

Keynote address (Opening Plenary, Wednesday 13:00 - 14:00)

Indonesia and the UNCAC Review Mechanism

Amien Sunaryadi

Vice Chairman / Commissioner, Corruption Eradication Commission (KPK), Indonesia

I. The Fight against Corruption in Indonesia

A number of efforts have been undertaken since the 1957 to eradicate corruption in Indonesia. The Indonesian Corruption Eradication Commission (KPK) can be counted as the 8th effort of a number of initiatives, taskforces and institutions established in the last 50 years.

The difference today is that there is some real willingness and political commitment to fight corruption: After the downfall of Soeharto's regime the People's Consultative Assembly (MPR) issued Decree No: *TAP XI/MPR/1998 on a clean State Administration free from Corruption, Collusion and Nepotism* during an extraordinary session in November 1998.

Following this decree, the House of Representatives (DPR) and the President have enacted a number of laws:

1. *Law 28/1999 on a Corruption-free State Administration*
2. *Law 31/1999 on the Eradication of Corruption, then amended by Law 20/2001*
3. *Law 30/2002 on the Corruption Eradication Commission (KPK),*
4. *and Law 15/2002 , amended by Law 25/2003 on Money Laundering.*

These legislative efforts are supported by the Government. On the first International Anticorruption Day on 9 December 2004, two months after his inauguration, President Susilo Bambang Yudhoyono (SBY) issued a Presidential Decree No 5 of 2004 "on the Accelerated Eradication of Corruption".

From a constitutional point of view, the fight against corruption in Indonesia is a crucial part of the fulfillment of the Indonesian Constitution from 1945 which in its preamble states, among others, two objectives:

1. *to promote general welfare, and*
2. *to enhance people education.*

In order to meet these objectives, the state needs an adequate budget. However, until today funds are not sufficient to achieve those objectives, related to the general welfare and education of the Indonesian people. Huge amounts of state funds have been corrupted by individuals or certain groups for their own benefits. Therefore, it is a constitutional obligation to fight corruption to ensure that sufficient the resources are allocated for general welfare and people's education.

II. Indonesia and the United Nations Convention against Corruption

Indonesia participated in the development process including the designing of the United Nations Convention against Corruption (UNCAC) from a very early point.

Today Indonesia is one of the 146 state parties that have signed the convention and among the 95 ratifying parties.

In December 2003 the Indonesian Minister of Law and Human Rights signed the UNCAC in New York and in March 2006 the Convention was ratified by the DPR.

Indonesia has reviewed the detailed content of the UNCAC and found that its provisions provide for important frameworks and tools to fight corruption domestically as well as internationally. Therefore, Indonesia intends to use the UNCAC as a standard or guidance for fighting corruption both in Indonesia and internationally.

In conclusion, 50 years of combating corruption efforts in Indonesian have not resulted in significant achievements. The 1998 reformation movement throughout the country included the fight against corruption as an important element of the reform measures. However, it could be observed that instead of being reduced, corruption spread even more widely during the first years of reform. Therefore implementing the provisions of the UNAC is expected to benefit the country largely.

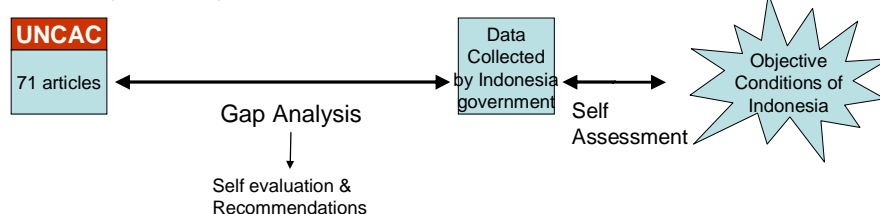
III. The Implementation of the UNCAC in Indonesia

In its efforts to improve the socio-political environment in Indonesia, KPK in 2006 initiated a Gap Analysis, reviewing the existent Indonesian legislation and regulatory framework in regard to the provisions of the UNCAC.

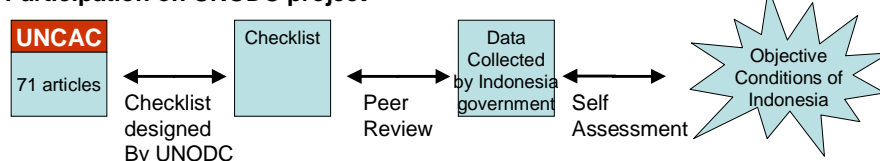
The gap analysis has provided the real benefit of identifying weaknesses of the legal infrastructure and obstacles in the fight against corruption so far. The eye-opening results for many lead KPK to publish and share its experience with the gap analysis process at the 1st Conference of State Parties to the UNCAC in Jordan in November 2006.

KPK Review of the UNCAC Implementation

Gap Analysis Study



Participation on UNODC project



Measuring the gaps and considering Article 63. 4 (e) “Reviewing periodically the implementation of this Convention by its States Parties”. Indonesia is very interested in learning about how to conduct a self-assessment, and to use the review to strengthen the implementation of the UNCAC in Indonesia. Again, we hope that with the application of UNCAC standards corruption will be reduced significantly.

The Indonesian experience from the gap analysis undertaken last year has encouraged us to participate in the UNODC voluntary pilot project for review mechanism. Currently there are 17 countries participating. Indonesia received the self-assessment checklist a few months ago and has submitted it to the UNODC. Within the voluntary pilot project, Indonesia’s self-assessment will be reviewed by a regional partner and by a partner outside the region. Similarly, Indonesia will review the self-assessments of two countries.

We hope that the results will be presented and shared at the second Conference of State Parties to the Convention here in Bali in end by January 2008. We expect that, then, the self-assessment checklist could be extended to more pilot countries in 2008.

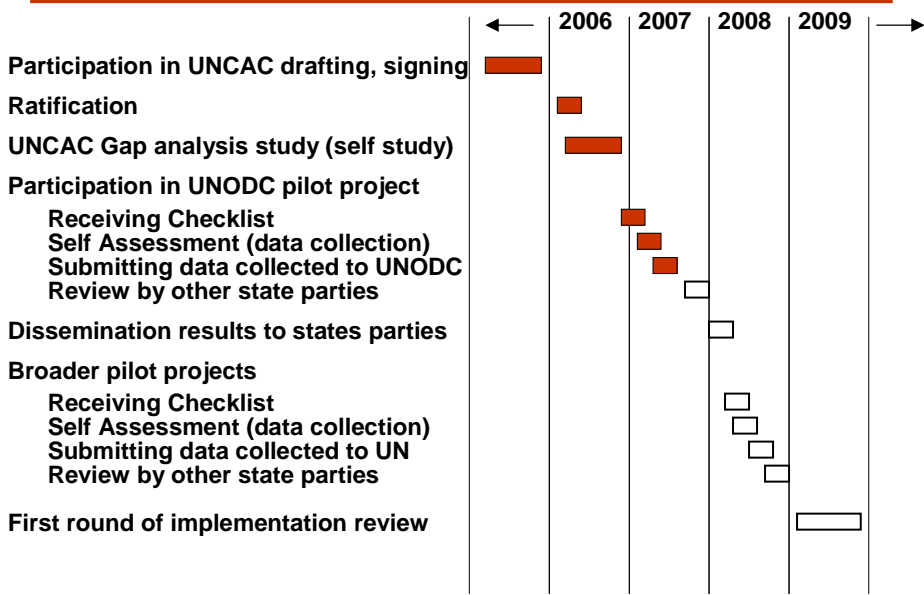
From our experience, the monitoring and review process used by the ADB/OECD Anti Corruption Initiative for Asia-Pacific indicate that it might be useful to have a process of peer review in the context of the UNCAC. Naturally, we cannot just copy the existing regional mechanisms as they are built for different purposes.

However, considering the sensitivity of reviews, and the basic characteristics of a review mechanism already agreed in Jordan meeting, as well as the high number of ratifying states

of the UNCAC, it seems advisable to construct the review into peer review within regional or even sub-regional groupings. Furthermore, due to extensive number of provisions in the Convention, the review mechanism could initially focus on a certain number of chapters which would later be extended and completed with the remaining chapters.



Indonesian Dreams



Indeed, this issue will still need to be further discussed and I would like to encourage discussion and brainstorming among all of us during the next days. As my the KPK Chairman, Mr. Taufiequrachman Ruki said, we are very happy that so many experts from all over the world have come to Bali and we hope that discussions may continue beyond the sessions in this room.

Amien Sunaryadi

Vice Chairman and Commissioner of the Corruption Eradication Commission (KPK) of the Republic of Indonesia

Mr. Sunaryadi was selected as Vice Chairman and one of the five Commissioners of the Corruption Eradication Commission (KPK) of the Republic of Indonesia at the end of 2003 with a four year term. As a collegial commission, the KPK commissioners are tasked with coordination, supervision, investigation and prosecution, prevention as well as system review aiming at the eradication of corruption.

In 2006, Mr. Sunaryadi lead the KPK initiative to study the gaps between the Indonesian laws/regulations and the UNCAC which was published the same year as the Gap Analysis Study Report: Identification of Gaps between Laws/Regulations of the Republic of Indonesia and the United Nations Convention against Corruption.

Prior to be selected KPK Vice Chairman/Commissioner, Mr. Sunaryadi worked for three years in the private sector for Price WaterhouseCoopers in Jakarta within the Dispute Analysis and Investigations division. His works during that period included forensic accounting, fraud investigations and computer forensics as well as anti-money laundering measures development. Before working in the private sector Mr. Sunaryadi served for 18 years at the Indonesian Government Audit Agency (BPKP). His last assignment at the BPKP included the development of a National Anti-Corruption Strategy (SPKN) that was published in March 1999. It constituted the first comprehensive Indonesian anti-corruption strategy covering prevention, detection and repression measures for fighting corruption in Indonesia.

Mr. Sunaryadi is also active in charity activities with non-government organisations such as the Indonesian Transparency Society (MTI) and the Institute of Good Governance Studies (LPGG). In 2000, with the LPGG Mr. Sunaryadi was awarded an international award from the Development Marketplace International Innovative Development Competition of the World Bank with the named as the Development of the Constituents - Representatives Communication.