



**ADDRESS BY THE SPEAKER OF THE HOUSE OF
REPRESENTATIVES OF THE REPUBLIC OF INDONESIA
AT THE EXTRAORDINARY PLENARY SESSION
SUBMISSION OF THE DRAFT LAW ON THE STATE
BUDGET FOR 2010 AND
THE APPERTAINING FINANCIAL NOTE**

MONDAY, AUGUST 3, 2009



**DEWAN PERWAKILAN RAKYAT
REPUBLIK INDONESIA**

**ADDRESS BY THE SPEAKER OF THE HOUSE OF
REPRESENTATIVES OF THE REPUBLIC OF INDONESIA
AT THE EXTRAORDINARY PLENARY SESSION
SUBMISSION OF THE DRAFT LAW ON THE STATE BUDGET
FOR 2010 AND THE APPERTAINING FINANCIAL NOTE**

MONDAY, AUGUST 3, 2009

Assalamu'alaikum Warahmatullahi Wabarakatuh,
Peace and Prosperity to all of us,

- ☐ The honorable President of the Republic of Indonesia,
- ☐ The honorable Vice President of the Republic of Indonesia,
- ☐ The honorable Deputy Speakers and Members of the House of Representatives,
- ☐ The honorable Leadership and Members of State Institutions,
- ☐ The honorable Ministers of the United Indonesia Cabinet, the Commander-In-Chief of the Indonesian National Army, the Chief of the Police of the State of the Republic of Indonesia, and the Attorney General of the Republic of Indonesia;
- ☐ Your Excellencies, Ambassadors of Friendly Countries,
- ☐ Honorable Governors, Invitees;
- ☐ Distinguished Ladies and Gentlemen.

The honorable Sitting of the House,

Allow me, first of all, to start the Extraordinary Plenary Session of the House today by inviting all of us here to thank and praise Allah SWT for His blessings and wise guidance, allowing us to gather in this plenary hall to attend the Extraordinary Plenary Session of the House of Representatives during the IVth Recess Period in the 2008-2009 Session Year. The Agenda of this Extraordinary Plenary Session of the House today is the Delivery of the Statement of the President concerning the Draft Law on the State Budget for the Budget Year 2010.

According to the records of the Secretariat General of the House of Representatives of the Republic of Indonesia, the attendance list was signed at the beginning of the House's Plenary Session today by ... out of a total of 548 Members of the House, and it is attended by all factions of the House.

By saying "*Bismillaahirrohmaanirrohiim*", please allow me, as the Chairman of the Extraordinary Plenary Session of the House of Representatives of the Republic of Indonesia in the IVth Recess Period of Session Year 2008-2009, today, Monday, August 3, 2003, and to declare it open to the public.

Honorable Sitting of the House,

In accordance with the Results of the Consultation Meetings between the Leadership of the House of Representatives of the Republic of Indonesia and the Leadership of Factions (substituting

the Consultative Body Meeting) on July 15, 2009, the agenda of the Extraordinary Plenary Session of the House this morning is as follows:

1. ***Introduction/Statement by the Government on the Draft Law on the State Budget for Fiscal Year 2010 with the appertaining Financial Note;***
2. ***Level II Discussion/Decision Making on the Draft Law Concerning the Structure and Position of the People's Consultative Assembly (MPR), the House of Representatives (DPR), the Regional Representatives' Council (DPD), and the Regional House of Representatives (DPRD)***
3. ***Level II Discussion/Decision Making concerning the Draft Law on the Amendment of Law Number 41 Year 2008 Concerning the State Budget for Fiscal Year 2009;***

Before starting the agenda of this session, I need to inform you that the Speaker of the House of Representatives of the Republic of Indonesia has received 6 (six) letters, namely, ***First***, a letter from the President of the Republic of Indonesia Number: R-12/Pres/6/2009 dated June 23, 2009, regarding the Draft Law Concerning the Accountability Report for the Implementation of the State Budget for FY 2008; ***Second***, letter from the Chairman of the Regional Representatives' Council of the Republic of Indonesia Number: H.M.310/199/DPD/VII/ 2009 dated July 7, 2009 Regarding the

Submission of the Decision of the Regional Representatives' Council of the Republic of Indonesia concerning the Result of Oversight by the Regional Representatives' Council of the Republic of Indonesia; **Third**, letter from the President of the Republic of Indonesia Number: R-37/Pres/07/2009 dated July 22, 2009 regarding the Draft Law on the Transfer of Funds; **Fourth**, letter from the President of the Republic of Indonesia Number: R-38/Pres/07/2009 dated July 23, 2009, regarding the Request for the Consideration of LBBP Ambassadors of Friendly Countries to the Republic of Indonesia; **Fifth**, letter of the President of the Republic of Indonesia Number: R-39/Pres/07/2009 dated July 23, 2009, regarding the Request for the Consideration of LBBP Ambassadors of the Republic of Indonesia to friendly countries, totaling 22 persons; and **Sixth**, letter of the President of the Republic of Indonesia Number R-41/Pres/7/2009 Regarding: 1. Draft Law on the Stipulation of Government Regulation In Lieu of Law Number 2 Year 2009 concerning the Amendment of Law Number 13 Year 2008 on the Organization of Hajj Pilgrimage to be enacted as Law; 2. Draft Law concerning the Stipulation of Government Regulation In Lieu of Law Number 3 Year 2009 on the Amendment of Law Number 9 Year 1992 concerning Immigration to Be Enacted as Law. **All of the aforementioned letters will be followed up in compliance with the House's mechanism.**

Honorable Sitting of the House,

The House of Representatives of the Republic of Indonesia is currently in the IVth Recess Period of Session Year 2008—2009. However, with due observance of Law Number 17 Year 2003 concerning State Finance, and considering that the term of office of the House of Representatives of the Republic of Indonesia for the period 2004—2009 is expiring as of September 30, 2009, the House of Representatives of the Republic of Indonesia has decided to hold an Extraordinary Plenary Session today, to consider the agenda of the Submission of the Draft Law on the State Budget for Fiscal Year 2010 with the appertaining Financial Note by the President of the Republic of Indonesia. The Budget Committee has proposed to the Leadership of the House of Representatives of the Republic of Indonesia to move forward the date for the submission of the Introduction of the Draft Law concerning the State Budget for Fiscal Year 2010 by the President today, instead of the initially planned date of August 14, 2009.

At the same time, the State Address by the President of the Republic of Indonesia on the occasion of the Commemoration of the 64th Anniversary of the Proclamation of Independence will still be delivered on August 14, 2009 at the Opening of the 1st Session Period of the House of Representatives of the Republic of Indonesia for Session Year 2009—2010.

Before the President delivers the Government's Statement on the Draft Law concerning the State Budget for Fiscal Year 2010

and the appertaining Financial Note, please allow me, as the Speaker of the House of Representatives of the Republic of Indonesia, to make a brief remark on several issues related to some recent developments, related to security, politics as well as to budget politics, which need to be considered carefully before starting discussions on this Draft Law concerning the State Budget.

Honorable Sitting of the House,

As we know, on the morning of July 17, 2009 there were two bomb explosions in Jakarta, namely at the J.W. Marriott Hotel and the Ritz Carlton Hotel respectively, in the Mega Kuningan area. As a result of such bomb terror, 9 (nine) died, including some foreign citizens, and more than 50 people were injured. The House of Representatives, the Government, and the entire Indonesian society, strongly condemn this act of terror. This incident has damaged the democratic process which has been in progress, as well as the serious development process which has been under way.

The bomb terror in Mega Kuningan and the terror caused by several acts of armed violence recently have shaken Indonesia's image as a peaceful, safe, democratic country with diversity and plurality, supported by conducive economic growth. Therefore, we, as the Indonesian nation, should unite our efforts in enhancing vigilance against terrorism and groups acting in an irresponsible manner.

The Indonesian nation remains strong in its resolve to uphold democracy, despite these uncivilized acts. We are asking the Police of the Republic of Indonesia to take quick and professional action for the prompt capture of the perpetrators. We will not, and cannot be possibly defeated by actions of terrorism in any form whatsoever. There is a great need for help from our entire community in safeguarding and preventing actions of terror.

Bearing in mind the above, and in response to the results of the legislative as well as the presidential elections which are still raising certain concerns, I think we all agree that, in accordance with the mandate under our Constitution, we should submit all issues and disputes related to the results of the above mentioned two elections to the competent institution, as a manifestation of the supremacy of law.

Honorable Sitting of the House,

As part of the cycle of the process for discussing the State Budget, in the IVth Session Period 2008—2009, the House, or more specifically the Budget Committee and the Government, held qualitative Preliminary Discussions, and agreed on the figures of the basic assumptions in the Draft State Budget, namely the economic growth rate ranging between 5,0% - 6,0%; inflation 4,0 - 6,0%; the rupiah exchange rate against the U.S. dollar ranging between Rp.9,500 - Rp.10,500; Bank Indonesia Certificate for three months

with the interest rate of 6,0 - 7,5%; oil price US\$50.00—70.00 /barrel; and the lifting of 0.960 million barrels/day.

The House of Representatives and the Government have also agreed that the development theme of the Government's Work Plan for 2010 will be Recovering the National Economy and Maintaining the People's Welfare, stipulating several development priorities, including, among other things, the following: maintaining the people's welfare; enhancing the quality of Indonesian human resources; consolidating bureaucratic and legal reform, consolidating democracy and national security, recovering the economy supported by the development of agriculture, infrastructure and energy; enhancing the quality of Natural Resources management..

In connection with budget planning, there are certain matters which require special attention, including the extent to which the budget is useful for the enhancement of the people's welfare. In my view, this is a highly important matter, since the principal task of the state is to promote the people's welfare, hence both the Government as well as the House of Representatives have the responsibility to ensure that it is materialized. Therefore, in the context of budget accountability, we are not simply enquiring whether or not the available funds can be accounted for, whether or not the physical targets have been achieved, but equally important is to question the extent of benefit enjoyed by the people from the stipulated development programs and projects. This can only be achieved by

constantly referring to the cost and benefit analysis in budget planning, considering the enhancement of the people's welfare as the only measurement of the successful implementation of such development projects.

Honorable Sitting of the House,

Let us now start with the main agenda of the Extraordinary Plenary Session of the House today, which is *"Introduction/Statement of the Government on the Draft Law concerning the State Budget for Fiscal Year 2010 with the Appertaining Financial Note"*.

Mr. President, may we now invite you to take the floor.

<p>INTRODUCTION/EXPLANATION BY THE GOVERNMENT ON THE DRAFT LAW CONCERNING THE STATE BUDGET FOR FY 2010 AND FINANCIAL NOTE</p>
--

Honorable Sitting of the House,

Thus, we have heard the Introduction/Statement of the Government on the Draft Law concerning the State Budget for Fiscal Year 2010 with the Appertaining Financial Note conveyed by the President.

The House would like to express its highest appreciation to the President for delivering the Introduction/Statement of the Government

on the Draft Law concerning the State Budget for Fiscal Year 2010 with the Appertaining Financial Note.

Honorable Sitting of the House,

This concludes the first agenda of the Extraordinary Plenary Session of the House of Representatives of the Republic of Indonesia today. We would like to thank all for your attention, enabling the orderly and unhindered proceedings of this Extraordinary Plenary Session of the House.

Furthermore, we would like to inform you that the second and third agenda will be conducted later in the day, starting at 13:00 hours West Indonesia Time, at Nusantara Building II Plenary, 3rd Floor.

With the sitting's permission, I would now like to adjourn the Extraordinary Plenary Session of the House, to be continued at 13:00 hours West Indonesia Time.

Assalamu'alaikum Warahmatullahi Wabarakatuh,

SITTING ADJOURNED
GAVEL POUNDED 1X