

Speech by
The Chairman of the Audit Board of Indonesia
at the Opening Ceremony of the
8th Meeting of the Steering Committee of INTOSAI WGEA
Bali, August 3 – 6, 2009

Your Excellencies,
Dear Colleagues,
Ladies and gentlemen,

Good morning,

It is my very great pleasure to welcome you to the 8th Meeting of the Steering Committee of the INTOSAI Working Group on Environmental Auditing in Ubud, Bali.

On this important occasion, please allow me again to express my deepest gratitude to all of you for your coming to this meeting after the bomb attacks last month in Jakarta. Your willingness to travel to this country demonstrates your confidence in our government's ability to handle the situation.

Before proceeding, allow me to introduce to you our keynote speaker, Mr. Rachmat Witoelar, the Minister of Environment of the Republic of Indonesia who is also the chairman of the National Council on Climate Change.

Ladies and Gentlemen,

Soon after I was assigned as chairman of the BPK, the organization developed Environmental Audit Strategic Plan to provide directions for our environmental auditing work, and to ensure the adoption of an environmental perspective in every audit we carry out. In this strategic plan, we developed the main objectives of our environmental audits and determined the course we would take

over the next five years. In accordance with this strategy, we have conducted a number of environment-related audits. All of these audits were conducted in order to ascertain whether the government has been properly managing natural resources in accordance with the rules and regulations, and the level to which it has achieved the intended goals and objectives. Among the consequences of the environmental audits we have conducted are better forest management and savings in state revenue obtained from mining fees. All of these audits will address not only environmental issues, such as climate change and illegal logging, but also disaster-related issues, such as government disaster-mitigation strategies and activities, as well as sustainable development issues.

Ladies and Gentlemen,

In addition to our auditing work, we have also forged collaboration with other SAIs to conduct parallel audits on certain environmental issues and improve the capacity of our auditors in conducting environmental audits. We have conducted a parallel audit on forestry management with the SAI of Malaysia. Based on this cooperation, we have learned many lessons and gained many valuable experiences, not only as regards the auditing of forestry management, but also the conducting of parallel audits. Today, our colleagues from SAI Malaysia are here and, together with our auditors, will make a presentation describing those experiences.

As you may know, our SAI is also participating in the conducting of a global audit on climate change and the development of relevant guidelines.

Parallel with the above, the BPK has also tried internally to improve the quality of its environmental audits by developing environmental audit manuals and guidelines, providing courses and training programs for its auditors, both at home and overseas, including the sending of many auditors to other SAIs, to learn from the experiences of the SAIs in those countries in conducting environmental audits. In addition, the BPK has improved cooperation with the Ministry of

Environment and other line ministries, as well as the Indonesian Aerospace Agency (LAPAN) for the provision of spatial images for the implementation of GIS technology-based environmental audits. In the last two or three years, the BPK has sent many reports of fraud related to environmental issues to law enforcement agencies for further investigation.

Considering the wide dispersal of our regional offices (the BPK currently has 33 regional offices), the BPK has developed a natural-resources database in order to effectively plan and conduct environmental audits. BPK has also improved the quality of its reports by providing more pictorial data using spatial technology, such as remote sensing and GIS. Availing of all these technologies, we hope that we will be able to help improve the quality of our environment through our audits.

Dear Participants,

As we already known, during this Steering Committee meeting we will discuss the progress of INTOSAI WGEA's projects and activities. Most of the projects relate to natural resources management and climate change. We want to prepare at least five sets of audit guidelines that will help our officers audit the impacts of climate change, sustainable energy and exploitation of natural resources, such as in the forestry, fisheries, and mining sectors. This meeting is important as we, SAIs from developing and developed countries, can work together to ensure that all of the guidelines and activities are comprehensive and practical in nature. The better the audit guidelines we prepare, the better our audit results and recommendations will be. All of this is essential to improving the quality of our environment and natural-resources management.

Ladies and Gentlemen,

Before I conclude my speech, I would like to say that this meeting marks my last INTOSAI WGEA meeting as my term as the chairman of the Audit Board of the

Republic of Indonesia is due to end in October 2009. I have greatly appreciated our interaction, discussions and collaboration during the working group's meetings, in line with the spirit of *Experientia Mutua Omnibus Prodes* or *Mutual Experience Benefits All*. I wish every success to this working group and to all of you in the future.

Finally, I would like to express my sincere thanks to all of the participants, and for the work they have put in to ensuring the success of this meeting. We are all looking forward to a productive and valuable exchange of ideas.

Thank you,

Bali, August 4, 2009

**The Audit Board of the Republic of Indonesia
Chairman,**

Prof. Dr. Anwar Nasution