



Annual Report 2005

Jakarta Centre for Law Enforcement Cooperation

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JCLEC Staff

Training Centre, Semarang

- Executive Director: Brigadier General Adjie Rustam Ramdja (INP)
- Executive Director Programs: Federal Agent Lester Cross (AFP)
- Director Administration: Senior Superintendent Dadang Rusli (INP)
- Administration: Superintendent Andre Resep (INP)
- Financial Investigation Training: Federal Agent Glenn Buscombe (AFP)
- Intelligence Training: Inspector Derek Ward (UK Special Branch)
- Security Officer: Federal Agent Lawrence Tucker-Gardner (AFP)
- Investigation Training: Ass. Superintendent Hermansayh (INP)
- Intelligence Training: Ass. Superintendent Tejo Wibowo (INP)

Secretariat, Jakarta

- Executive Director: Senior Superintendent Boy Salamuddin (INP)
- Executive Manager: Federal Agent Jason Pourpoures (AFP)
- Policy Officer: Ms Muji Novrita (Civilian)
- Policy Officer: Vacant (INP)

JCLEC Contact Details

Secretariat, Jakarta

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JCLEC Senior Executive



Brigadier General Paulus Purwoko (INP)
Executive Director JCLEC



Federal Agent Lester Cross (AFP)
Executive Director of Programs



Senior Superintendent Boy Salamuddin (INP)
Executive Director JCLEC Secretariat



Federal Agent Jason Pourpoures (AFP)
Executive Manager JCLEC Secretariat

JCLEC Management Structure

Foundation Board of Patrons

| | | |
|-------------------------|---|---------------------------------------|
| Presiding Patron | : | Kapoli Da'i Bachtiar (INP) |
| Patrons | : | Commissioner Mick Keelty (AFP) |
| | : | Inspector General Tjuk Sugiarso (INP) |
| | : | Inspector General E Winarto (INP) |
| | : | Federal Agent Ben McDevitt (AFP) |

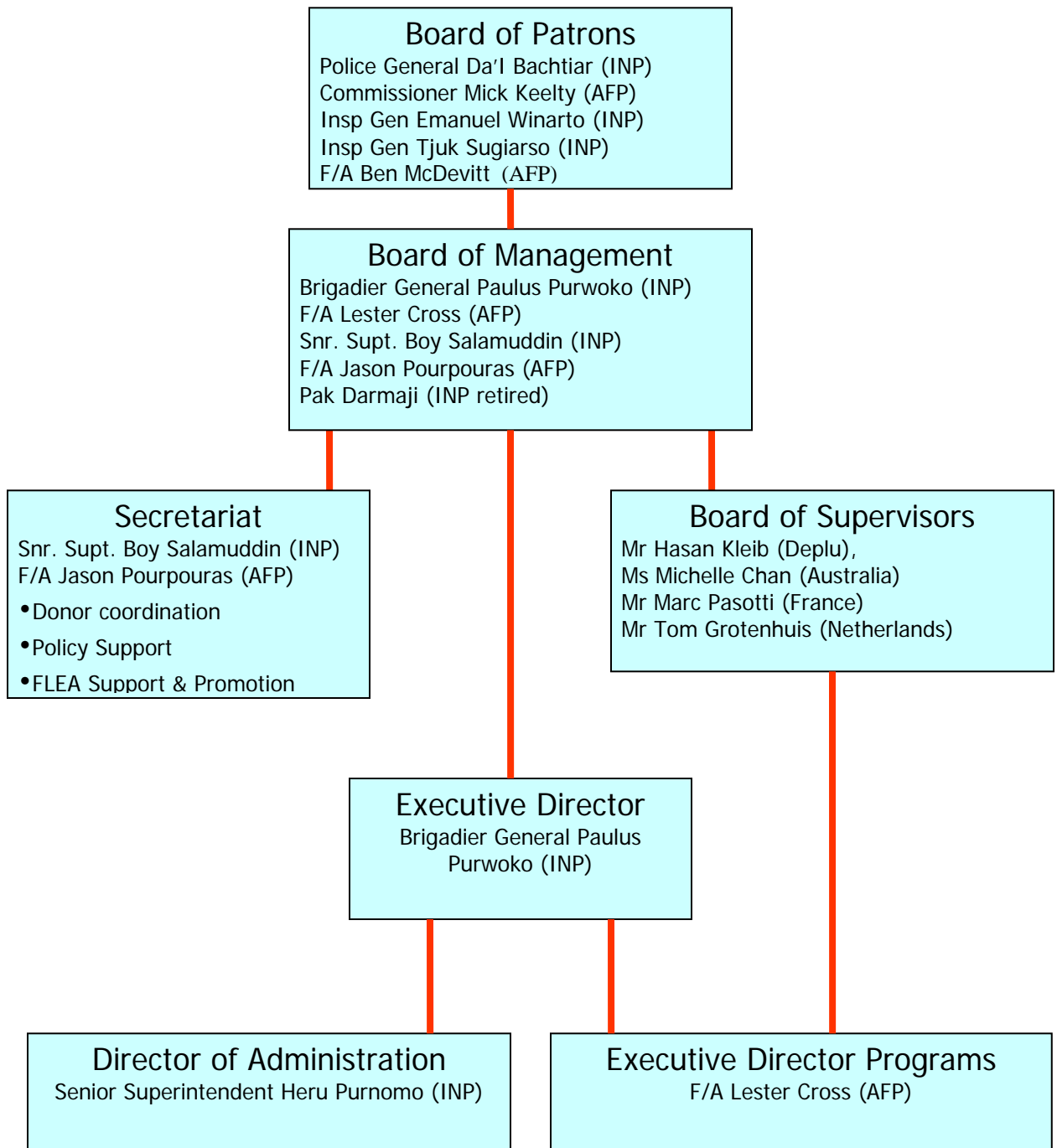
Foundation Board of Management

| | | |
|--------------------------|---|--|
| Chairman | : | Brigadier General Paulus Purwoko (INP) |
| General Secretary | : | Federal Agent Lester Cross (AFP) |
| Secretary | : | Senior Superintendent Boy Salamuddin (INP) |
| General Treasurer | : | Federal Agent Jason Pourpouras (AFP) |
| Treasurer | : | Darmaji (INP Retired) |

Foundation Board of Supervisors

- Mr Hasan Kleib (Indonesian Ministry of Foreign Affairs)
- Mr Marc Pasotti (French Embassy, Jakarta)
- Ms Michelle Chan (Australian Embassy, Jakarta)
- Mr Ton Grotenhuis (Netherlands)

JCLEC Organisational Structure



Glossary

| | |
|---------|--|
| AFP | - Australian Federal Police |
| ALG | - Asian Law Group |
| ASEAN | - Association of South East Asian Nations |
| AUD | - Australian Dollar |
| AusAID | - Australian Agency for International Development |
| AUSTRAC | - Australian Transactions Reports and Analysis Centre |
| ASIO | - Australian Security Intelligence Organisation |
| BoM | - Board of Management |
| BoP | - Board of Patrons |
| BoS | - Board of Supervisors |
| CBRN | - Chemical Biological Radiological and Nuclear |
| CT | - Counter Terrorism |
| ICITAP | - International Criminal Investigative Training Assistance Program |
| IDR | - Indonesian Rupiah |
| ILEA | - International Law Enforcement Academy |
| IMOSC | - International Management of Serious Crime |
| INP | - Indonesian National Police |
| IT | - Information Technology |
| JCLEC | - Jakarta Centre for Law Enforcement Cooperation |

| | |
|---------|--|
| LEWG | - Law Enforcement Working Group |
| LIWG | - Legal Issues Working Group |
| SEARCCT | - South East Asian Regional Centre for Counter Terrorism |
| TNCC | - Trans-National Crime Centre |
| USAID | - United States Agency for International Development |
| VIP | - Very Important Person |

Background



The Jakarta Centre for Law Enforcement Cooperation (the Centre) is located within the Indonesian National Police Academy in Semarang, Central Java, and provides a range of training and capacity building programs to enhance the operational expertise of regional law enforcement personnel for dealing with all forms of transnational crime, including terrorism.

In 2004, the Australian Government committed AUD \$36.8 million over five years to support the Indonesian National Police with the development and operation of the Centre. This reflects the shared priority given to bilateral and regional cooperation on a variety of contemporary security issues in South East Asia.

The Centre was officially opened by the President of the Republic of Indonesia, Her Excellency Ibu Hj. Megawati Soekarnoputri on 3 July 2004. The Centre became fully operational in August 2005 with all training and specialist classrooms, administration area, lecture theatre, conference facility and staff canteen completed. The Centre was established in response to emerging security concerns in South East Asia and beyond that could potentially undermine the progress of national development strategies.

Although the Centre was initially established as a bilateral initiative, the Governments of Indonesia and Australia continue to welcome participation by regional countries and from the wider international community. International law enforcement support for the Centre's goals of promoting 'learning and understanding through shared experience' in the fight against terrorism and transnational crime is encouraged and welcomed.

The Netherlands Government contribution of €5.2 million (approx. IDR 60 billion) to build instructor and student accommodation at JCLEC has been most welcomed and will add a new living and learning dimension to the Centre when completed in December 2006. The funding, identification and recruitment of key international personnel is now required to support the AFP's fly in / out trainers. The establishment of a small cadre of international trainers based at the centre working together with Indonesian and Australian police trainers to develop and deliver specialist training programs on demand, dealing with investigations management, criminal intelligence, financial investigations, anti corruption, leadership and management and forensics curricula will further strengthen the centre's capacity building objectives for Indonesia and the Region.

The Centre is accessible to our regional ASEAN neighbors and to the wider international community. Donor aid to the facility has greatly augmented the capacity of foreign governments and law enforcement personnel to deliver on complex security objectives in South East Asia. Donor aid has ensured the Centre's long-term viability which promotes the values of learning and understanding through shared experience, to combat domestic and international terrorism and transnational crime.

The Security Environment

The domestic and international security environment has been reshaped since the terrorist attacks in the United States on 11 September 2001, Bali on 12 October 2002, Jakarta - JW Marriott Hotel on 5 August 2003, the Australian Embassy on 9 September 2004, London on 7 July 2005 and the Bali 2 bombings of 1 October 2005. Terrorism destroys lives and property, exacerbates instability and can have significant political, economic and social consequences. The threat of domestic and international terrorism results in diminished public confidence, reduces investment and disrupts services, which suppress political development and economic growth and exacerbates developmental problems.

Terrorism also undermines the security of nations and individuals, making vulnerable those who are least able to provide for their own security. Terrorist

networks operating in South East Asia threaten economic growth prospects and aggravate existing communal tensions.

Terrorist and criminal networks seek to exploit weaknesses in governance. Building effective institutions and capacities, particularly in relation to regulatory and legal systems including law enforcement, therefore forms a critical part of national and international efforts to counter terrorism and other trans-national crimes.

Strategic Vision

To develop JCLEC as a centre of excellence for regional law enforcement training by working in co-operation and partnership with other regional and international law enforcement education centres and organisations.

Goal

To enhance the training and preparedness of Indonesia's law enforcement and criminal justice areas together with their regional partner agencies via shared experiences to improve cooperation in the investigation and management of multi jurisdictional investigations aimed at disrupting trans-national crime and terrorism in the ASEAN and Asia Pacific Region.

This goal is being achieved by:

- strengthening law enforcement response capacity, to deter and deal with terrorism and other trans-national crimes;
- strengthening established and developing investigative management capability;
- contributing to the development of wider criminal intelligence skills and a capacity to share and exchange criminal intelligence, and manage the process;
- enhancing forensic capability and its management;
- strengthening existing and developing new domestic and international law enforcement partnerships and networks;
- harnessing science and technology; and
- influencing the legislative and policy environment.

Mission

To enable Indonesia and its regional law enforcement partners to share learning experiences and enhance bilateral and multilateral cooperation between countries in the management, intelligence sharing and investigation of multi jurisdictional

investigations aimed at disrupting trans-national crime and terrorism in their own countries and the region.

Role

The Centre provides an international education and training facility for law enforcement and criminal justice personnel in Indonesia and its regional law enforcement partners supported by a Secretariat in Jakarta. The training streams cover the management of complex multi-jurisdictional investigations into trans-national crimes, with an initial focus on combating terrorism. Assistance is being sought from the region and wider international community in designing, developing and delivering the Centre's specialised law enforcement education and training programs. Australia, Indonesia and the United Kingdom have trainers attached to the Centre. Countries including the Netherlands, Canada and New Zealand have indicated they are likely to attach trainers to the Centre in 2006. Other countries with expertise in relevant areas will be encouraged to attach specialist trainers to the core streams.

The Centre will draw upon a wide range of available regional and international resources and experience to strengthen regional cooperation through the sharing of knowledge and skills in combating terrorism and other trans-national crimes.

Function

The Centre has a capacity-building and operational support mandate to foster cooperation and encourage increased liaison and communication amongst regional law enforcement partners. Expertise and knowledge sharing is based on:

- professional law enforcement education for operational managers;
- exchange of information and intelligence;
- international law enforcement education standards; and
- supremacy of the law.

Key Achievements in the Centre's Development

Since the opening of the Centre on 3 July 2004 the following is a summary of key achievements

- Commenced the refurbishment of three existing unused buildings donated by INP in April 2004 and completed in April 2005;

- Official opening of JCLEC site by then-President of the Republic of Indonesia Megawati Sukarnoputri on 3 July 2004;
- Hosted a Region Heads of Counter-Terrorism Conference and Post Blast Investigation Course in July 2004 to coincide with the opening of the Centre;
- 1st JCLEC Course at Centre – International Management of Serious Crime 28 Nov – 17 Dec 2004;
- Work on signature Auditorium Building commenced in February 2005 and was completed in September 2005;
- Full range of JCLEC Courses commenced at the Centre with the completion of refurbished buildings on 11 April 2005; and
- A total of 883 students and 96 lecturers from 36 countries participated in 32 training programmes / seminars and workshops developed and delivered through JCLEC whilst the Centre continued to be constructed during 2005.

Significant Official VIP Visits to JCLEC During 2005

- 26 April 2005

The Netherlands Special Ambassador on Counter-Terrorism (CT) Ronald Mollinger together with Australian CT Ambassador Les Luck, AFP National CT Manager Ben McDevitt attended JCLEC with Police Governor Bashiar and JCLEC staff for the unveiling of a plaque to commence the construction of the €5.282 million residential accommodation project for instructors and participants.

- 13 May 2005

The President of the Republic of Indonesia, Susilo Bambang Yudhoyono visited JCLEC, Semarang and launched the Centre's website www.jclec.com.

- 19 August 2005

Visit by the Polish Ambassador, to Jakarta H.E. Tomasz Lukaszuk to discuss capacity building options for Indonesia through JCLEC;

- 15 September 2005

Mr. Wade Oldfield from the Royal Canadian Mounted Police attended the AKPOL Police Academy and was provided with an overview of the JCLEC education training facility. Mr Oldfield expressed the RCMP's support for JCLEC and advised that the RCMP were working towards the attachment of one of their instructors to JCLEC in 2006 together with support via various training initiatives being delivered in Indonesia and the ASEAN region;

- 13 - 14 September 2005

Dato Sri Musa bin Jassan from the Royal Malaysia Police Force accompanied by other senior police officers from Malaysia, Singapore and Australia attended the Centre and took part in panel discussions with participants completing the International Management of Serious Crime Course. The course was successfully attended by 18 participants from Indonesia and neighbouring ASEAN countries including Australia.

- 28 October 2005

Swedish Ambassadors Cecilia Ruthstrom-Ruin and Marie Sjolander, together with Senior Advisor Thom Thavenius from the Ministry of Foreign Affairs, Stockholm visited JCLEC. They were accompanied by Mr Ulf Samuelsson from the Embassy of Sweden, Jakarta. During the visit Ms Ruthstrom-Ruin confirmed that Sweden would contribute financial support to JCLEC for training and provide experts to assist with the delivery of specialist training courses during 2006.

- 9 November 2005

The Executive Director of the International Law Enforcement Academy, Thailand, Major General Krissak Wicharaya and the Programme Director David Lytall attended the Jakarta Centre for Law Enforcement Cooperation. They were provided with an overview of the specially designed multi purpose Counter Terrorism training area (The Platina) and the JCLEC training facilities and expressed their support for cooperation between the centre's.

- 16 November 2005

A small Delegation of German Officials led by Ambassador Dr. Georg Witschel, Mr. Michael Ratsal and Mr. Herbert Nilson attended JCLEC. Discussions concentrated on the provision of bi-lateral German funding and support to assist JCLEC with the establishment of a research library, the delivery of specialist training courses and the provision of expert trainers where possible in 2006 and beyond.

- 23 November 2005:

A number of officials from the Netherlands visited AKPOL and JCLEC. The delegation was headed by Mr Schoof, Director General of the Department of Safety & Security of the Ministry of Interior, and he was accompanied by Mr Van Zunderd, Chief Constable of the National Police Agency, Mrs Stam, Executive Board President of the Netherlands Police Academy, Mrs Haarten, Liaison Officer for the Netherlands in S.E.A Bangkok, Mr Woudsma, Coordinator International Relations National Police Agency and Mr Van Wijngaarden from the Netherlands Embassy,

Jakarta. The delegation discussed the success of continued cooperation between the Netherlands and JCLEC on current projects and future training programs.

- 26 November 2005

23 participants from the Joint ASEAN Senior Police Officers Course visited AKPOL and were welcomed by the Governor of the Police Academy Police Inspector General Primanto and the Executive Director of JCLEC Police Brigadier General Purwoko. The Course is hosted in turn each year by an ASEAN country and as part of the regular program, it includes a study tour to see things considered 'special' being undertaken by policing agencies of the host country. The senior visiting officers were shown a live demonstration of the Platina followed by a tour of the JCLEC facilities. The attending officers were from 10 ASEAN countries including Indonesia, the Philippines, Thailand, Myanmar, Brunei Darussalam, Laos, Cambodia, Malaysia, Singapore, and Vietnam.

- 8 December 2005

The Australian Foreign Minister Alexander Downer visited JCLEC and lunched with the executive team then delivered a speech to participants attending the Islamic Law and Politics and Counter Terrorism Law courses. His speech was followed by a tour of the facilities and an official tree planting ceremony.

- 12 December 2005

Visit by the Chief of INP, Police General Drs. Sutanto, to open the Law Enforcement Working Group Workshop. During the visit he announced promotion of the Director of JCLEC Brigadier General Paulus Purwoko to Inspector General and advised his successor was to be newly promoted Brigadier General Adjie Rustam Ramdja.

Overview of JCLEC Facilities



Semarang is the provincial capital of Central Java with a land size of 373.7 square kilometres, and located on the north coast of the Java Sea approximately 45 minutes by air from Jakarta. It is a busy trading city with a port and population of just over 1.3 million people. Semarang has an international airport which operates between 6.00am to 6.30pm with direct flights to Jakarta daily and to Singapore four days per week.

The Centre's design incorporates four air conditioned training and administration buildings with a total of 3000 square metres of floor space. All classroom and training facilities meet international standards in terms of their design, size and configuration enabling the Centre to support the various training and research projects being considered.

The Centre's open-plan two storey design provides staff and participants with a number of unique learning environment options outside the actual classrooms. In terms of technology, the Centre features the latest computer and fibre optic cabling throughout all areas. The Centre is fitted out with quality furnishings, computers and other intelligent teaching aids, including video DVD recording. The two larger classrooms utilise audio and video projection and audio recording facilities and the other ten syndicate classrooms are fully cabled for audio / video / data to provide a range of IT options for use by staff and participants.

With the current audio / video installations throughout the centre the training staff have the ability to observe and listen to activities occurring in each of the

classrooms, syndicate rooms and theatre via there desktop computers. The centre has also established a dedicated computer training room for use by up to twenty (20) students.



Computer Training Room

All four buildings feature break-out areas for participants where they can access the internet to undertake individual or team-based learning studies. The Centre is in the process of developing a reference library with donor funding from Sweden and Germany for research studies to be undertaken by staff, participants and visiting academics.



Auditorium Building and Executive Offices



Theatre

The auditorium building features a tiered 75-seat theatre with audio visual system for large regional and international presentations and key note addresses.



Conference Facility

Beneath the theatre is a large multi purpose room which is used for conferences of up to 100 people. The room contains an over head projection system and flat screen monitors strategically placed around the walls to allow all participants to observe presentations.



Cafeteria

The Centre operates a first class commercial kitchen supporting a modern café serving Asian and International meals to staff and participants. The kitchen also caters for the Centre's outdoor exercises and provides participants with specially prepared lunch packs and dietary needs. The centre has the capacity to host and cater large indoor and outdoor dining functions.

The complex is located in the centre of the 120 hectare grounds that make up the Indonesian National Police Academy. The Centre is protected by state of the art perimeter and internal security systems. These include electric fences; individual access control smart cards incorporating photo ID; closed circuit television; and public address, intercom, and fire alarm systems. In addition the Centre has its own water purification plant and power sub-station with generator back up to maintain security and safeguard against power blackouts.

Training

The Centre is involved in the design, development and delivery of seven streams of international law enforcement education and training programs. Participants will be law enforcement and criminal justice practitioners including operational managers, middle-level and senior-level managers, and practitioners in specialised technical and legal areas. The Centre's programs are aimed at achieving high international standards of training and technical content. Programs being delivered at the Centre enhance operational and investigative management skills. The Centre brings together police, prosecutors and judges in an environment where the participants are able to share their experiences, and discuss ways to tackle

transnational crimes including terrorism. The programs are based on sound law enforcement education, understanding, shared experience and multi-jurisdictional cooperation.

The current education training streams include:

- Investigations and Management of Serious Crime;
- Criminal intelligence;
- Forensics;
- Financial Investigations;
- Anti Corruption;
- Communications; and
- Research (Policy & Legislation).

These training streams provide opportunities for foreign agencies to sponsor and participate in the development of JCLEC as a regional centre of excellence in training associated with trans-national crime including terrorism.

Training design and development is currently undertaken predominantly by the AFP but the Centre also possesses a permanent trainer from the United Kingdom's London Metropolitan Police to assist in the development and delivery of training courses. Training programs are based on the following principles:

- exchange of information and expertise;
- international law enforcement education standards;
- basic human rights;
- multi-jurisdictional experience and sharing;
- supremacy of the law; and
- where practicable, education and training should attract undergraduate and postgraduate learning credits for further law enforcement studies.

A variety of seminars and specialist workshops are also proposed and foreign donors are sought to assist with the development and delivery of these initiatives. The seminars and workshops will address specific transnational crime types such as:

- narcotics
- chemical, biological, radiological and nuclear (CBRN);
- maritime crime;
- people smuggling;
- sexual servitude; and
- cyber crime.

High performing INP graduates from courses will be identified and selected as future trainers at the Centre. This will build the capacity of local INP trainers to deliver programs for the long term sustainability of JCLEC. Adjustments will be made over time to ensure course delivery currently conducted in English and Bahasa Indonesia remains culturally and technically appropriate to the needs of participants and their source agencies.

The Centre has developing a positive reputation in the South East Asia Region, and it continues to attract support from foreign donor countries which will sustain training programmes in the long term. The Centre plans to develop and sustain linkages with law enforcement training centres, recognised universities or other tertiary education training institutions in Indonesia and the region to assist with the development and delivery of courses.

The Centre will seek curriculum advisors from ASEAN countries with existing counter-terrorism centres in an effort to avoid duplication of effort. Seeking advisors from established education centres in Malaysia and Thailand on curriculum issues will assist the Centre in identifying relevant training needs, ensure international curriculum design and delivery, and improve cooperation, communication and capacity building throughout the region.

Regional Cooperation

Regional cooperation is a fundamental aspect of the Centre, which recognises effective law enforcement requires extensive cooperation and coordination between law enforcement agencies. It reflects three key factors encountered in the planning stage of this Project:

- interest among Asia Pacific law enforcement agencies in developing professional training and education links to JCLEC;
- interest in accessing operational support assistance in response to terrorist threats or actual attacks as well as other trans-national crime types; and
- interest among a number of countries indicating willingness to contribute to the Centre's operations through the provision of human and financial resources and technical assistance.

This component includes the task of drawing upon regional and wider international law enforcement agency resources and experience to benefit all participants and local and regional law enforcement agencies. The Centre will facilitate the sharing of training programs and encourage cooperation among law enforcement agencies in combating terrorism and transnational crime, and is expected to be able to

provide operational assistance in the form of technical expertise and resources, if so requested.

The Centre has already developed professional linkages with other relevant regional bodies working in the areas of law enforcement and counter-terrorism including the South-East Asian Regional Centre for Counter Terrorism (SEARCCT) in Malaysia, and the International Law Enforcement Academy (ILEA) in Thailand. The Centre will further seek to develop relationships with Interpol and United Nations Office on Drugs and Crime. Exchange programs and other training delivery methods will be developed where appropriate. JCLEC programs will be based on agreements between the various law enforcement agencies and evaluated against the deliverables of those agreements.

Human Resources

Personnel from internationally-recognised law enforcement agencies with responsibility for a range of counter-terrorism and/or transnational crime issues have assisted on a part time and full time basis with training coordination, curriculum development, research projects, training delivery and conducting quality assurance reviews.

The adviser and trainer positions at the Centre involve high levels of curriculum design and development, face-to-face classroom delivery with the assistance of interpreters, designing and overseeing syndicate work, together with coaching and mentoring of participants.

During the reporting period, JCLEC had an intelligence training adviser from the Netherlands on a part time basis, in addition to an intelligence trainer from the United Kingdom on a full time basis.

International donors that have provided permanent or part time staff to any of the training streams at the Centre have fully funded their staff in terms of salary, allowances, travel and accommodation. Governments and organisations providing personnel including researchers, instructors and participants to the Centre, have been required to provide appropriate insurance cover for their personnel. The personal liability and indemnity cover is to include for all contingencies such as welfare and occupational health and safety issues, including sickness, injury or accidental death.

The Centre has ensured occupational health and safety working conditions for personnel are maintained to a high standard and will carry limited personal liability

coverage to reduce insurance premiums, similar to other universities and academic institutions in Indonesia. The Centre funds only travel required by staff in relation to direct business associated with the Centre.

Research Projects, Seminars and Workshops

The Centre also aims to provide an option to countries, agencies and centres with mandates or responsibility for transnational crime to utilise its facilities to undertake research projects and conduct specialised workshops which will:

- enhance knowledge and coordination of efforts on national, regional and international levels to improve the global response to terrorism and other trans-national crimes and reduce the threat to international security;
- contribute to the more effective development and implementation of policy and legislation relating to terrorism and other trans-national crimes; and/or
- encourage the sharing of expertise between regional law enforcement personnel of various nations including Indonesia, Australia and other nations.

Jakarta Centre for Law Enforcement Cooperation Foundation (JCLECF)

The JCLEC Foundation was approved by the Ministry of Justice, Republic of Indonesia, on 23 March 2005. The Foundation's goal is for Indonesian and international police to work together to develop the long-term sustainability of JCLEC as a Regional Training Centre. The Board of Patrons (BoP) is co-chaired by the INP and AFP Police Commissioners who have established a Board of Management (BoM) for the day to day management. The Centre's Executive Director Brigadier General Paulus Purwoko is supported by Federal Agent Lester Cross (AFP) Executive Director Programs; Senior Superintendent Dadang Rusli, Director Administrative and Logistic Support; and General Treasurer Federal Agent Jason Pourpouras (AFP). Representatives from the Indonesian and Australian Ministries of Foreign Affairs together with international representatives from the Netherlands and France make up the Board of Supervisors (BoS).

Regional Centre for Law Enforcement Training Excellence

Impacts and Outcomes

During the current life of the project 2005 – 2009 it is expected JCLEC will contribute to the disruption of transnational crime both in Indonesia and the Asia Pacific region through three outcomes. These will be measured by tracking various official sources including the crime statistics produced by both national and international law

enforcement agencies. Other sources of public domain information include various reports from the United Nations and other government and non-government regional agencies and institutions. The Executive will be responsible for the continued assessment of the Centre's outcomes and will formally report their findings in the annual reports to the Indonesian and Australian governments, and at the completion of five years.

Although it will be difficult to directly attribute reductions in crime to the work of this Centre, key stakeholders will be able to judge the Centre's contribution to such a change at national and regional levels on the basis of their knowledge of the changing environment and the reports of the Centre.

The immediate impact of the Centre after its completion in 2009 will be to have "strengthened national and regional expertise and cooperation on trans-national crime, including counter-terrorism". This is likely to be demonstrated by:

- new knowledge and skills acquired by middle-level and senior law enforcement officials in relation to trans-national crime, including the improved management of serious crime, forensic investigations, criminal intelligence and analysis, financial investigations, communications and research; and
- increased levels of cooperation among law enforcement agencies within the region to promote trans-national crime prevention and management, as demonstrated by the active application of bilateral agreements and memoranda of understanding, the incidence of multi-agency investigations and effective information exchange.

To measure the Centre's impact it is suggested that a wide variety of information sources be formally evaluated after the Project's completion. These sources might include information about perceived current skills and skill gaps in law enforcement agencies (compared with baseline data from training needs analyses), and feedback from law enforcement agencies about their changed knowledge and skill levels, together with perceptions from international law enforcement agencies about changes in national capacity levels.

Outcome 1

Capacity Building for Indonesian law enforcement and criminal justice agencies and their Regional Partners

The focus of this outcome has been on developing the investigative and forensic capabilities of law enforcement agencies in Indonesia, to successfully manage trans-national crime investigations, including terrorism with their regional partners.

This outcome is been achieved through the development and delivery of the following courses which have improved the investigative and forensic skills, inter agency communication, and the liaison and networking abilities of Indonesian law enforcement agencies and their regional partners in the investigation of trans-national crimes including terrorism:

Courses / Seminars / Workshops Conducted in 2004 /2005

Investigations Management Stream

- International Management of Serious Crime – two courses
- Major Investigations Management Workshop – one course
- Indictment in Criminal Prosecutions - two courses (Funded by AUSAID/ALG)
- Evidence Handling in Criminal Investigations – two courses (Funded by AUSAID/ALG)
- Human Trafficking – one course (French / JCLEC
- Certificate Course on Terrorist Organisations and Operations – one course (Funded by the Danish Government)
- Electronic Surveillance – one course
- Evidence Search and Seizure – one course
- Counter Terrorism Law – one course (Funded by AUSAID/ALG)
- Examination of Witnesses – one course (Funded by AUSAID/ALG)

Intelligence Stream

- Intelligence Principles and Practices Program – four courses (1 course Funded by the Danish Government)
- Intelligence Officers Development Program – one course

Forensics Stream

- Post Blast Incident Management – two courses (1 course funded by the Danish Government)
- Disaster Victim Identification – one course (Funded by the Indonesian Dept Health / JCLEC)
- Arson Investigation Course (Funded by ICITAP)

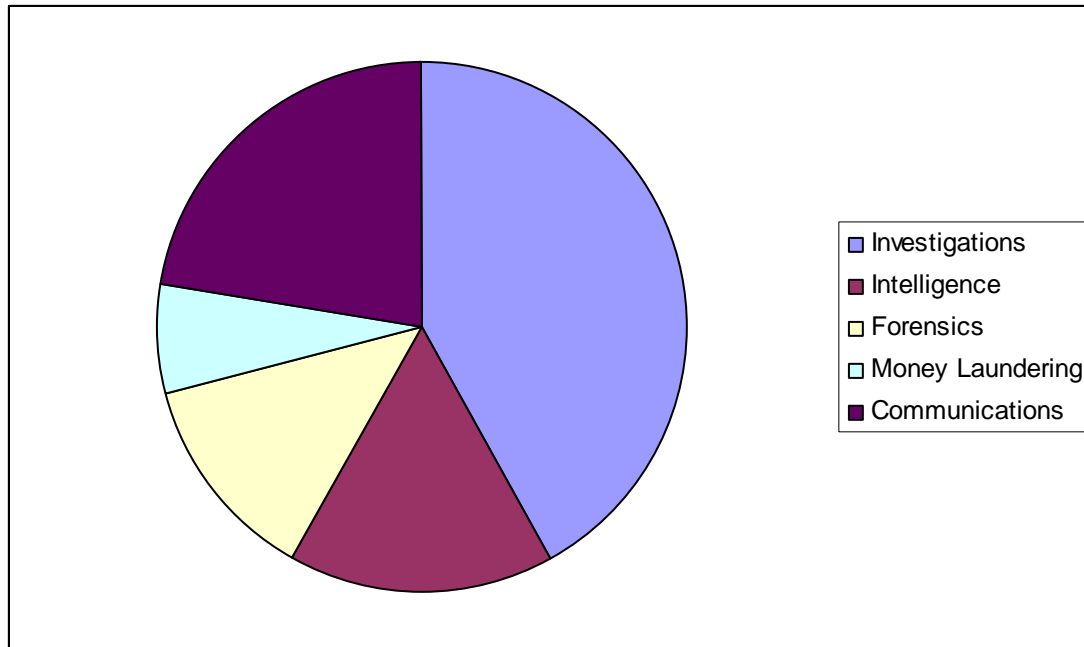
Financial Crime Investigations Stream

- Anti-money Laundering – one course (Funded by USAID)
- Financial Intelligence Analysis and Reporting – (Funded by AUSTRAC)

Communications Stream

- Islamic Law and Politics Course – two courses (1 course funded by the Danish Government & 1 courses funded by Australian Attorney Generals Department/JCLEC)
- Security Risk Management Course – one course (Funded by Australian Attorney Generals Department)
- Meeting of Heads of Counter Terrorism – one meeting
- Meeting of Regional Law Enforcement Representatives – one meeting
- Law Enforcement Working Group Workshop – one workshop

- Law Enforcement and Legal Issues Working Groups – Regional CT Training – one workshop
- Train the Trainers – two courses



Breakdown of Training Outcomes against Current Training Streams 2004 – 2005.

Outcome 2

Improving Regional Co-operation

The Centre's website www.jclec.com has been developed and is being used to improve regional cooperation by hosting a range of informative articles and links for research purposes. The site also includes a restricted member's area where instructors and JCLEC alumni can exchange ideas on learning outcomes and maintain contact with each other individually or via their course alumni. The participants also have the ability to update their personal bio data and contact details, download course materials and check for upcoming events. The development of the JCLEC alumni database over time will also assist the Centre to develop its operational support mandate in support of Indonesia and its regional partners.



One of the aims achieved in creating the website has been to enhance regional cooperation in the fight against trans-national crime by allowing the JCLEC student alumni to remain in touch with each other, furthering the Centre's motto of "Learning and Understanding through Shared Experience".

Outcome 3

Significant Non-Australian Foreign Donations to JCLEC

The JCLEC bi-lateral initiative between the Governments of Indonesia and Australia has allowed the Republic of Indonesia to promote stronger strategic relationships with foreign governments who are willing to support law enforcement capacity building efforts in Indonesia using JCLEC. This support has been in the form of the donation of funds for specific projects, specialist training initiatives and the attachment of instructors to JCLEC.

In support of this outcome the following Foreign governments have committed to or are considering engagement and support for Indonesia through the development of sustainability of JCLEC:

- **Netherlands Government**

- Donation of €5.282 million (approx IDR 62 Billion) in funding for the building of secure accommodation for participants and instructors at JCLEC;
- Instructors villa accommodation will be completed by 28 February 2006;
- Participants accommodation building will be completed for occupation by December 2006 with a defect rectification period of 3 – 6 months (June 2007); and
- Donation of €5 million (approx IDR 60 Billion) for capacity building projects to be delivered through JCLEC by the Netherlands police and support personnel during 2006 – 2009.

- **Danish Government**

- Donation of USD\$500,000 (approx IDR 4.6 Billion) for training initiatives;
- USD\$202,393 (approx IDR 1.8 Billion) of Danish Government funds have sponsored the following courses;
- Post Blast Incident Management Program;
- Certificate Course on Terrorist Organisations and Management;
- Islamic Law and Politics Course; and
- Intelligence Principles and Practices Program.

- **United Kingdom**

- Placement of a full time trainer to JCLEC; and
- Use of training centre to deliver Elicitation and Surveillance Courses in 2006.

- **European Commission**

- Securing €207,000 (approx IDR 2.4 Billion) under the Rapid Reaction Mechanism (RRM) to be used for the following:
 - o The development of a Strategic Vision for European assistance to the Indonesia through JCLEC from 2006 – 2009 – funding of €5 million (approx IDR 6 billion) being considered;
 - o Develop and run a 3 week CT Investigations program;
 - o Develop and run a 3 week CT Financial Investigations course;
 - o Undertake a study tour of European Police Colleges and to brief the European Commission Delegates from member states in Brussels on the progress of JCLEC since the last briefing in October 2004;
- The RRM project commenced on 15 November 2005 and must be completed by 15 May 2006;

- The European Commission will send a team of assessors to JCLEC to judge the training facilities against regional training centre's located in Thailand, Singapore, Philippines and Malaysia in 2006. The outcome of this assessment process will determine which centre will be nominated by the European Union to ASEAN as the training delivery venue for €5 million of funding in 2006 – 2009 associated with Border Management and Document Security.
- **Sweden**
 - Donated USD\$125,000 (approx IDR 1.15 Billion) for training and the establishment of research library facilities.
- **France**
 - Provided instructors and joint funding for the running of Human Trafficking Course for Indonesia and Malaysia.
- **Italy**
 - Provided instructors and funding for a Coastal Surveillance Course in March 2006; and
 - Provided instructors and funding for an Anti-Money Laundering Course in April 2006.

Future Foreign Donor Interest in Supporting JCLEC

- **New Zealand**
 - Previously placed an officer in the JCLEC Secretariat in July 2004;
 - Advised they would like to place a trainer at JCLEC subject to funding in the financial year 2006;
 - Will provide specialist trainers to assist with short term course delivery; and
 - Will consider deploying another officer to the JCLEC Secretariat in 2006.
- **Canada**
 - The Royal Canadian Mounted Police (RCMP) have advised they would like to place a trainer at JCLEC subject to funding in the financial year 2006;
 - Will consider the running of some ASEAN regional training courses at JCLEC; and
 - Have offered to provide specialist trainers to assist with short term course delivery, particularly CBRN training.

- **Germany**
 - The German Federal Police (BKA) will provide €100,000 (approx IDR 1.18 billion) to JCLEC for assistance with the development of library research facilities; and
 - The German Technical Cooperation (GTZ), Security Sector Reform in Development Cooperation is considering using JCLEC as a venue for the delivery of rule of law and law enforcement capacity building courses during 2006 and beyond.

JCLEC Cooperation with related Organisations

South East Asia Regional Centre for Counter Terrorism (SEARCCT)

The centre is in the process of developing a relationship with SEARCCT and members of JCLEC management visited SEARCCT in Malaysia during 2005 to discuss issues associated with regional cooperation. Both centre's offered each other places on various courses / conferences during 2005, which were taken up. Liaison will continue during 2006 to strengthen regional cooperation between the two centres.

International Law Enforcement Academy (ILEA)

During 2005 members of JCLEC visited ILEA, Bangkok and met with their executive management team to discuss ways the centres can cooperate together. This was followed in November 2005 with members of ILEA management attending JCLEC to continue discussions on ways the centres can work together. One suggested outcome was the possible integration of parts of the JCLEC website with the ILEA website. This possibility will be explored during 2006.

Trans-National Crime Centre (TNCC)

The Transnational Crime Centre (TNCC), for which Australia has provided \$A4.7 million, in Jakarta will continue to provide a focal point within POLRI for prevention, identification and dismantling all forms of transnational crime, including terrorism.

JCLEC in partnership with the TNCC provided intelligence and computer training courses for POLRI officers attached to TNCC offices across the region. During 2006 JCLEC will conduct a wider variety of training for POLRI officers attached to the TNCC to assist them in dealing with a wider variety of trans-national crime types.

The Future

Areas for Foreign Government Donor Assistance

Development and Delivery of Training Programmes

The Centre continues to welcome support from foreign government donor agencies to assist in the development and delivery of training programs focused towards capacity building for law enforcement and criminal justice agencies in Indonesia and with their regional law enforcement partners. The training streams focus on improving Indonesia's regional security interests together with improving communication and information sharing on intelligence relating to terrorism and trans-national crime.

Foreign policing expertise in the following areas is required:

- offering assistance through the provision of Experts or Special Advisors to be based at JCLEC, Semarang to develop and deliver training streams;
- offering assistance through the provision of specialist training personnel to be based at JCLEC, Semarang to develop and deliver training programs;
- identifying and funding specific training programs including the translation of such programs into identified country languages;
- assisting with the provision of funding for foreign language translators/interpreters to be used during the delivery of training programs;
- expressing an interest through the Centre's Secretariat to fund the allocation of their own personnel and expertise to the Centre to assist with the development or presentation of one or more of the education training streams;
- offering assistance to fund the Centre's training programs; and
- identifying and funding research programs.

Regional Cooperation

The Centre's Secretariat welcomes:

- expressions of interest in current or emerging terrorism or trans-national crime programs agencies may wish to deliver to Indonesian law enforcement and criminal justice agencies together with Indonesia's regional partners through the Centre e.g. cyber terrorism, maritime terrorism, critical incident management, leadership, etc;

- specific funding for regional law enforcement and criminal justice conferences/workshops to be conducted at the centre; and
- non-specific funding to enable the Centre to provide a range of programs and research activities across various trans-national crime types including terrorism.

Where foreign government donor agencies believe the Centre could help their governments meet security interests and objectives in South East Asia, they should contact the Secretariat for further information on how they may assist the Centre's development and sustainability.

Expressions of interest from foreign government donor agencies should be provided in writing or emailed to the Secretariat at admin@jclec.com. The Secretariat will advise the BoM of such expressions which will be considered at their quarterly meetings or at an extraordinary meeting if required. The BoM may seek further information or a presentation regarding the expressions of interest by donor agencies. All donor agencies will be advised in writing of the decision of the BoM in response to their expressions of interest.

Assistance to Training Streams

The following table lists the current and proposed training streams delivered by the Centre. Expressions of interest are requested from international donors who may be able to assist through the provision of staff on a full time or part time basis for the delivery of programs within these training streams. Please submit written expressions of interest for assistance to the Centre or to the Secretariat or email the Secretariat at admin@jclec.com to allow the BoM to consider and respond to all offers of assistance.

| Training Streams | Areas for International Donors to Express an Interest in Assisting with Training at the Centre through the attachment of instructors to assist with the delivery of current courses and to develop and deliver further identified training courses. | | |
|----------------------------------|---|--------------|---|
| | Coordinator / Team Leader | INP Trainers | Team Leader / Member |
| Investigations Management | AFP Supported by fly in / out AFP trainers | INP | Vacant |
| Intelligence | AFP Supported by fly in / out AFP trainers | INP | United Kingdom Currently a 2 - 3 year attachment of one instructor |

| | | | |
|--|--|--------|--------|
| Forensic | AFP Supported by fly in / out AFP trainers | Vacant | Vacant |
| Anti Corruption (Stream Being Considered) | Vacant Currently supported by existing JCLEC trainers | Vacant | Vacant |
| Financial | AFP Supported by fly in / out AFP trainers | Vacant | Vacant |
| Communications | Study World, Semarang English language training to Indonesian staff | | |
| Research | By invitation to or offer from countries, agencies and centre's with mandates or responsibility for trans-national crime and terrorism for the purpose of conducting identified legislative, investigative, financial and/or other law enforcement or criminal justice related research projects. | | |

Financial Accountability

The international accounting firm Deloitte, Touche Tohmatsu were contracted by JCLEC to conduct the inaugural audit of the Foundation accounts. The audit report was received on 14 November 2006 and is attached as Annexure B.

Annexure - A

Courses / Seminars / Workshops Conducted in 2004 / 2005

1. Post Blast Analysis Course
28 June – 9 July 2004
31 participants – 27 Countries in Asia Pacific Region
2. Meeting of Heads of Counter Terrorism
3 – 4 July 2004
18 participants – ASEAN Region and Australian Representatives
3. Meeting of Regional Law Enforcement Representatives
2 – 4 November 2004
18 participants – ASEAN Region and Australian Representatives
4. International Management of Serious Crime Course (IMOSC)
28 November – 17 December 2004
Theme: Terrorism – “Regional Threat – United Response”
22 participants - Indonesia, Australia, Singapore, Philippines, Malaysia, Thailand, Laos, Korea, Nigeria, Pakistan, Brunei, Vietnam, China, Denmark, Netherlands.
5. Anti Money Laundering Course – USAID Funded
11 – 15 April 2005
30 participants - Indonesian
6. Major Investigations Management Workshop
24 – 29 April 2005
Theme: Terrorism – “Regional Threat – United Response”
18 participants – Indonesia, Australia, Brunei, Laos, Cambodia, Korea, China, Singapore, Philippines, Thailand, Vietnam, Myanmar, Malaysia, Hong Kong.
7. Indictment Course – AusAID Funded
24 – 29 April 2005
30 participants - Indonesian
8. Intelligence Principles and Practice Program
9 – 27 May 2005
21 participants - Indonesian

9. Evidence Handling – AusAID Funded
22 – 27 May 2005
30 participants - Indonesian
10. Human Trafficking – French / JCLEC funded
29 May – 3 June
18 participants – Indonesian
11. Post Blast Incident Management Program – Danish Funded
6 June – 20 June 2005
23 participants – ASEAN Region and Australian Representatives
12. Intelligence Officers Development Program
27 June – 8 July 2005
20 Participants - Indonesian
13. Security Risk Management and Protective Security
8 – 10 July 2005
20 Participants - Indonesian
14. Certificate Course on Terrorist Organisations and Management – Danish Funded
18 – 22 July 2005
24 Participants – Indonesia, Australia
15. Law Enforcement Working Group Workshop
19 – 21 July 2005
28 Representatives – Indonesia, Australia, Japan, New Zealand, Malaysia, Korea, Timor-Leste, Fiji, Singapore, Thailand, Myanmar, Cambodia, Canada, Bangladesh, PNG, Hong Kong, USA, Sri Lanka, Laos, Japan, Russia, France.
16. Intelligence Principles and Practices Program
1 – 10 August 2005
24 Participants - Indonesian
17. Islamic Law and Politics Course –Funded by Danish Government
15 – 19 August 2005
25 Participants – Indonesia, Australia, Philippines, Thailand,

18. International Management of Serious Crime (IMOSC 2)
28 Aug – 16 September 2005
18 Participants – Indonesia, Australia, Singapore, Philippines, Malaysia, Myanmar, Thailand, Laos, Korea, Pakistan, Brunei, Vietnam, China.
19. Intelligence Principles and Practices Program –Funded by Danish Government
19 – 30 September 2005
20 Participants - Indonesian
20. Financial Intelligence Analysis and Reporting – AUSTRAC Funded
26 – 30 September 2005
12 Participants – Indonesia, Australia,
21. Preparing Indictments in Criminal Prosecutions – AusAID funded
26 – 30 September 2005
30 participants - Indonesian
22. Indonesian Department of Health Disaster Victim Identification Seminar
29 September – 1 October 2005
80 Participants - Indonesian
23. Train the Trainers Course
10 – 21 October 2005
5 Participants - Indonesian
24. Evidence Search and Seizure Course
24 – 26 October 2005
30 Participants – Indonesian
25. Intelligence Principles and Practices Program
14 – 30 November 2005
20 Participants - Indonesian
26. Electronic Surveillance Course
14 – 25 November 2005
12 Participants - Indonesian

27. Arson Investigation Course – ICITAP Funded
14 November – 9 December 2005
32 Participants - Indonesian
28. Evidence Handling
28 November – 2 December 2005
32 Participants - Indonesian
29. Islamic Law and Politics Course – ASIO / JCLEC Funded
5 – 9 December 2005
34 Participants – Indonesia, Australia, China, Russia, Poland, Philippines,
Thailand.
30. Counter Terrorism Law
5 – 16 December 2005
32 Participants – Indonesian
31. Examination of Witnesses
12 – 16 December 2005
32 Participants Indonesian
32. LEWG / LIWG Regional CT Training Workshop – International Cooperation
12 -14 December 2005
65 Participants – 26 Countries in Asia Pacific Region

Annexure - B

Deloitte

Independent Audit Report

JCLEC

14 November 2006

**JAKARTA CENTRE FOR LAW ENFORCEMENT
COOPERATION FOUNDATION**

FINANCIAL STATEMENTS–CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2005

AND INDEPENDENT AUDITORS' REPORT

JAKARTA CENTRE FOR LAW ENFORCEMENT COOPERATION FOUNDATION
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| Statement of Revenues and Expenditures in Fund Balance–CashBasis | 3 |
| Notes to the Financial Statements–CashBasis | 4 |

Independent Auditors' Report

No. 300806 JCLEC RW SA

The Patrons and The Board of Directors

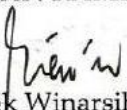
JAKARTA CENTRE FOR LAW ENFORCEMENT COOPERATION FOUNDATION

We were engaged to audit the statement of asset and liability arising from cash transactions of Jakarta Centre For Law Enforcement Cooperation Foundation (the Foundation) as of December 31, 2005, and the related statement of revenue collected and expenditures paid for the year then ended. These financial statements are the responsibility of the management of the Foundation.

In accordance with the Foundation's request, we did not perform audit procedures on the grant received from the Australian Federal Police in 2005. We were informed by the management of the Foundation that the said grant has been audited by the Australian Government auditor and accounting records of the expenditures from this grant could not be provided. As a result, we were unable to satisfy ourselves concerning the amount received and disbursed from this grant as of December 31, 2005, which enters into the determination of expenditures and changes in fund balance for the year then ended.

Because of the limitation on the scope of our audit discussed in the preceding paragraph, the scope of our audit was not sufficient to enable us to express, and we do not express, an opinion on the financial statements referred to above.

OSMAN RAMLI SATRIO & REKAN


Riniek Winarsih, SE, AK, BAP
License No. 00.1.0734

August 30, 2006, except for Note 10, as to which the date is October 17, 2006

The accompanying financial statements are not intended to present the financial statements in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than those in Indonesia. The standards, procedures and practices to audit such financial statements are those generally accepted and applied in Indonesia.

**JAKARTA CENTRE FOR LAW ENFORCEMENT COOPERATION
FOUNDATION**

**STATEMENT OF ASSET AND LIABILITY -CASH BASIS
AS OF DECEMBER 31, 2005**

| ASSET | Note | <u>2005</u> Rp | <u>Translations into AU\$</u> AU\$ |
|---------------|------|-------------------|---------------------------------------|
| Cash in banks | 4 | 29,652,016,529 | 4,114,407 |
| <hr/> | | | |
| LIABILITY | | | |
| Unused grant | 2d | 29,652,016,529 | 4,114,407 |
| <hr/> | | | |

See accompanying notes to financial statements which are an integral part of the financial statements.

JAKARTA CENTRE FOR LAW ENFORCEMENT COOPERATION FOUNDATION

STATEMENT OF REVENUES AND EXPENDITURES IN FUND BALANCE -CASH BASIS FOR THE YEAR ENDED DECEMBER 31, 2005

| Translations Note | 2005 | into AU\$ |
|--|------------------|-------------|
| | Rp | AU\$ |
| REVENUES | | |
| Grant received from : 2b,5 | | |
| Australian Federal Police | 58,627,949,768 | 7,911,875 |
| Netherland Government | 36,363,540,000 | 4,907,280 |
| Danish Government | 2,841,900,000 | 383,516 |
| Total | 97,833,389,768 | 13,202,671 |
| OTHER REVENUES | | |
| Interest income | 429,449,021 | 57,954 |
| Founder s initial contribution 6 | 20,000,000 | 2,700 |
| Total | 449,449,021 | 60,654 |
| EXPENDITURES | | |
| Fixed asset acquisitions and construction costs 2c,7 | (42,036,069,839) | (5,672,792) |
| Discretionary expenses 8 | (17,603,341,186) | (2,371,478) |
| Fixed office expenses 9 | (7,903,152,765) | (1,066,535) |
| Total | (67,542,563,790) | (9,110,805) |
| LOSS ON FOREIGN EXCHANGE AND TRANSLATION | (1,088,258,470) | (38,113) |
| EXCESS OF REVENUES OVER EXPENDITURES | 29,652,016,529 | 4,114,407 |
| CASH IN BANKS AT BEGINNING OF YEAR | | |
| CASH IN BANKS AT END OF YEAR | 29,652,016,529 | 4,114,407 |

See accompanying notes to financial statements which are an integral part of the financial statements.

JAKARTA CENTRE FOR LAW ENFORCEMENT COOPERATION FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS – CASH BASIS FOR THE YEAR ENDED DECEMBER 31, 2005

1. GENERAL

Jakarta Centre for Law Enforcement Cooperation Foundation (the Foundation) was established on February 28, 2005 as stated in notarial deed No. 111 of Misahardi Wilamarta, S.H., notary in Jakarta. The deed of establishment was approved by the Minister of Justice of Republic of Indonesia in his decision letter No. C-375.HT.01.02.TH 2005 dated March 23, 2005 and was published in the State Gazette of Republic of Indonesia No. 202 dated March 23, 2005.

The Foundation located within the Indonesia National Police Academy (AKPOL) in Semarang, Indonesia. Its head office is on the Jalan Trunojoyo number 3, South Jakarta.

In accordance with article 3 of JCLEC's article of association, the scope of its activities is mainly to improve operational expertise of the law enforcing personnel in Indonesia and other countries in handling terrorism and other international crimes and to share information and experiences in such activity.

The Foundation's management at December 31, 2005 consisted of the following :

NOTES TO THE FINANCIAL STATEMENTS – CASH BASIS FOR THE YEAR
ENDED DECEMBER 31, 2005

| | | |
|-------------------|---|--|
| President Patron | : | Da'i Bachtiar |
| Patron | : | Michael Keelty Brendan McDevitt Emanuel Winarto Tjuk Sugiarso |
| Chairman | : | Paulus Purwoko |
| General Secretary | : | Lester Cross |
| Secretary | : | Boy Salamuddin |
| General Treasurer | : | Jason Pourpouras |
| Treasurer | : | Darmadji |

JAKARTA CENTRE FOR LAW ENFORCEMENT COOPERATION FOUNDATION

2. BASIS OF ACCOUNTING AND FINANCIAL STATEMENTS

- a. The Foundation prepares its financial statements in the cash basis. Under this basis, revenues are recognized when collected rather than when earned, and expenses are recognized when paid rather than when incurred. Consequently, accounts receivable due from and accounts payable due to other party and accruals are not included in the financial statements.
- b. The financial statements reflected assets and unused grants and the Foundation activities funded under Australian's and other donors' grant.
- c. Fixed Assets and Construction Costs
The Foundation uses the policy as stated in the Project Management And Superintendcy Contract between the Foundation and Geoff Forrester Asia & Associates Pty Ltd (GFA) of charging construction costs and purchase of fixed assets to expense in the period of acquisition rather than capitalizing and depreciating them over their estimated useful lives. Fixed assets held are recorded in an assets register maintained by The Foundation.
- d. Recognition of Grants Received

The Foundation records grants in the period designated by grantor. Grants that have been received but have not yet been used for the implementation of programs are stated in the accompanying statement of asset and liability as "Unused Grant."

3. FOREIGN CURRENCY TRANSACTION AND TRANSLATION OF INDONESIAN RUPIAH DENOMINATED ACCOUNTS

The Foundation maintains its books of accounts in Indonesian Rupiah. Transactions denominated in currencies other than Indonesian Rupiah are recorded at the rates of exchange prevailing at the time the transactions are made. At year end, monetary assets and liabilities denominated in foreign currencies are adjusted to reflect rates of exchange prevailing at that date.

The resulting gains or losses are credited or charged to current operations

JAKARTA CENTRE FOR LAW ENFORCEMENT COOPERATION FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS – CASH BASIS FOR THE YEAR ENDED DECEMBER 31, 2005

The translation of Indonesian Rupiah into Australian Dollar is made solely for the convenience of the readers. The asset and liability accounts denominated in Indonesian Rupiah and foreign currencies other than Australian Dollar were translated into Australian Dollar using the standard rates at the reporting date. Revenues and expenses were translated using average rate for the year.

4. CASH IN BANKS

Translation
into AU\$

| | | |
|---------------------|----------------|-----------|
| 2005 | | (Note 3) |
| Rp | | AU\$ |
| Cash in banks | | |
| Euro (2,288,710) | 26,686,057,652 | 3,702,862 |
| AU Dollar (260,145) | 1,874,832,497 | 260,146 |
| US Dollar (109,016) | 1,071,627,380 | 148,695 |
| Rupiah | 19,499,000 | 2,704 |
| Total | 29,652,016,529 | 4,114,407 |

5. GRANTS RECEIVED

This account represents grants received from donors in 2005.

| | <u>2005</u> | Translation into AU\$ |
|---|----------------|-----------------------|
| | Rp | (Note 3) |
| Australian Federal Police (AU\$ 7,911,875) | 58,627,949,768 | 7,911,875 |
| Netherland Government (Euro 3,000,000) | 36,363,540,000 | 4,907,280 |
| Danish Government (US\$ 300,000) | 2,841,900,000 | 383,516 |
| Total | 97,833,389,768 | 13,202,671 |

JAKARTA CENTRE FOR LAW ENFORCEMENT COOPERATION FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS – CASH BASIS FOR THE YEAR ENDED DECEMBER 31, 2005

6. FOUNDER'S INITIAL CONTRIBUTION

| | <u>2005</u> Rp | Translation into AU\$ (Note 3) |
|-------------------------------------|-------------------|-----------------------------------|
| Australian Federal Police | 10,000,000 | 1,350 |
| Police of the Republic of Indonesia | 10,000,000 | 1,350 |
| Total | 20,000,000 | 2,700 |

This account represents the Founder's contribution as initial assets at the date of establishment.

7. FIXED ASSET ACQUISITIONS AND CONSTRUCTION COSTS

This account consists of accumulated expenditures for purchase of fixed assets and construction costs in 2005.

| | <u>2005</u> Rp | Translation into AU\$ (Note 3) |
|---------------------------------------|-------------------|-----------------------------------|
| Building and infrastructure (phase 1) | 33,060,660,543 | 4,461,555 |
| Training facilities (phase 2) | 8,975,409,296 | 1,211,237 |
| Total | 42,036,069,839 | 5,672,792 |

Phase 1 represents expenditures for the construction of office building and training facilities, and purchase of office equipment, furniture and fixture and other fixed assets. Total costs paid in 2005 amounted to AU\$ 4,461,555. These costs were funded by the Australian Federal Police. Construction of phase 1 was completed in 2005.

Phase 2 represents accumulated costs for the construction of an accommodation block for trainees and trainer, acquisition of equipment and purchase of furniture and fixtures. These costs were funded by the grant from the Netherland Government (Note 5).

JAKARTA CENTRE FOR LAW ENFORCEMENT COOPERATION FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS – CASH BASIS FOR THE YEAR ENDED DECEMBER 31, 2005

Commitment fund for the construction of these facilities amounted to EURO 5,282,000, EURO 734,419 (equivalent AU\$ 1,211,237) of disbursed in 2005 for the following payments :

| | <u>2005</u> Rp | Translation into AU\$ (Note 3) |
|--------------------------------|-------------------|-----------------------------------|
| Payment to supplier/consultant | 6,926,653,520 | 934,760 |
| Professional fees | 1,579,339,020 | 213,133 |
| Salaries and wages | 469,386,757 | 63,344 |
| Total | 8,975,379,297 | 1,211,237 |

At December 31, 2005, the facilities under construction have reached 20% completion. The project will be completed at the end of 2006.

8. DISCRETIONARY EXPENSES

| | <u>2005</u> Rp | Translation into AU\$ (Note 3) |
|---------------------------------------|-------------------|-----------------------------------|
| Salaries, wages and employee benefits | 4,911,439,204 | 662,802 |
| General | 4,444,003,336 | 595,618 |
| Travel | 3,542,702,594 | 478,090 |
| Office | 2,267,213,982 | 305,962 |
| Staff | 976,338,106 | 131,757 |
| Training | 546,776,366 | 73,788 |
| Motor vehicle | 347,100,879 | 46,841 |
| Property items | 182,557,663 | 24,636 |
| Security | 159,820,523 | 21,568 |
| Communication | 100,970,010 | 13,626 |
| Computer | 13,303,019 | 1,795 |
| Other operational costs | 111,115,504 | 14,995 |
| Total | 17,603,341,186 | 2,371,478 |

JAKARTA CENTRE FOR LAW ENFORCEMENT COOPERATION FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS – CASH BASIS FOR THE YEAR ENDED DECEMBER 31, 2005

Training expenses amounting to Rp 1,769,030,614 (US\$ 184,171) included in general expenses were funded by the grant received from the Danish Government. The details of these expenses are as follows :

| | <u>2005</u> Rp | Translation into AU\$ (Note 3) |
|--|-------------------|-----------------------------------|
| Post Blast Incident Management Program | 792,595,246 | 106,961 |
| Certificate Course on Terrorist Organization and Management | 230,202,628 | 31,066 |
| Islamic Law and Politics Course | 450,289,466 | 60,767 |
| Intelligence Principles and Practices Program | 296,305,094 | 39,987 |
| Total | 1,769,392,434 | 238,781 |

9. FIXED OFFICE EXPENSES

| | <u>2005</u> Rp | Translation into AU\$ (Note 3) |
|-----------------------------|-------------------|-----------------------------------|
| Compensation and legal | 6,361,410,818 | 858,476 |
| Property operating expenses | 1,502,586,807 | 202,775 |
| Bank charges | 39,155,140 | 5,284 |
| Total | 7,903,152,765 | 1,066,535 |

10. OTHER INFORMATION

On December 15, 2005, the Danish government transferred US\$ 191,770, to the Foundation through the Solicitors Escrow account as second payment of the Danish grant. The Foundation recognized this grant as revenue for 2006 when the grant was received by the Foundation's bank accounts in November 2006.
