



Australian Government



The Government of
The Republic of Indonesia

Senator Chris Ellison
Minister for Justice
and Customs

HE Mr Imron Cotan
Indonesian Ambassador to Australia

J O I N T M E D I A R E L E A S E

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Closer cooperation between Australia and Indonesia leads to confiscation of proceeds of money laundering

The Indonesian Government will be paid more than \$642,000 of the proceeds of crime after an investigation by a joint Australia-Indonesia task force into the corrupt activities of the late Hendra Rahardja in Indonesia, the Minister for Justice and Customs, Senator Chris Ellison, and the Indonesian Ambassador to Australia, Mr Imron Cotan, announced today.

"Indonesia will receive these funds in recognition of the significant contribution of the Indonesian authorities in working with Australian authorities to recover the proceeds of money laundering," Senator Ellison said.

Mr Rahardja and two of his associates were convicted of corruption, however Mr Rahardja died in Australia before he could be extradited to Indonesia.

Ambassador Cotan said the joint task force, based on the Treaty between Australia and the Republic of Indonesia on Mutual Assistance in Criminal Matters, devoted considerable resources to the investigation and recovery of the Australian proceeds of the money laundering crimes of Rahardja and his associates.

The operation followed Indonesia's request to the Australian Government in 1999 to extradite Hendra Rahardja.

"This operation highlights the very close and productive cooperation by the authorities in both countries in our commitment to combat transnational crime, particularly money laundering activities," Mr Cotan said.

Senator Ellison said this case also demonstrates the recent improvements in Australia's ability to recover the proceeds of crime.

"Australia is not a safe haven for money launderers and criminals should be aware that if they bring the proceeds of their overseas crimes to Australia, our authorities will act together with their foreign counterparts to ensure the proceeds of their crimes are seized."

Senator Ellison said this is the first time Australia has used the *Proceeds of Crime Act 2002* to make a payment to Indonesia of recovered proceeds of crime.

This is also the first time Australian authorities have obtained civil forfeiture orders for the proceeds of monies derived from Indonesian offences and laundered in Australia. The forfeiture orders were made under the new civil forfeiture regime of the Commonwealth *Proceeds of Crime Act 2002*.

"These provisions are proving very effective and more forfeitures are expected in the near future," Senator Ellison said.

In March 2004 the District Court of Western Australia and the New South Wales Supreme Court made orders in relation to the Rahardja matter under the *Proceeds of Crime Act 2002*, ruling that a total of approximately \$642,000 should be forfeited to the Commonwealth.

The *Proceeds of Crime Act 2002* allows the Australian Government to make a payment to an overseas country of the proceeds of unlawful activity recovered under Commonwealth law where a foreign country has significantly contributed to the recovery of those proceeds.

Ambassador Cotan extended his gratitude on behalf of the Indonesian Government to Senator Ellison and the Australian Government, and all the individuals and agencies involved in the joint task force.

“This success will further enhance the strong and close relations between Australia and Indonesia,” Mr Cotan said.

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