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# Legal analysis of the prevention of money laundering

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**Abstract**
The crime of money laundering has a serious impact on the national economy because it is closely related to the level of trust in a country's policies, both domestically and internationally. The modus operandi of money laundering often involves mixing illegal funds with legitimate funds, creating an imbalance in business competition and harming honest businesses. In addition, money laundering also affects the integrity of the financial sector, increasing the liquidity risk for financial institutions that indirectly use the proceeds of crime as their source of funds. As a result, the government loses control over economic policy, which has the potential to reduce the trust of other countries in the economic policy implemented. In order to improve the effectiveness of supervision, the USU Branch of Bank BNI has implemented the provisions of Law No. 8 of 2010 concerning the Prevention and Eradication of Money Laundering and Bank Indonesia Regulation No. 11/28/PBI. These steps are implemented through the Know Your Customer principle and various other procedures in accordance with Circular Letter No. 11/31/DPNP of 2009 concerning Guidelines for the Standard Implementation of Anti-Money Laundering and Prevention of Terrorism Funding Programs in banking.

**Keywords:** Prevention, Financial Crime, Money Laundering

## Introduction

The term "money laundering" was first used in the context of a political scandal in the United States, specifically in the Watergate case involving President Richard Nixon in 1973. This crime has unique characteristics because it falls into the category of a layered crime or follow-up crime, where the initial source of the laundered funds is referred to as the predicate offense or core crime. Historically, money laundering has been closely linked to efforts to eradicate drug trafficking, particularly in the United States, where drug traffickers often convert the proceeds of their crimes into legitimate assets or invest them in seemingly legal businesses. Rapid technological developments have brought new innovations to the financial system, including the emergence of digital currencies such as Bitcoin. This currency is decentralized, meaning that users have full control without interference from third parties, including the government. However, in Indonesia, Bitcoin is not recognized as legal tender under Law No. 7/2011 on Currency. Bank Indonesia has also issued regulations prohibiting its use for domestic transactions.

Indonesia is vulnerable to money laundering due to a number of factors that attract financial criminals, such as a free foreign exchange system, weak regulations on the origin of funds invested in the financial sector, and a banking system that is closely linked to international transactions. As such, countries have implemented strict regulations to address the threat that money laundering poses to economic stability and the financial system. There are several versions of the origin of the term *"money laundering"*. The term "money laundering" was first used in newspapers relating to the Watergate scandal in the United States involving President Richard Nixon in 1973. Money laundering as a crime is characterized by the fact that it is a double crime, not a single crime. The form of money laundering activity is characterized by the form of money laundering as a *FOLLOW UP CRIME* (follow-up crime), while the original crime is referred to as *PREDICATE OFFENSE/CORE CRIME* or as *unlawful activity, namely the* original crime that generates money which is then carried out the laundering process.

What is interesting about the background of Money Laundering Crime (TPPU) is that while in Indonesia the crime of money laundering is closely related to the issue of eradicating corruption, the origin of the crime of money laundering is closely related to efforts to eradicate narcotics, especially in the United States. At that time, drug cartels generally transferred their money in the form of assets, invested it in business activities, or put their relatives on behalf of the ownership of these assets.

The rapid development of technology today has given birth to the latest innovations that are useful for humans. This rapid development also applies to the world of the internet where its usefulness has now penetrated in various fields. One of the results of this rapid development is the birth of virtual currency. The virtual currency is known as *Bitcoin. Bitcoin* is a virtual currency that functions for payments like money in general and is decentralized or only fully controlled by its users without the intervention of certain parties. Bitcoin can only be obtained from the mining process or mined by a certain tool and after that it can only be used for buying and selling between its users. To make buying and selling transactions can be done directly between its users or through a buying and selling exchange commonly called

In Indonesia itself Bitcoin and other virtual currencies are not a currency according to Article 1 Paragraph 1 of Law Number 7 of 2011 concerning Currencies which reads currency is money issued by the Unitary State of the Republic of Indonesia which is hereinafter referred to as the Rupiah and Article 1 Paragraph 2 which contains a definition of money which reads money is a legal means of payment. So to be called a legal currency it must be issued by the Indonesian government and the currency issued is only rupiah. In addition, Bank Indonesia also issued a regulation prohibiting the use of bitcoin and other virtual

currencies as a means of payment in Article 34 letter a of BI Regulation 18/2016 along with sanctions. The Indonesian government essentially only prohibits its use for payment of goods and services within the jurisdiction of the Indonesian state and has given a warning about the use of bitcoin and will not provide legal protection against its use. Indonesia is one of the countries that is quite open to being a target of *money laundering*, because in Indonesia there are potential factors as an attraction for perpetrators of *money laundering*, a combination of social system weaknesses and legal loopholes in the financial system, including the free foreign exchange system, not investigating the origin of the invested and the development of capital markets, foreign exchange traders and banking networks that have expanded abroad. Seeing the magnitude of the impact it has on the stability of the country's economy, a number of countries have established quite strict rules to uncover *money laundering*. The Anti-Money Laundering Law itself determines the types of crimes that are the source of the assets that are then disguised, as stipulated in Article 2 of Law Number 8 Year 2010, namely: Proceeds of crime are assets obtained from criminal acts: Corruption, Bribery, narcotics, psychotropic drugs, labor smuggling, migrant smuggling, banking, capital market, insurance, customs, excise, trafficking in persons, illicit arms trade, terrorism, kidnapping, theft, embezzlement, fraud, counterfeiting, gambling, prostitution, taxation, forestry, environment, marine and fisheries. Other criminal offenses punishable by imprisonment of 4 (four) years or more, committed in the territory of the Unitary State of the Republic of Indonesia or outside the territory of the Unitary State of the Republic of Indonesia and the criminal offense is also a criminal offense under Indonesian law.

In addition to the *UN Drug Convention*, representatives of Central Banks and *Supervisory* Bodies of industrialized countries also formed the *Basel Committee on Banking Regulations and Supervisory Practices* in 1988, where the *Know Your Customer* policy was born. This policy is a common policy applied in the banking sector in order to prevent and eradicate money laundering crimes that often involve the banking sector as a means of money laundering both directly and indirectly. The act is very dangerous both nationally and internationally due to money laundering as a means to legalize the proceeds of crime in order to eliminate traces. In addition, money laundering can affect
national and global financial balance sheets. Various kinds of causes of money laundering are due to so many factors that become the driving force for the rampant development of money laundering activities in various countries, there are several driving factors that cause money laundering, namely:

**1. Globalization**

In this case, globalization has indeed resulted in the perpetrators of money laundering being able to take advantage of the international financial and banking system to carry out their activities.

**2. The rapid development of technology**

The development of technology is perhaps the most encouraging factor in the development of money laundering. The development of information technology such as the internet, for example, can result in the disappearance of borders between countries.

**3. Bank confidentiality provisions**

This provision makes it difficult for authorities to investigate an account that they suspect is held by or through illegal means.

**4. The emergence of a new type of money, namely electronic money or E-money**

In connection with the rise of electronic *commerce* or *e-commerce* through the internet, money laundering activities carried out through this internet network are commonly referred to as *cyber laundering*.

Money laundering is a form of crime that can jeopardize not only the balance of the economy and the credibility of the financial system, but also the coffers of society, nation and state. Current developments are very concerning. Crimes that utilize the financial system network to hide the origin of money from certain money laundering activities and make them appear as halal money and can cause large and systematic losses. This crime requires comprehensive resources and efforts to combat, as it is a long-term crime with specific crimes.

By preventing the practice of *money laundering*, it is hoped that there will be a system that can reduce illegal activities such as smuggling, corruption, financing terrorism, tax evasion, and others. If a criminal cannot enjoy the money from his crime, then it will clearly reduce their opportunity to commit crimes. According to Sutan Remi Syahrani, *money laundering* is a series of activities that are a process carried out by a person or organization against illicit money, namely money originating from crime, with the intention of hiding data and disguising the origin of the money from the government or authorities authorized to take action by putting money into the financial system, either utilizing bank or non-bank services. These institutions include the stock exchange, insurance and foreign exchange trading so that the money can be removed from the financial system as halal money.

The regulation of money laundering in Indonesia stems from Law No. 8/2010 on the Prevention and Eradication of Money Laundering Crimes which aims to prevent and eradicate criminal acts in the form of money laundering activities in Indonesia. This aims to minimize the escalation of high-paying crimes in order to maintain economic stability and national security. The act is included in the scope of organized crime, in relation to money laundering is a criminal act in the economic field which in essence illustrates the direct relationship that criminality is a continuation of economic activity and growth. The phenomenon of money laundering is no longer a national problem but is international, so it is very important to be placed at the center of legal regulation. Almost all economic crimes are committed with a profit motive. Therefore, to make the perpetrator deterrent or reduce the crime by finding the facts of the crime so that the perpetrator cannot enjoy it and the crime also disappears.

**Research methods**

This research uses a normative approach that focuses on the study of legal rules related to money laundering crimes in the Indonesian legislative system. This method is carried out by analyzing various applicable provisions, both in the form of written law and legal practices that have been applied by

financial institutions and law enforcement officials. Vertically, this research reviews the hierarchy of regulations ranging from laws to implementing regulations governing the prevention of money laundering crimes. Meanwhile, horizontally, this research compares the harmonization between regulations governing the prevention and eradication of financial crimes. The data collected in this research comes from primary legal sources, such as banking laws and regulations, as well as secondary legal materials, such as academic literature, journals, and court decisions related to money laundering cases. In this approach, the research uses document analysis as a data collection technique, with the aim of gaining a comprehensive understanding of the implementation of money laundering prevention policies. In addition, the conceptual method is also applied to understand how legal principles are applied in the financial system. The statute approach is used to examine how existing laws can be effectively enforced in the face of increasingly complex money laundering threats. The study also considers external factors, such as international regulations and cooperation agreements between countries in dealing with cross-border money laundering crimes. With this method, the research can present a systematic picture of the prevention of money laundering crimes in Indonesia

## Discussion

### Implementation of Prevention of Laundering Crimes Reflected in Decision Number 40/Pid.Sus/2020/PN.South Jakarta

The definition of Money Laundering Crime (TPPU) can be seen in the provisions in Article 1 of Law Number 8 Year 2010 which explains that Money Laundering is any act that fulfills the elements of a criminal offense in accordance with the provisions in this Law. Article 3 explains that money laundering is a form of crime committed by a person and/or corporation by intentionally placing, transferring, diverting, spending, paying, granting, entrusting, bringing abroad, changing the form, exchanging with currencies or securities or other actions on assets that he knows or reasonably suspects are the proceeds of criminal acts with the aim of hiding or disguising the origin of the assets, including those who receive and control them.

The applicability of criminal provisions in Indonesia, which is described in Article 3 of Law No.8 of 2010 concerning the Prevention and Eradication of Money Laundering Criminal Acts in force (H. Soewarsono and Reda Manthovani, 2014: 61), has been expanded by the principle of territorial expansion, namely:

1. The Indonesian Criminal Code will be applied to Criminal Offenses committed on board Indonesian vessels or aircraft that are abroad. Criminal provisions under the Indonesian Law shall apply to any person who outside Indonesia as stipulated in Article 4 of the Criminal Code commits crimes stipulated in Article 104, Article 106, Article 107, Article 108, Article 110, Article 111 bis to 1, Article 127 and Article 131 of the Criminal Code which involves crimes against state security.
2. Article 7 of the Indonesian Criminal Code which states that the Criminal provisions in the Indonesian Law apply to Indonesian civil servants and Indonesian national army or Indonesian republic police (PNS and TNI or POLRI) who are outside Indonesia regarding one of the crimes regulated in Chapter XXVIII, book II of the Criminal Code on Crimes committed in office.
3. Article 8 of the Criminal Code applies to the captain of an Indonesian vessel who is outside Indonesia committing a crime regulated under Chapter XXIX in Book II of the Criminal Code on shipping crimes and Chapter IX in Book III of the Criminal Code on Service Offenses.

Exceptions in matters regulated in Article 2, Article 5, Article 7, Article 8 of the Criminal Code mentioned above are exceptions recognized by International Law. Article 88 of Law Number 8 Year 2010 expands the scope, with the coverage of every person (Individual or corporation) who outside the territory of Indonesia provides assistance, opportunities, facilities and information for the occurrence of criminal charges as stipulated in Article 3 of Law Number 8 Year 2010.

According to the provisions of Article 2 of Law Number 8 Year 2010 on the Prevention and Eradication of Money Laundering Crimes, which are included in the category of Money Laundering crimes are as follows: corruption; bribery; narcotics; psychotropic drugs; labor smuggling; migrant smuggling; in the field of banking; in the field of capital markets; in the field of insurance; customs; excise; trafficking in persons; illicit arms trafficking; terrorism; kidnapping; theft; embezzlement; fraud; counterfeiting money; gambling; prostitution; in the field of taxation; in the field of forestry; in the field of environment; in the field of marine and fisheries; or other criminal offenses punishable by imprisonment of 4 (four) years or more committed in the territory of the Unitary State of the Republic of Indonesia or outside the territory of the Unitary State of the Republic of Indonesia and the criminal offense is also a criminal offense under Indonesian law. Assets that are known or reasonably suspected to be used and/or used directly or indirectly for terrorism activities, terrorist organizations, or individual terrorists are equated as proceeds of criminal acts as referred to in paragraph (1) letter n.

The form of punishment for ML offenders is regulated in Articles 3-10 of Law Number 8 Year 2010 on the Prevention and Eradication of ML as follows:

1. Every person who places, transfers, diverts, spends, pays, grants, entrusts, brings abroad, changes the form, exchanges with currencies or securities or other actions on Assets that he knows or reasonably suspects are the proceeds of a criminal offense as referred to in Article 2 paragraph (1) with the purpose of concealing or disguising the origin of the Assets shall be punished for the crime of Money Laundering with a maximum imprisonment of 20 (twenty) years and a maximum fine of Rp10,000,000,000.00 (ten billion rupiah).
2. Every person who conceals or disguises the origin, source, location, allocation, transfer of rights, or actual ownership of Assets which he knows or reasonably suspects to be the proceeds of a criminal offense as referred to in Article 2 paragraph (1) shall be punished for the crime of Money Laundering with a maximum imprisonment of 20 (twenty) years and a maximum fine of Rp5,000,000,000.00 (five billion rupiah).

3. Every person who receives or controls the placement, transfer, payment, grant, donation, deposit, exchange, or use of Assets which he knows or reasonably suspects are the proceeds of criminal offense as referred to in Article 2 paragraph (1) shall be punished with imprisonment of 5 (five) years and a maximum fine of Rp1,000,000,000.00 (one billion rupiah).
4. The provisions as referred to in paragraph (1) shall not apply to Reporting Parties that carry out reporting obligations as stipulated in this Law.
5. In the event that the criminal offense of Money Laundering as referred to in Article 3, Article 4, and Article 5 is committed by a Corporation, the punishment shall be imposed on the Corporation and/or the Controlling Personnel of the Corporation.
6. Criminal punishment is imposed on Corporations if the crime of Money Laundering:

a. carried out or ordered by the Controlling Personnel of the Corporation;
b. carried out in the context of fulfilling the purposes and objectives of the Corporation;
c. carried out in accordance with the duties and functions of the perpetrator or order giver; and
d. carried out with the intention of providing benefits to the Corporation.

7. The main punishment imposed on the Corporation is a maximum fine of Rp100,000,000,000.00 (one hundred billion rupiah). In addition to the fine as referred to in paragraph (1), additional punishment may also be imposed on the Corporation in the form of: a. announcement of the judge's decision;

a. suspension of part or all of the Corporation's business activities;
b. revocation of business license;
c. dissolution and/or prohibition of the Corporation;
d. forfeiture of Corporation assets to the state; and / or
e. takeover of the Corporation by the state.

8. In the event that the assets of the convict are not sufficient to pay the fine as referred to in Article 3, Article 4, and Article 5, such fine shall be substituted with imprisonment for a maximum of 1 (one) year and 4 (four) months.
9. In the event that the Corporation is unable to pay the fine as referred to in Article 7 paragraph (1), the fine shall be replaced by forfeiture of assets owned by the Corporation or Corporate Controlling Personnel with the same value as the imposed fine. In the event that the sale of forfeited assets of the Corporation as referred to in paragraph (1) is insufficient, imprisonment in lieu of fines shall be imposed on the Controlling Personnel of the Corporation by taking into account the fines that have been paid
10. Every person inside or outside the territory of the Unitary State of the Republic of Indonesia who participates in the attempt, assistance, or conspiracy to commit the crime of Money Laundering shall be punished with the same punishment as referred to in Article 3, Article 4, and Article 5.

In money laundering cases, the authorities authorized to investigate and examine these cases are the police, the prosecutor's office and finally the Corruption Eradication Commission (KPK), which has been mandated to examine and investigate these cases since October 2010. Of the three law enforcers, the police and prosecutors have received the most reports. Another independent institution under the President of the Republic of Indonesia that has the task of preventing and eradicating money laundering is the Financial Transaction Reports and Analysis Center (PPATK), a person is required to report the amount of wealth he has so that it will make it easier for PPATK to control suspicious transactions (Yenti, 2012: 15). In general, the money laundering process can be grouped into three stages; First, placement, which is an effort to place cash originating from criminal acts into the financial system, especially the banking system (Sutan, 2014: 35). In this process there is a physical movement of cash either through smuggling cash from one country to another, combining cash originating from crime with money obtained from the results of legitimate activities (Sumadi, 2017: 188). According to Adrian, the forms of placement activities include:

1. Placing funds with the bank, sometimes this activity is followed by applying for credit or financing;
2. Depositing money with Financial Service Providers (FSPs) as credit payments to obscure the audit trail;
3. Financing an ostensibly legitimate venture from one country to another;
4. Financing a business that seems legitimate or related to a legitimate business in the form of credit or financing;
5. Purchasing high-value valuables for personal use, buying gifts of high value as rewards or gifts to other parties whose payments are made through the FSI (Adrian, 2007: 24).

Second, transfer (layering), which is an attempt to transfer assets derived from criminal acts (dirty money) that have successfully entered the financial system through placement. In this process there is engineering to separate the proceeds of crime from its source through the transfer of funds from placement to several other accounts with a series of complex transactions. Layering can also be done with international network transactions either through legitimate businesses or companies that have names and legal entities but do not have any activities. The forms of layering activities are:

1. Transfer and from one bank to another bank and or between regions or countries;
2. Use of cash deposits as collateral to support authorized transactions;
3. Moving cash across national borders through a network of legitimate business activities and Shell Company (Soewarsono, 2014)

Third, using assets (integration), which is an effort to use assets originating from criminal acts that have successfully entered the financial system through placement or layering so that they appear to be halal assets (clean money) for halal business activities or to finance criminal activities.

The regulation of Money Laundering Crime in Indonesia has been juridically regulated in the Law of the Republic of Indonesia Number 8 Year 2010 on Prevention and Eradication of Money Laundering Crime. In this case, money laundering can be divided into three criminal offenses:

1. Active money laundering crime, namely every person who places, transfers, diverts, spends, pays out, grants,

entrusts, brings abroad, changes the form, exchanges with money or securities or other actions on Assets that he knows or reasonably suspects are the proceeds of a criminal offense as referred to in Article 2 paragraph (1) with the aim of hiding or disguising the origin of the Assets. (Article 3 of Indonesian Law No. 8 of 2010).

2. The crime of passive money laundering is imposed on every person who receives or controls the placement, transfer, payment, grant, donation, deposit, exchange, or use of Assets that he knows or reasonably suspects are the proceeds of a criminal offense as referred to in Article 2 paragraph (1). This is considered the same as committing money laundering. However, it is exempted for Reporting Parties who carry out reporting obligations as stipulated in this law. (Article 5 of Indonesian Law No. 8 Year 2010).
3. In Article 4 of Law of the Republic of Indonesia No. 8 of 2010, it is also imposed on those who enjoy the proceeds of money laundering, which is imposed on every person who conceals or disguises the origin, source location, allocation, transfer of rights, or actual ownership of Assets that he knows or reasonably suspects are the proceeds of criminal acts as referred to in Article 2 paragraph (1). This is also considered the same as committing money laundering.

Sanctions for perpetrators of money laundering are quite severe, starting from a maximum imprisonment of 20 years, with a maximum fine of 10 billion rupiah (Rahmi Uzier, 2019).

The South Jakarta District Court Decision Number 40/Pid.Sus/2020/PN JKT.SEL tried a case of money laundering (TPPU) related to online gambling. The defendants, namely Muslimin, Kurnia Heri Panji Gumelar, and Edi Gunawan, were legally and convincingly proven to have assisted in ML as stipulated in Article 10 Jo Article 3 Jo Article 2 Paragraph (1) letter t of Law Number 8 of 2010 concerning Prevention and Eradication of ML.

1. Implementation of ML Prevention in Verdicts The implementation of ML prevention in this case is reflected in several aspects, namely:

**Identification and Tracking of Suspicious Transactions**

Investigators used cyber patrols to identify suspicious transactions originating from online gambling sites. The accounts used in the transactions were traced until it was discovered that the accounts were obtained from the sale of bank accounts belonging to other parties.

**Law Enforcement and Prosecution of Perpetrators**

The defendants were sentenced to 1 year imprisonment and a fine of Rp100,000,000, provided that if not paid, it will be replaced by 3 months imprisonment. This sentence shows the deterrent effect and efforts to take action against money laundering through bank accounts.

**Confiscation and Forfeiture of Criminal Assets**

Evidence in the form of bank accounts, transaction mutations, and cash originating from gambling offenses are confiscated to the state. This is an implementation of the follow the money principle in the prevention of money laundering.

**2. Evaluation of the Effectiveness of ML Prevention in Decision**

Although there is an application of preventive measures in this decision, there are several aspects that need to be strengthened, namely:

**Enhanced Cooperation with Financial Institutions**

This case shows that bank accounts were used to hold funds from online gambling. The role of financial institutions in detecting suspicious transactions must be further optimized, especially in the implementation of Know Your Customer (KYC) and Anti-Money Laundering (AML).

**Tougher Sanctions for Major Perpetrators**

The penalties imposed on defendants are still relatively light compared to the social impact caused. Harsher penalties, especially for the main perpetrators who manage the money laundering system, need to be applied in order to provide a more significant deterrent effect.

**Strengthening Technology for Early Detection**

Investigators use cyber patrols to identify suspicious transactions. However, there needs to be a stronger early detection system, such as strengthening regulations related to digital financial transactions to prevent money laundering in the first place.

Based on decision No. 40/Pid.Sus/2020/PN JKT.SEL, the South Jakarta District Court tried a criminal case with the defendants Muslimin, Kurnia Heri Panji Gumelar, and Edi Gunawan. The defendants were charged with committing the crime of money laundering (TPPU). The following is an analysis of the application of ML prevention in the decision: Eradication of Money Laundering Crime. This indictment relates to the following acts: Primair Indictment of Article 10 Jo Article 3 Jo Article 2 Paragraph (1) letter t of Law of the Republic of Indonesia No. 8 of 2010. The defendants were charged with the primair charge of Article 10 Jo Article 3 Jo Article 2 Paragraph (1) letter t of Law of the Republic of Indonesia Number 8 of 2010 Concerning the Prevention and Eradication of the Crime of Money Laundering.

a. Attempt, assistance or conspiracy: Participation in acts leading to ML.
b. Placing, transferring, transferring, spending, paying, granting, entrusting, bringing out of the country, changing the form, exchanging with currency or securities or other actions on assets: Perform various actions against assets suspected of being the proceeds of a criminal offense.
c. Hiding or disguising the origin of wealth: Aims to obscure the origin of assets obtained from criminal acts.
d. Gambling crime: The assets in question are derived from gambling offenses.

**Facts Revealed in the Indictment**

a. The defendants were involved in finding a bank account for Barta (DPO) which was allegedly used for ML activities.
b. Defendant I (Muslimin) set up a bank account and handed it over to Defendant II (Kurnia Heri Panji Gumelar) in exchange for money.
c. Defendant II informed Defendant III (Edi Gunawan) that there was a bank account available.

d. Defendant III gave money to Defendant II for the purpose of setting up an account.

**Public Prosecutor's Indictment**

The public prosecutor demanded that the defendants be found guilty of committing the crime of "assistance in ML". The public prosecutor imposed a prison sentence of 1 (one) year and 6 (six) months, to be deducted while the defendants are in detention, and a fine of Rp 100,000,000.00 (one hundred million rupiah), provided that if the fine is not paid, the defendants shall be substituted with 6 (six) months imprisonment.

**Evidence**

Some of the evidence presented at the trial included:

a. Print the mutation of BCA Bank account in the name of Defendant I (Muslimin).
b. Application to open an account in the name of Defendant I (Muslimin).
c. Mobile.
d. Cash in the amount of Rp. 5,426,638.60
e. Legal Considerations

The elements of Article 10 Jo Article 3 Jo Article 2 Paragraph (1) letter t of the Anti-Money Laundering Law are fulfilled or not. The relationship between the bank account set up by Defendant I and the gambling activities. Whether the defendants knew or should have suspected that the money they received or the account they helped provide would be used for ML. Based on the above decision, the author is of the opinion that the application of the principles of preventing ML is quite good. Here are some important points:

**a. Law Enforcement Against Assistance in ML**

This decision shows that law enforcement officers not only target the main perpetrators of ML, but also those who assist or facilitate ML. This is important because it can narrow the space for ML offenders.

**b. Broad Utilization of the Anti-Money Laundering Law**

The Anti-Money Laundering Law is not only used to ensnare the perpetrators of the original crime, but also the parties involved in efforts to hide or obscure the origin of the assets resulting from criminal acts.

**c. The Importance of Inter-Party Cooperation**

This case shows the importance of cooperation between various parties, such as financial service providers (banks), law enforcement officials, and the community, in preventing and combating ML.

**d. Deterrent Effect**

It is hoped that this decision can provide a deterrent effect for ML offenders and parties potentially involved in ML activities.

**However, there are a few things to note**

**a. Proof of the Element of Willfulness**

The element of intent or knowledge of the defendant is a challenge in ML cases. Law enforcement officers must be able to gather sufficient evidence to convince the judge that the defendant knew or reasonably suspected that the assets came from a criminal offense.

**b. More Effective Prevention**

Efforts to prevent ML should be further enhanced, for example through increased socialization, education, and supervision of suspicious financial transactions.

**c.** Overall, this decision is a positive step in efforts to prevent and eradicate ML in Indonesia. However, these efforts must continue to be improved and expanded in order to provide more optimal results.

Based on the facts revealed in Decision Number 40/Pid.Sus/2020/PN JKT.SEL, it can be concluded as follows:

**a. Role of the Defendants in Facilitating ML:**

Defendant I (Muslimin), Defendant II (Kurnia Heri Panji Gumelar), and Defendant III (Edi Gunawan) were legally and convincingly proven to have committed the crime of assistance in the crime of money laundering (TPPU). The defendants played a role in finding and providing a bank account in the name of Muslimin to be used by Barta (DPO) who was suspected of committing the original crime (gambling). By providing the bank account, the defendants facilitated Barta's efforts to hide or disguise the origin of the proceeds of crime.

**b. Elements of ML that are Fulfilled:**

The actions of the defendants fulfilled the elements of ML as stipulated in the Law of the Republic of Indonesia Number 8 of 2010 on the Prevention and Eradication of Money Laundering. Specifically, the defendants were found guilty of violating Article 10 Jo Article 3 Jo Article 2 Paragraph (1) letter t of Law Number 8 of 2010. This article regulates assistance in ML, where a person intentionally provides assistance or convenience to the main perpetrator to commit ML.

**c. Elements that are met include**

The act of placing, transferring, assigning, or other actions on the assets. The assets are known or reasonably suspected to be the proceeds of a criminal offense (gambling).The purpose of the act is to hide or disguise the origin of the assets.

**d. Legal Considerations in the Decision**

The Panel of Judges of the South Jakarta District Court carefully considered the facts revealed at trial, witness testimonies, letter evidence, and evidence submitted.

The Panel of Judges also considered the defense of the defendants and their legal counsel, as well as the replication of the Public Prosecutor and the duplicates of the defendants.

Based on these considerations, the Panel of Judges believes that the defendants have been legally and convincingly proven to have committed the crime as charged.

**e. Sentence imposed**

The Panel of Judges sentenced each defendant to 1 (one) year and 6 (six) months imprisonment, reduced while the defendants are in detention. In addition, the Panel of Judges also imposed a fine of Rp. 100,000,000.00 (one hundred million rupiah) on each defendant, provided that if the fine is not paid, it will be replaced by imprisonment for 6 (six) months. Evidence in the form of account mutations, account

opening applications, and cell phones were confiscated for destruction, while cash amounting to Rp. 5,426,638.60 was confiscated to the state.

**Legal Obstacles Faced in the Prevention of Laundering Crime Based on Decision Number 40/Pid.Sus/2020/PN.South Jakarta**

Based on these decisions, some of the obstacles that can be identified in preventing ML are:

**1. Utilization of Other Party Accounts (Nominee)**

The defendants (Muslimin, Kurnia Heri Panji Gumelar, and Edi Gunawan) were involved in the search for and provision of bank accounts in the name of another person (in this case Muslimin) to be handed over to the party who first committed the crime (Barta, DPO). This shows the common modus operandi in ML, which is to disguise the origin of funds by using the accounts of other parties that are not directly related to illegal activities.

**2. Relatively Small Economic Rewards**

In this case, Muslimin was promised a reward of Rp. 500,000 for setting up a bank account and handing it over to Kurnia Heri Panji Gumelar.These relatively small rewards demonstrate that ML offenders often take advantage of economically vulnerable or uninformed individuals to help them hide or channel the proceeds of crime.

**3. Lack of Public Awareness and Understanding**

The involvement of the defendants in this case indicates a lack of awareness and understanding by the public of the risks and legal consequences of assisting or facilitating ML. They may not realize that their actions, while seemingly as simple as providing a bank account, can have a significant impact in facilitating a larger crime.

**4. Less than optimal coordination between parties**

In the judgment, Barta is still on the wanted list, indicating difficulties in law enforcement and coordination between relevant agencies to apprehend the main ML offender. This can be a serious obstacle in preventing ML, as the main perpetrators can continue to carry out their illegal activities while those who assist them are only prosecuted.

By understanding these constraints, ML prevention efforts can be improved in several ways, such as:

a. Improved Supervision and Law Enforcement:
b. Financial institutions and law enforcement officials need to improve supervision of suspicious financial transactions and take firm action against ML offenders.
c. Education and Socialization:
d. Increase public awareness and understanding of the risks and legal consequences of ML.
e. Strengthening International Cooperation:
f. Enhance cooperation between countries in information exchange and law enforcement related to ML.

Based on the analysis of Decision No. 40/Pid.Sus/2020/PN JKT.SEL, I am of the opinion that some of the main obstacles that hinder the effectiveness of preventing Money Laundering Crime (TPPU) in this case are as follows:

**1. The Modus Operandi of Using Nominee Accounts is Still Rampant**

This case shows that the practice of using nominee accounts is still a common modus operandi used by ML offenders to hide or disguise the origin of the proceeds of crime. This indicates that supervision and law enforcement against the misuse of bank accounts is still not optimal. Financial institutions and authorities need to increase efforts in identifying and preventing the opening of suspicious accounts or those potentially used for ML.

**2. Socio-economic Vulnerability and Lack of Public Awareness**

The involvement of Defendant I (Muslimin) who was willing to open a bank account for a relatively small reward (Rp. 500,000) reflects the socio-economic vulnerability and lack of public awareness of the risks and legal consequences of such actions.

This suggests that education and socialization efforts on ML need to be increased, especially targeting groups of people who are vulnerable to tempting offers of rewards. Challenges in Law Enforcement Against the Main Perpetrators: The status of Barta (the person who ordered the account search) as a DPO (Wanted Person List) indicates that there are challenges in law enforcement against the main perpetrators of ML. This can reduce the deterrent effect and give the impression that the main perpetrators of ML can operate with impunity. Therefore, more intensive efforts are needed in tracking and arresting the main perpetrators of ML.

The need for better coordination between institutions:

This case also highlights the importance of effective coordination between law enforcement agencies, financial institutions and PPATK in the prevention and eradication of ML. Rapid and accurate information exchange between agencies is essential to identify suspicious financial transactions and prevent the circulation of proceeds of crime. Overall, the handling of ML requires a comprehensive and coordinated approach, involving increased supervision, stricter law enforcement, more effective public education, and better inter-agency cooperation. Thus, it is hoped that efforts to prevent and eradicate ML can be more effective and make a positive contribution to the stability of the financial system and state security.

Based on the analysis of these decisions, there are several key challenges in preventing ML/TF in Indonesia, among others:

1. **Misuse of Third Party Accounts:** Criminals often use nominee accounts to disguise the transaction trail.
2. **Low Public Awareness:** Many individuals engage in money laundering without realizing the risks and legal consequences attached to their actions.
3. **Less than Optimal Inter-Agency Coordination:** The main perpetrators are often difficult to apprehend, indicating gaps in the coordination system between law enforcement officials and financial institutions.

To overcome this obstacle, it is necessary to increase supervision of suspicious transactions, educate the public about the dangers of money laundering, and closer cooperation between financial institutions and law enforcement.

**Conclusion**

Based on the analysis of court decisions, it can be concluded that efforts to prevent money laundering have been implemented, but still face various obstacles that need to be

improved. The use of technology in financial investigations has helped identify suspicious transactions, but there are still weaknesses in detecting the flow of funds using more complex methods. One of the biggest challenges in preventing money laundering is the use of third-party accounts that obscure the identity of the main perpetrator. To overcome this problem, the role of financial institutions in applying the Know Your Customer (KYC) principle must be strengthened. In addition, there needs to be more solid cross-agency cooperation to accelerate the investigation and prosecution of money launderers. More severe sanctions against the main perpetrators also need to be applied to increase the deterrent effect and reduce the number of financial crimes. Socialization and education to the public about the risks of money laundering must be more intensively carried out to prevent individual involvement in this illegal practice. With these measures, it is hoped that the money laundering prevention system in Indonesia can be more effective and provide better protection for national economic stability. Case No. 40/Pid.Sus/2020/PN JKT.SEL is an example of how Indonesian law is applied in cracking down on money laundering cases. This verdict emphasizes the importance of vigilance in financial transactions as well as the need for stricter enforcement of the law. Despite the preventive measures put in place, challenges still exist in the form of weak supervision, lack of public awareness, and the use of technology in increasingly complex financial crimes. Therefore, strengthening regulations, inter-institutional cooperation, and legal socialization to the public must continue to be carried out in order to minimize the practice of money laundering in Indonesia.

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