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KEYNOTE SPEECH BY

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PRESIDENT OF THE REPUBLIC OF INDONESIA**

AT

**MEETING OF THE HEADS OF SUPREME AUDIT INSTITUTIONS OF
ASEAN MEMBER STATES**

BALI, 16 NOVEMBER 2011

*Bismillahirrahmaanirrahiim,
Assalamu'alaikum warrahmatullaahi wabarakatuh,*

Peace be upon us,
Om Swastiastu,

Excellencies, Chairman and Members of the Indonesian Audit Board,

Excellencies and Honorable Chairman of Supreme Audit Institutions from ASEAN
Member States,

Excellency, Chairman of Asian Organization of Supreme Audit Institutions,

Distinguished Delegates, Ladies and Gentlemen,

Let me begin by conveying the warmest greeting from the Government and the people of Indonesia. It is indeed a privilege to be here, and to witness this momentous journey, towards establishing the ASEAN Supreme Audit Institutions or ASEANSAI.

May I congratulate Mr. Hadi Purnomo, and all officials from the Supreme Audit Institutions of ASEAN Member States, for their excellent work and for convening this exceptional meeting.

Since its establishment in 1967, ASEAN has evolved into a rules-based regional organization, with legal personality. An organization, dedicated to the betterment of the peoples of Southeast Asia.

In 2007, the ASEAN member countries confirmed their commitment to establish an ASEAN Community by 2015. It is our profound objective that the Community we envisioned is not only a peaceful and prosperous one, but also a community that adheres to the principles of good governance.

This objective is reflected in the ASEAN Charter, and we are committed to turn it into reality. I believe, I share the views of other ASEAN Leaders, that the establishment of the ASEAN Supreme Audit Institutions is another building block, in our common effort to attain this objective.

From its modest origins, ASEAN has now transformed itself and captured the world's attention. At the beginning, ASEAN were only five. But now, we are altogether ten dynamic countries, with the common purpose of building a caring and sharing community. As a model for a successful regional integration institution, ASEAN has been at the heart of efforts, to bring peace and stability to the Southeast Asian region and beyond.

Not only that, our economic development is robust. And in the midst of the current global financial turmoil, we continue to show resilience. We are confident of reaching between 5.7 percent to 6.4 percent growth this year. Complemented by an enormous market, stable exchange rate, and peaceful regional situation, ASEAN remains an attractive place for business and investment.

This performance calls for adjustments on the side of governments. The world has changed, and most governments are now expected to balance their regulatory and facilitative functions.

Society has also changed. People are now more conscious about their role as concerned stakeholders, who could individually make a difference in the interest of the common good. People are more knowledgeable, more responsive, more demanding, and more willing to participate in the conduct of governments—more than ever before.

As a result, governments are now under constant and close scrutiny, as today's world demands the observance of transparency, accountability, and open participation. Such is a *conditio sine qua non* for a meaningful collaboration between governments and all stakeholders. Such is also a condition that we, in ASEAN, have determined to promote further.

I should also emphasize that the demand for greater transparency and good governance, is in line with our efforts to deal with the changing international order. Because a government that is responsive to the demands of the people, is a government that is more capable to overcome today's challenges. Let us be frank, no nation in the world is immune from regional and global challenges. And with the support of its people, any government could stand strong in the face of those challenges. It would be even stronger by the support of other countries in its region.

The current global financial crisis has affected a number of countries, and has impacted global economic growth. As you may recall, the Asian financial crises in 1998 devastated the economies of most ASEAN members. Indonesia was the worst hit. Moreover, as our economy collapsed, so did our political system. And against this backdrop, calls for good governance can no longer be ignored.

The Asian financial crisis in 1998 emerged and was exacerbated by the lack of prudence in our way of governing. Widespread corruptions, escalation of debts, ineffective law enforcement, or poor public services, to name a few, were just several of our troubles. The slow and ineffective response from governments only made matters worse. As the rate of unemployment increased, the number of poor people multiplied. And this led to a horizontal conflict as we witnessed in some parts of the region.

Indonesia takes many lessons from that crisis. It has become the spirit and the drive for our reform and transformation. Such reform has made us more resilient in the wake of the current global challenges.

Excellencies, Ladies and Gentlemen,

Advancing good governance also has its economic dividend. Good governance ensures an effective and accountable policy making and policy implementation. It helps create conducive business environment, and provides substantial elements for

growth. And most importantly, it instills greater confidence among the people; confidence in the government, confidence in themselves, and confidence for the future.

ASEANSAI, and each supreme audit institutions in the region, are well placed to help us achieve our dream of a democratic, transparent, and viable community. The World Bank regards supreme audit institutions as one pillar of national integrity. And I cannot agree more.

As you are responsible for auditing government income and expenses, you are also responsible for the financial integrity and credibility of the government. It is then important to promote prudent financial management, and to put forward transparency in government operation and report. Good governance demands disclosure of any violation of accepted ethics. And this will act as deterrence against corruption, and the wasting of public funds.

Supreme audit institutions bear such heavy responsibility. The challenges are daunting, and precisely for this reason, Indonesia endorses the initiative to establish ASEANSAI. This noble proposal coincides with ASEAN's commitment, to promote good governance in the region. I have strong confidence that ASEANSAI will work together towards that end.

Excellencies, Ladies and gentlemen,

Your meeting today coincides with the 19th ASEAN Summit and Related Summits. I am pleased to say that ASEAN has achieved important breakthroughs this year. We have striven not only in achieving the targets set out by Indonesia's chairmanship, but also in consolidating the development of the three pillars of ASEAN Community: the political-security pillar, the economic pillar, and the social-culture pillar.

Let us add to that list of achievements, the establishment of the ASEAN Supreme Audit Institutions, or ASEANSAI. This occasion shall be remembered as another effort to ensure that ASEAN Community building is more inclusive: from the people, by the people, and for the people.

To conclude, let me once again commend all of you, for your efforts in establishing the ASEANSAI. I wish you all the best in your deliberations.

Thank you.

Wassalamu'alaikum warahmatullahi wabarakatuh,

Om Santhi, Santhi, Santhi Om.

Nusa Dua Bali, 16 November 2011

PRESIDEN REPUBLIK INDONESIA,

DR. H. SUSILO BAMBANG YUDHOYONO