This research is grounded in the theory of Good Public Governance (GPG), which emphasizes transparency, accountability, effectiveness, efficiency, and integrity in public resource management. (Freeman et al., 2018) assert that GPG can only be realized when all stakeholders share balanced roles and responsibilities in policymaking and implementation, while (Freeman et al., 2021) highlight APIP's crucial function in managing and aligning the interests of communities, government institutions, and the private sector. (Dwianto, 2021) further underlines that effective internal supervision forms the foundation of public accountability, where APIP ensures compliance with good governance principles. Corruption control, as an integral part of the GPG framework, reinforces institutional integrity and prevents abuse of power. Empirical findings by (Dilapanga et al., 2023) show that optimizing APIP's accountability role enhances good governance practices, while Utami et al. (2024) and (Setyaningrum et al., 2017) demonstrate that GPG indicators significantly reduce corruption and improve public service quality. Therefore, the application of GPG in this study reflects the synergy between APIP's role and corruption control strategies as integral efforts to achieve transparent, accountable governance and increase Regional Original Revenue (PAD) through clean financial management.

The Role of the Government Internal Control Apparatus (APIP) in Increasing Regional Original Revenue (PAD) in Indonesia

The Government Internal Control Apparatus (APIP) is a vital element of governance that ensures regional financial management operates effectively, efficiently, transparently, and accountably. According to Government Regulation No. 60 of 2008 on the Government Internal Control System (SPIP), APIP provides reasonable assurance in achieving organizational objectives through auditing, evaluation, monitoring, and risk control. Dwianto (2021) emphasizes that APIP's effectiveness in internal supervision is essential for realizing quality public accountability. Empirical studies reveal that APIP plays a crucial role in enhancing regional financial performance (Raharjo & Zulkarnain, 2025) find that Inspectorate performance positively affects PAD accountability through risk-based audits, while (Yusri & Hasrina, 2018) show that strong internal control systems supported by APIP improve the efficiency of regional revenue management. Similarly, (Dilapanga et al., 2023) demonstrate that optimizing APIP's accountability and audit principles strengthens good governance practices. Hence, the more effectively APIP performs its supervisory role, the more transparent and effective regional financial management becomes, leading to improved PAD.

H1: The role of the Government Internal Control Apparatus (APIP) has a positive effect on increasing Regional Original Revenue (PAD) in Indonesia.

The Role of Corruption Control Strategies in Increasing Regional Original Revenue (PAD) in Indonesia

Corruption significantly undermines the efficiency of regional financial management and the growth of PAD (Akbar et al., 2025) Effective corruption control strategies aim to enhance institutional integrity ((Sutangsa, 2023), ensure financial transparency, and improve the efficiency of public resource utilization. Within the framework of Good Public Governance (GPG), corruption control is a cornerstone in fostering a clean, accountable, and results-oriented government (Setyaningrum et al., 2017) Empirical studies reinforce this relationship: Wibisono and Khoirunurrofik (2023) reveal that corruption prevention has a significant positive impact on regional tax revenue; (Kurniati et al., 2025) show that integrated corruption control strengthens accountability and efficiency; and (Zahra & Haryanto, 2025) emphasize that collaboration between the KPK and APIP minimizes budget leakage and boosts PAD. Therefore, implementing an effective corruption control strategy enables local governments to build transparent financial systems, enhance public trust, and optimize regional revenue.

H2: Corruption control strategy has a positive effect on increasing Regional Original Revenue (PAD) in Indonesia.

RESEARCH METHOD

This study employs a quantitative research design aimed at empirically testing the effect of the role of the Government Internal Control Apparatus (APIP) and corruption control strategies on Regional Original Revenue (PAD) by considering regional characteristics as control variables. The data used consist of secondary data from local governments in Indonesia, covering provincial, regency, and city governments in 2022, with a total population of 542 regions. Using a purposive sampling technique due to limited data availability, eight regions were excluded because of incomplete data on tax revenues, levy revenues, or wealth management, resulting in 534 final observations. The data sources include the BPKP Performance Report for variables related to APIP roles and the Corruption Control Effectiveness Index (IEPK), the Regional Government Financial Statements (LKPD) for PAD data, and the Ministry of Home Affairs for regional characteristic data. The empirical model used is:

$$\ln \text{realpad} = \beta_0 + \beta_1 \text{apip} + \beta_2 \text{iepk} + \beta_3 \text{ages} + \beta_4 \text{mun} + \beta_5 \text{Island} + e \dots \dots \dots (1)$$

where $\ln \text{realpad}$ represents the natural logarithm of PAD realization, apip denotes APIP capability levels (1–5), iepk measures corruption control effectiveness (1–3), while ages , mun , and island serve as control variables representing government age, administrative status, and geographical location, respectively. The operational definitions of each variable follow prior studies by (Setyaningrum, 2017); (Furqan et al., 2020) (E. Malelea et al., 2024) & (Sakinah et al., 2024) ensuring theoretical consistency and construct validity. Data analysis was conducted using multiple linear regression with the STATA-14 software to estimate the influence of APIP roles and corruption control on PAD accurately and efficiently. This analytical technique enables an objective interpretation of relationships between variables, controlling for regional differences in age, status, and geography to mitigate potential structural bias and strengthen the robustness of the research findings.

RESULTS AND DISCUSSION

Statistics Descriptive Variable

The complete descriptive statistical overview of the variables in this study can be seen in Table 1 below :

Table 1.
Variable Descriptive Statistical Test Results

Variabel	Obs	Mean	Std.Dev	Min	Max
Inrealpad*	534	614.55	2,630.63	3.25	45,608.40
apip	534	2.5	0.59	1	3
iepk	534	1.84	0.43	1	3
ages	534	45.51	23.93	8	72
mun	534	0.99	0.58	0	2
island	534	0.22	0.41	0	1

Number of Observations = 534

Explanation of the operationalization of variables in Table 1

*) In billions of rupiah

Source: Secondary Data, STATA-14 Output (Processed, 2025)

Table 1 shows the descriptive statistics of the variables in this study, the results show that the mean of the Inrealpad variable is IDR 614.55 billion, with a minimum value of IDR 3.25 billion and a maximum of IDR 45,608.40 billion. This shows that there is a considerable gap between local governments in terms of the ability to generate Regional Original Revenue (PAD). Some regions with high fiscal capacity, such as provinces and large cities, have PAD realization well above the national average, while regions with small economic capacity still show relatively low levels of PAD. The apip variable has an average value of 2.5 with a minimum value range of 1 and a maximum of 3. This value indicates that in general, the capabilities of the Government Internal Control Apparatus (APIP) in Indonesia have been at a medium to good level, which reflects that most local governments have implemented an effective internal control function, although it is not yet fully optimal. Furthermore, the iepk variable showed an average value of 1.84 with a standard deviation of 0.43, and a value range between 1 to 3. This value indicates that the Corruption Control Effectiveness Index (IEPK) in local governments in Indonesia is in the medium category.

The control variables in this study showed diverse characteristics. The average age of local government (ages) of 45.51 years indicates that most regions have mature institutional experience. The average value of administrative status (mun) of 0.99 indicates that the majority of the sample is district and city governments, while the geographic location variable (island) with an average value of 0.22 indicates that most of the sample areas are outside Java Island. Overall, these characteristics illustrate the diversity of regions in terms of age, status, and location, which is important for understanding how APIP's role and corruption control strategies contribute to the increase in PAD in Indonesia.

Correlation Analysis Between Variables

Table 2.
Variable Correlation Analysis

Variabel	Inrealpad	apip	iepk	ages	mun	island
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lnrealpad	1.0000					
apip	0.4531***	1.0000				
	0.0000					
iepk	0.2889***	0.3564***	1.0000			
	0.0000	0.0000				
ages	0.5499***	0.2860***	0.1777***	1.0000		
	0.0000	0.0000	0.0000			
mun	0.5436***	0.2854***	0.1483***	0.0856**	1.0000	
	0.0000	0.0000	0.0000	0.0480		
island	0.4961***	0.1465***	0.4550***	0.4550***	0.0414	1.0000
	0.0000	0.0000	0.0000	0.0000	0.3395	
Number of Observations = 534						
Explanation of the operationalization of variables in Table 1						
& ** = Significant P-Value 1% & 5%						

Source: Secondary data, STATA-14 output (Processed, 2025).

Table 2 presents the results of the correlation analysis between the research variables. The results showed that the Regional Original Income variable (lnrealpad) had a positive and significant correlation with all independent variables, namely apip ($r = 0.4531$; $p < 0.01$) and iepk ($r = 0.2889$; $p < 0.01$). This indicates that the higher the level of APIP capability and the effectiveness of the corruption control strategy, the greater the potential for increasing PAD in the regions. In addition, control variables also showed a significant positive association with PAD, among which ages ($r = 0.5499$; $p < 0.01$) and mun ($r = 0.5436$; $p < 0.01$), meaning that areas with longer government age and higher administrative status (such as cities or provinces) tend to have greater PAD. The island variable was also positively correlated with PAD ($r = 0.4961$; $p < 0.01$), indicating that geographical location, especially the area on the island of Java, has an influence on the amount of PAD due to differences in the level of economic activity and fiscal capacity between regions. Meanwhile, the correlation between independent variables and controls was relatively moderate (meaning below 0.60), so it can be concluded that there is no indication of serious multicollinearity in the regression model. Thus, all variables are feasible to use for subsequent regression analysis.

Hypothesis Thesting Result

The hypothesis test in this study used *the Random Effect* method with the STATA-14 software program. The test results can be seen in the following table 3.

Table 3.
Hypothesis Testing Results

Inrealpad = $\beta_0 + \beta_1\text{apip} + \beta_2\text{iepk} + \beta_3\text{ages} + \beta_4\text{mun} + \beta_5\text{Island} + e \dots \dots \dots (1)$		
variable	expected sign	Inrealpad
cons_		22.836 0.000
apip	H1 : (+)	0.385*** 0.000
iepk	H2 : (+)	0.293*** 0.003
ages	+/-	0.018*** 0.000
mun	+/-	1.102*** 0.000
island	+/-	1.059*** 0.000
Prob > F		0.000
R-square		0.663
Obs		534
Vif		1.23
Information:		
Explanation of the operationalization of variables in Table 1		
***, ** = <i>P-Value</i> significant 1% & 5%		

Source: Secondary data, STATA-14 output (Processed, 2025).

Table 3 presents the results of testing the multiple linear regression model used to test the influence of the role of the Government Internal Control Apparatus (APIP) and the corruption control strategy (IEPK) on Regional Original Revenue (PAD) in local governments in Indonesia. The analysis was carried out using a robust standard error approach to overcome the possibility of heteroscedasticity in cross-regional data. The R-square value of 0.663 indicates that the research model can explain about 66.3% of the variation in PAD changes between local governments in Indonesia. Meanwhile, a Prob > F value of 0.000 indicates that the regression model is overall significant at a 99% confidence level, which means that the independent variables in the model together influence the increase in PAD. The mean value of VIF of 1.23 also indicates that there is no multicollinearity problem, so the model is declared stable and suitable for further interpretation.

The test results showed that the APIP variable had a positive and significant effect on PAD with a coefficient value of 0.385 ($p < 0.01$). This means that every increase in one level of APIP capability will increase the average PAD realization by 38.5%, assuming other variables are constant. These results support the first hypothesis (H1) that the increase in the effectiveness of the role of APIP contributes positively to the increase in PAD in Indonesia. These findings indicate that the better the internal supervision function of local governments,

the more efficient regional financial management and revenue collection will be, thus having a direct impact on increasing PAD. Furthermore, the IEPK variable also had a positive and significant effect on PAD with a coefficient value of 0.293 ($p < 0.01$). This shows that the more effective the corruption control strategy implemented by local governments, the greater the potential for an increase in PAD. Empirically, these results support the second hypothesis (H2) which states that corruption control strategies play a role in encouraging an increase in PAD through improving fiscal integrity, resource allocation efficiency, and reducing regional budget leakage. The AGES, MUN, and ISLAND control variables also showed a significant positive influence on PAD. The age variable ($\beta = 0.018$; $p < 0.01$) shows that the longer the life of a region's government, the greater its fiscal capacity due to the presence of more mature institutional experience and financial system. The mun variable ($\beta = 1.102$; $p < 0.01$) indicates that local governments with higher administrative status (cities and provinces) have greater PAD capacity than districts. Meanwhile, the island variable ($\beta = 1.059$; $p < 0.01$) shows that areas on the island of Java have higher PAD than areas outside Java, which reflects the difference in economic levels and business activities between regions in Indonesia.

These findings are in line with previous research that confirms the importance of the role of APIP and corruption control strategies in supporting healthy regional financial governance. Research (Raharjo & Zulkarnain, 2025) and (Yusri & Hasrina, 2018) proves that the performance of the Inspectorate through risk-based audits and the implementation of a strong internal control system is able to increase the effectiveness and transparency of PAD management. These results are also consistent with the findings (Dwianto, 2021) and (Dilapanga et al., 2023) who stated that optimizing the role of APIP has implications for improving *good governance* practices and public budget efficiency. In line with that, research by Wibisono & Khoirunurrofik, (2023) and (Kurniati et al., 2025) also shows that effective corruption control strategies are able to increase regional tax revenues and strengthen fiscal accountability. Thus, the findings of this study emphasize that the functions of internal supervision and corruption control play a role in strengthening regional fiscal capacity through increasing efficiency, transparency, and integrity in the management of PAD sources.

The novelty of this research lies in the combination of two important institutional aspects, namely the role of APIP and corruption control strategies, in one empirical model to explain the variation in PAD increase. Previously, research examining APIP generally focused on financial management accountability, while research on corruption highlighted its impact on economic growth or bureaucratic performance. This research goes further by proving that these two aspects have a direct relationship with regional fiscal performance, especially in increasing PAD. In addition, this study also adds control variables of regional characteristics such as the age of local government, administrative status, and geographical location, which provides a more comprehensive picture of the structural factors that also affect the effectiveness of internal supervision and anti-corruption strategies in increasing PAD. This approach enriches the empirical understanding that regional institutional capacity and geographical context play an important role in fostering regional fiscal independence.

Theoretically, this study expands the application of *the theory of Good Public Governance (GPG)* by showing that internal supervision and corruption control not only function as an accountability mechanism, but also as an economic instrument that improves regional fiscal capabilities. These results prove that good governance produces real benefits

to improve fiscal performance through efficient and integrity management of public resources. In this context, the synergy between APIP and corruption control strategies creates a more transparent regional financial system, reduces the potential for budget leakage, and increases public trust in local governments.

From a practical perspective, the results of this study provide important implications for local governments and policymakers. Strengthening APIP's capabilities needs to be a priority through risk-based professional training, internal auditor certification, and expanding supervisory authority over regional revenue management. In addition, institutional synergy between APIP, KPK, and BPKP needs to be strengthened in building an integrated corruption control system from the planning stage to financial reporting. Local governments also need to build a culture of integrity through the implementation of *the Integrity Zone* and the *Whistleblowing System* as a preventive measure in suppressing potential irregularities. Thus, the results of this study not only contribute to the development of *good governance theory* in the context of regional finance but also offer practical recommendations to strengthen fiscal independence and public accountability in Indonesia.

Additional Testing

Additional testing was carried out to analyze the influence of the role of the Government Internal Control Apparatus (APIP) and the corruption control strategy (IEPK) on each of the main components of Regional Original Revenue (PAD). The aim is to find out which elements of the PAD are most influenced by the effectiveness of internal supervision and corruption control efforts, with the following results.

Table 4.
Additional Testing

variabel	Inrealpajak	Inrealretribusi	Inrealkekayaan yg dipisahkan	Inreal lainlain pad
cons_	20.936 0.000	20.433 0.000	20.903 0.000	21.795 0.000
apip	0.575*** 0.000	0.445*** 0.000	-0.052 0.578	0.431*** 0.000
iepk	0.381*** 0.004	0.094 0.436	0.335*** 0.005	0.234** 0.045
ages	0.018*** 0.000	0.014*** 0.000	0.021*** 0.000	0.022*** 0.000
mun	1.513*** 0.000	0.466*** 0.000	0.684*** 0.000	0.506*** 0.000
island	1.225*** 0.000	0.949*** 0.000	0.273** 0.027	1.113*** 0.000
Prob > F	0.000	0.000	0.000	0.000
R-square	0.619	0.409	0.345	0.576
Obs	534	534	534	534

Information :

Inrealpajak, is a variable of regional tax revenue realization. **Inrealretribusi**, is a variable of realization of regional levy revenue. **Inrealkekayaan yg dipisahkan**, is a variable of the realization

variabel	Inrealpajak	Inrealretribusi	Inrealkekayaanypisahkan	Inreallainlainpad
of revenue from the results of regional wealth management that is separated. Inreallainlainpad , is another valid variable of PAD.				
***, ** = P-Value signifikan 1% & 5%				

Source: Secondary data, STATA-14 output (Processed, 2025).

The results of additional testing showed that the influence of the role of the Government Internal Control Apparatus (APIP) and the corruption control strategy (IEPK) was uneven in each component of the Regional Original Revenue (PAD). The role of APIP has been proven to have a positive and significant effect on regional tax revenues, regional levies, and other legitimate PADs, but it does not have a significant effect on the receipt of the results of segregated regional wealth management. These findings show that the effectiveness of internal supervision has a greater impact on PAD sectors that involve routine transaction activities and public services, such as tax collection and levies. On the other hand, corruption control strategies have a positive and significant effect on regional taxes, the results of segregated regional wealth management, and other legitimate PADs, but not significantly on regional levies. This indicates that corruption prevention and control efforts are more effective in sectors that have high potential for fiscal leakage and great management complexity. Overall, these results reinforce the key conclusion that a combination of strong internal oversight and effective corruption control strategies is an important factor in optimizing the key components of the PAD, especially through increased tax revenues and efficiency of regional resource management.

CONCLUSION

Based on the results of the analysis, this study concludes that the role of the Government Internal Control Apparatus (APIP) and the corruption control strategy (IEPK) have a positive and significant effect on increasing Regional Original Revenue (PAD) in Indonesia. These findings indicate that the more effective the internal supervision function and corruption prevention efforts carried out by local governments, the more optimal the region's ability to collect and manage original sources of revenue efficiently, transparently, and accountably. The implications of these results emphasize the importance of strengthening APIP capacity and implementing integrated corruption control strategies in regional financial governance systems to support fiscal independence and increase public trust in local governments. Practically, the central government through BPKP and KPK is expected to continue to strengthen coaching, training, and monitoring of APIP in the regions, while local governments need to instill a culture of integrity and accountability in every public financial management process. The limitation of this study lies in the use of cross-section data in 2022 which has not been able to capture long-term dynamics between time, and has not considered mediation or moderation variables that may affect the relationship between variables. Therefore, further research is recommended to use multi-year panel data and expand the model with contextual variables, such as public participation rates, digitization of the financial system, or the quality of governance, to provide a more comprehensive understanding of the factors influencing the increase in PAD in Indonesia.

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