

**Speech by The Board Member of the Audit Board of Indonesia
To Mark the Opening
of the Public Lecture on
The Fight Against International Money Laundering and Corruption
(FAIMLAC)
Jakarta, 15 July 2009**

Delegates of the INTOSAI Working Group on FAIMLAC,

- **Mr. Fuad Khoury Zarzar, Comptroller General of Peru;**
- **Ms. Jacquelyn Williams-Bridgers, Managing Director of US GAO;**
- **Mr. Rainer Aprill, Senior Director of SAI Germany**

My Board Member Colleagues,

My National counterpart officers,

And all participants,

The Audit Board of the Republic of Indonesia is honored to have been chosen to host the 3rd Meeting of the INTOSAI Working Group on the Fight Against International Money Laundering and Corruption (FAIMLAC) here in Jakarta from July 14 to 16, 2009.

On behalf of the BPK management and myself, I would like to welcome the three representative of the Working Group that are here today. I hope that we will enjoy and benefit from this public lecture.

Ladies and Gentlemen,

The fight against money laundering and corruption is an issue of the utmost importance for all the nations of the world. In Indonesia, this fight began with the national reforms that were instituted after the 1998 multidimensional crisis. Since that corruption and money laundering contributed in no small measure to the crisis, the nation resolved to resolutely combat these kinds of crime.

In 2003 Indonesia established the independent Corruption Eradication Commission (KPK-Komisi Pemberantasan Korupsi), a powerful body tasked with investigating corruption cases. A special court has also been established to exclusively try corruption cases. The Indonesian Financial Transaction Reports and Analysis Centre (PPATK) was established to strengthen the government's anti-money laundering effort. Furthermore, the independence and autonomy of the BPK (Badan Pemeriksa Keuangan) as the State Audit Institution has been restored, as mandated by the Constitution.

All of these efforts and policies have borne fruit. We believe there has been a significant decrease in the level of corruption here due to the impact of these policies. This is reflected in the recent annual survey by Berlin-based Transparency International, in which Indonesia's rating in the Corruption Perception Index has improved.

Dear Participants,

Our Constitution affords a mandate to the BPK to audit government accounts. To fulfill this mandate, the BPK has formulated a Strategic and Implementation Plan for 2006 to 2010. One component of the plan is the establishment by the BPK of a specialized unit to conduct investigative audits, supported by internationally certified auditors acting as fraud examiners (CFE). Beside being officially certified, these auditors are trained by the BPK in specific areas, such as fraud awareness, fraud risk assessment, forensic financial analysis, behavior symptoms analysis, interview and interrogation techniques, forensic computer analysis, illicit funds tracing, the proving of charges, detection of money laundering schemes, and procurement processes.

Unfortunately, not so many people have had the opportunity to receive comprehensive training like those auditors. There are still many people who don't fully understand money laundering and corruption, and how we can prevent and detect these crimes. Perhaps, some of the participants here in this room also still have basic questions in their minds. That's why the BPK has taken the initiative of organizing this public lecture on the fight against money laundering and corruption.

Ladies and Gentlemen,

We organized this public lecture to provide you with insights on the core issues involved in the twin evils of money laundering and corruption, and how we can successfully combat them. We have invited experts on money laundering and corruption issues to share their valuable experiences with us. We believe that the insights they provide will help to better equip us all with the knowledge we need to effectively combat money laundering and corruption.

Ladies and gentlemen,

I sincerely hope that this event will prove beneficial and that all of us will leave this room with enhanced knowledge of money laundering and corruption that we can apply in the performance of our duties. If that proves to be the case, our common dream of clean, transparent, and accountable public administrations will become one step closer to realization.

So, please enjoy the lecture.

Thank you.

Jakarta, July 15, 2009.

The Audit Board of the Republic of Indonesia

Board Member,

I Gusti Agung Rai