The honorable,

- Minister of Law and Human Rights of RI, Mr. DR. Yasonna Hamonangan, SH, M.Si, and staff of the Ministry of Law and Human Rights RI,
- Governor of Central Kalimantan Province, Mr. A. Teras Narang, SH, the staff and the Regional Work Unit of Central Kalimantan Province,
- Chairman of DPRD (Regional Parliament) of Central Kalimantan Province,
- Regional Leadership of Communication Forum elements of Central Kalimantan Province,
- Regencies/Mayors of Central Kalimantan,
- Head of Regional Office of Ministry of Law and Human Rights, Central Kalimantan Province,
- Head of KPw BI of Central Kalimantan Province, Mr. Muhamad Nur,
- Head of Correctional Facility/Penitentiary of Central Kalimantan,
- Banking Leaders,
- Rectors of Universities and Academicians
- Fellow Entrepreneurs and Associations,
- Mass Media Leaders and Journalists,
- Invitees and Attendees.

Good Morning and Greetings to us all,

1. To begin this morning speech, please allow me to ask all attendees to praise our gratitude to God the Almighty, for His grace and blessing in this opportunity, where we together can be present in this “Beautiful” city as the nickname of Palangkaraya, in order to realize a cooperation between Ministry of Law and Human Rights RI and Bank Indonesia in the

2. This cooperation is intended to enhance capabilities and skills, to encourage independence of correctional prisoners/inmates and clients, to support regional inflation control through demplot (demonstration plot) of commodities of crops and horticulture contributors of inflation, or other commodities that can support the regional economy, and also support the strengthening of food resilience through food diversification with cluster replication.

3. This cooperation program is at once a derivative from the memorandum of understanding between Ministry of Law and Human Rights and Bank Indonesia signed in 28 October 2014.

4. We welcome and express our gratitude to the Government of Central Kalimantan Province that has facilitated the implementation of cooperation program between the Ministry of Law and Human Rights and Bank Indonesia. I also would like to convey our appreciation to the Kanwil (Regional Office) of Ministry of Law and Human Rights of Central Kalimantan Province as well as Correctional Facility of Class IIA, Palangkaraya, upon their cooperation with the Representative Office (KPW) of Bank Indonesia of Central Kalimantan Province in rolling this program. As individuals and a Member of the Board of Governors of Bank Indonesia, I welcome the initiative of this program, as it has many positive values both from social and economic aspects.

5. We see that this cooperation between Bank Indonesian and the Ministry of Law and Human Rights is not only important, but also has a noble meaning. Macro wise, the enhancement of prisoners’ independence is a part of our efforts to build the nation, since development, essentially, must involve all elements of the society, as what we do today. Micro wise, this independence enhancement is a process to prepare the prisoners, so that when they are free later, they can live independently and improve the quality of relationship with their family and also with the society.

Ladies and Gentlemen, and attendees,

6. In accordance with Law No. 23 Year 1999, as amended lastly with the Law No. 6 Year 2009, Bank Indonesia is the central bank which has been given mandate to realize the stability of Rupiah value. In the context of domestic internal balance, a stable Rupiah shall be reflected by the controlled price level in general or known as inflation.

7. To achieve the target of inflation is certainly not easy, and in guarding the inflation, Bank Indonesia cannot do it alone. Therefore, it requires more or “extra efforts” to control the
sources of inflationary pressures, i.e., by involving cooperation, coordination, and synergy with the central and regional governments, economic actors and the public at large.

8. Inflation or Price Stability in general is a very vital component for economic development of a nation. First, low inflation will be able to enhance competitiveness of the economy, both at the regional level and national level. Second, low inflation will be able to help us in reducing poverty level, as it directly related to the buying power of the society.

9. Poverty will be suppressed rapidly if inflation on foodstuffs group can be controlled. The effect of food inflation to poverty level can occur, considering the poor spends their income more for food and foodstuffs. The study of Banerjee (2009) in various countries indicates that around 56% up to 78% consumption of less advantaged communities were used to buy food.

Ladies and Gentlemen, attendees,

10. As we all know, the inflation of fluctuating foodstuff group or known as volatile food, is one of the primary contributors of inflation in Indonesia. The profile of Indonesia as archipelago which is vulnerable to natural disaster both from tectonic and volcanic earthquake, to a sharp climate change can easily disturb foodstuff supplies. Therefore, inflation pressure from this component of volatile food is more vulnerable in Indonesia.

11. With that consideration, regional food commodity development needs to be improved, so that each region is able to be self-reliant on their food needs, and even able to become a food self-sufficiency region.

12. In our observation, the role of Central Kalimantan seen from the economic growth in general is relatively good. This is reflected by the growth rate of 6.21% (yoy) in 2014, higher than the national economic growth estimated at 5.02%, and it was the highest economic growth compared to the other provinces in Kalimantan. However, I am convinced that the excellent growth can be further optimized to encourage its contribution at national level, or in improving the welfare of the Central Kalimantan community.

13. In line with the performance of its economic growth, Central Kalimantan also has an inflation rate that tends to be stable and low. In 2014, inflation rate in Central Kalimantan was 7.07% (yoy), or lower compared to the national inflation of 8.36% (yoy) and also was the lowest inflation compared to the other provinces in Kalimantan. The lower rate of inflation certainly is a potential supporter that can enhance the acceleration of economic growth in Central Kalimantan.

14. In order to strengthen food resilience and to enhance supplies of the said foodstuff group, Bank Indonesia through its Representative Office and in cooperation with the local
stakeholders has developed **food resilient cluster**, focusing on food commodities to support inflation control, such as rice, red chili, beef, shallot and garlic.

15. And since last year, we also established cooperation with the Ministry of Law and Human Rights to empower correctional prisoners and clients in Correctional Facilities, by utilizing land of the concerned Correctional Facility in the development of food resilient commodities.

*Ladies and Gentlemen, attendees,*

16. The cooperation of the Ministry of Law and Human Rights and Bank Indonesia for the enhancement of prisoners’ independence had already been initiated its implementation in the KPW of Bank Indonesia in West Kalimantan Province, which was also conducted in cooperation with the Class IIA Correctional Facility of Pontianak.

17. This program has already been running well, among others through the implementation of skills training facilitated by Bank Indonesia. The inmates have been able to make a demplot of shallots and horticulture cultivation, tilapia and catfish aquaculture, to produce coconut coir mats which in the future will be directed to meet the need of the local hospitality industry, and also to produce banana chips with various innovation in taste and processing. Even, wooden mats produced by the Inmates in Class IIA Pontianak had already **penetrated the export market**.

18. Other than technical skills training, Bank Indonesia also provides entrepreneurship training using business incubator approach, so that the prisoners are expected to have **comprehensive knowledge to start business, production, marketing, financial and also networking**. The training is also expected to motivate and change the mindset of the prisoners, that they are able to become entrepreneurs.

19. We see that the success of the program in West Kalimantan needs to be spread to other areas, surely, by still considering the unique characteristic of the area in question. I am very happy to hear various progresses and development of cooperation programs conducted by the Kanwil of the Ministry of Law and Human Rights of Central Kalimantan, KPW Bank Indonesia, and Correctional Facility of Palangkaraya. We need to welcome and support extensive cooperation program and type of activities which are conducted creatively, so as to be able to give benefits in accordance with the community needs.

*Attendees, Ladies and Gentlemen,*

20. Having the status of ex-prisoners brings consequences of its own for the inmates, starting from self-adjustment to return to the family and the community, to the need of finding a
job. Therefore, guidance or coaching to the prisoners is required absolutely, so that after they are free they can start a better new life for their future.

21. As citizens that still have **productive potency for nation building**, we believe that the prisoners need to be equipped with certain skills and entrepreneurship, so that they can live independently and provide contribution in the development.

22. **The efforts of mental development and skills training certainly must be conducted in a planned and systematic way.** Equipped with the above, it is expected that after finished serving their sentences, the ex-prisoners are able to diffuse again and even contribute positively in the community, to become human beings useful for the community, the country and the nation.

23. I expect that the model of independence enhancement of correctional prisoners and clients that will be implemented through the synergy of Ministry of Law and Human Rights and Bank Indonesia becomes an inspiration for coaching prisoners in Indonesia, tools for prisoners to survive and their responsibilities in the national development through active roles in the community, when they have finished serving their sentences.

24. Therefore, supports from all parties both in central and regional are very much expected for the success of the program. We also will continue to develop similar model in the 41 Representative Offices of Bank Indonesia through cooperation with the local Correctional Facility, which is expected to support the efforts of food self-sufficiency and the national entrepreneurship movement proclaimed by the Government.

**Attendees,**

25. The program of Independence Enhancement of Correctional Prisoners and Clients is one of the example forms of **synergy between institutions or agencies in Central Kalimantan.** We believe that with the maintained synergy, the sustainability of this program will run properly. In the future, the program will continue to be developed and it is expected to be **applied immediately to all Correctional Facilities in Indonesia.**

26. With this speech, I at once open the program of Training of Trainers (ToT), which will be participated by the heads and officials of Correctional Facility/Penitentiary of Central Kalimantan. This training is expected to equip the Heads & Officials of the Correctional Facility/Penitentiary with several matters related to entrepreneurship and motivation, so that the program replication target of independence enhancement of correctional inmates & clients can be realized sooner, as the same understanding has already created on the benefits of the program.
27. Thus, that is all that I can convey. May God the Almighty always bless our steps in enhancing the independence of the correctional inmates and clients.

Thank you.

Deputy Governor of Bank Indonesia

Ronald Waas