

# Application of Law Enforcement Narcotics Criminal Action with Money Laundering

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**Abstract**—The National Narcotics Agency (BNN) is an investigator of money laundering crimes mandated by UUPPTPPU Number 8 of 2010 concerning the Prevention and Eradication of Money Laundering which acts against money laundering crimes whose origins are from the practice of circulating narcotics and psychotropic drugs. The Narcotics Crime is a predicate crime from the Crime of Money Laundering. The formulation of the problem in this study is how to implement law enforcement for narcotics crimes with money laundering crimes, and what are the inhibiting factors for implementing narcotics crime law enforcement with money laundering crimes. This type of juridical sociological research with an emphasis on field research. The sociological juridical approach is carried out because the problem under study revolves around how the law is applied in society. The purpose of this study is to find out how the implementation of narcotics crime law enforcement with money laundering crimes by conducting interviews with investigators of the Riau National Narcotics Agency. The results of this study are the implementation of law enforcement for narcotics crimes with money laundering which will make it easier for BNN investigators to implement it.

**Keywords**—*implementation, narcotics, and money laundering*

## I. INTRODUCTION

Money laundering is an act or attempt by a criminal to hide, disguise the origin of assets obtained from the initial crime by entering the assets resulting from the crime into the financial system. This initial crime aims to protect or cover up a criminal activity that is the source of the funds or money to be cleared. Money is an object that is used by the public as an intermediary to facilitate the exchange process. Or in other words it can also be an object that is received as full payment for an item or service [1].

In Law Number 8 of 2010 concerning the Prevention and Eradication of the Crime of Money Laundering, Article 74 mandates several state institutions to act as investigators, namely: the Police, the Prosecutor's Office, the Corruption Eradication Commission (KPK), the National Narcotics Agency (BNN), the Directorate General Taxes, as well as the Directorate General of Customs and Excise.

BNN as an investigative agency for money laundering as mandated by UUPPTPPU acts against money laundering crimes whose origins stem from the practice of trafficking narcotics and psychotropic drugs. Narcotics are substances or drugs derived from plants or non-plants, both synthetic and semi-synthetic, which can cause a decrease or change in consciousness, loss of taste, reduce to eliminate pain, and can cause dependence, which are divided into groups as attached in the Act. Invite this [2]. The task of BNN investigators in the enforcement of money laundering crimes whose predicate crimes are narcotics and psychotropics is to start based on the results of the analysis provided by the Financial Transaction Reports and Analysis Center (PPATK).

The PPATK's task to carry out Analysis is an activity to examine suspicious financial transaction reports and/or other reports, as well as information obtained by PPATK in order to find and identify money laundering or other criminal acts. Presidential Regulation of the Republic of Indonesia Number 50 of 2010 concerning Procedures for the Implementation of the Authority of the Financial Transaction Analysis and Reporting Center [3].

Investigators of predicate crimes may conduct investigations into criminal acts of Money Laundering if they find sufficient preliminary evidence of the occurrence of criminal acts of Money Laundering when conducting investigations of predicate crimes in accordance with their authority, the investigators must notify the PPATK. However, on the other hand, for the crime of money laundering, in order to carry out investigations, prosecutions, and examinations in court, it is not obligatory to first prove the original crime. The crimes that constitute the predicate offense in money laundering are [4]:

- Corruption;
- Bribery;
- Narcotics;
- Psychotropics;
- Labor Smuggling;

- Migrant Smuggling;
- In the Banking Sector;
- In the Capital Market Sector;
- In the field of insurance;
- Customs;
- Excise duty;
- Trafficking in Persons;
- Illegal Weapons Trading;
- Terrorism;
- Kidnapping;
- Theft;
- Embezzlement;
- Fraud;
- Counterfeiting Money;
- Gambling;
- Prostitution;
- In the field of taxation;
- In the Forestry Sector;
- In the Environmental Sector;
- In the Marine and Fisheries Sector; Or
- Other Crimes Threatened With Imprisonment for 4 (Four) Years Or More.

Drugs are known by the abbreviation of “narcotics and dangerous drugs”, but the truth is that drugs are “narcotics, psychotropics, other addictive substances”. Psychotropics are substances or drugs, both natural and synthetic, not narcotics, which have psychoactive properties through selective effects on the central nervous system and cause characteristic changes in mental activity and behavior. Psychotropics are grouped into: a. Psychotropic group I: very strong cause dependence and not used in therapy. Example: MDMA (ecstasy), LSD, and STP. b. Psychotropic class II: strong cause dependence, used in therapy is limited. Examples: amphetamines, methamphetamine (shabu), phencyclidine, and Ritalin. c. Psychotropic class III: moderate potential to cause dependence, widely used in therapy. Example: pentobarbital, flunitrazepam. c. Psychotropic class IV: mild potential to cause dependence and very widely used in therapy. Examples: diazepam, clobazam, phenobarbital, barbitol, chlordiazepoxide, and nitrazepam. (Nipam, pills, BK, DUM, MG) [5].

Many types of drugs and psychotropics provide great benefits when used properly and correctly in the medical field.

Narcotics and psychotropics can cure many diseases and end suffering. Narcotics and psychotropic services are very large in the life of the past, present, and future. Surgery (surgery) performed by a doctor must be preceded by anesthesia. In fact, drugs are classified as narcotics. People who experience stress and mental disorders are given drugs that are classified as psychotropic by doctors in order to recover.

For the National Narcotics Agency as an investigator of money laundering crimes, so that this institution has the task of not only revealing narcotics dealers, users/addicts, but also participating in tracing wealth assets originating from narcotics and psychotropic crimes, namely by using a new paradigm, namely "following the flow of narcotics and psychotropic substances". funds" (follow the money).

By taking this approach (methods and techniques) it will be possible to reveal who the perpetrators are, the type of crime, as well as the place and amount of hidden assets. This approach departs from a fundamental conception that the proceeds of crime are the "lifeblood of crime". That is, the proceeds of crime are the blood that feeds the crime itself and is at the same time the weakest point in the chain of crime.

This is inseparable from the task of BNN, namely preventing and eradicating abuse and illicit trafficking of Narcotics and Narcotics Precursors, and BNN Investigators also have the authority to obtain information from the Financial Transaction Reports and Analysis Center related to abuse and illicit trafficking of Narcotics and Narcotics Precursors.

## II. RESEARCH METHODS

This type of research conducted is a type of empirical research (sociological juridical). Sociological or empirical law research is a research method conducted to obtain primary data. Data that will be used in this study are primary data, secondary data and tertiary data. Data collection techniques are observation, interview and literature review. The data that has been collected will be analyzed qualitatively by using sentence description to explain the relationship between the existing theory and the reality in the field.

## III. RESULTS AND DISCUSSION

In law enforcement of the crime of money laundering known as the Financial Transaction Reports and Analysis Center (PPATK), PPATK acts as a Financial Interlijen Unit or intelligence agency to analyze various kinds of suspicious financial transactions in Indonesia. In terms of performance, PPATK cooperates with various parties, including the National Narcotics Agency, so as to increase the quantity and quality of Suspicious Financial Transaction Reports (LKTM) in suspected narcotics crimes. The following is a typology of narcotics crimes related to money laundering [6] (table 1):

TABLE I. TYPOLOGY OF NARCOTICS CRIMES RELATED TO MONEY LAUNDERING

First	Second	Third
Use of third party accounts such as accounts belonging to the suspect's family, accounts of Indonesian migrant workers, or accounts of other parties that are traded either directly or through the market place	Control of narcotics transactions carried out by convicts who are in prison	The use of halawa and money laundering using crypto assets by utilizing digital exchanges by utilizing digital exchanges

Source: PPATK Semester I Report 2021

The National Narcotics Agency, hereinafter referred to as BNN in Law Number 35 of 2009 concerning Narcotics, is a non-ministerial government agency located under and directly responsible to the President through the coordination of the Head of the Indonesian National Police. BNN is led by the Head. BNN has the following duties [7]:

- Develop and implement national policies regarding the prevention and eradication of abuse and illicit trafficking of Narcotics and Narcotics Precursors;
- Prevent and eradicate abuse and illicit trafficking of Narcotics and Narcotics Precursors;
- Coordinate with the Head of the National Police of the Republic of Indonesia in preventing and eradicating the abuse and illicit traffic of Narcotics and Narcotics Precursors;
- Improving the capacity of medical rehabilitation and social rehabilitation institutions for Narcotics addicts, whether organized by the government or the community;
- Empowering the community in preventing abuse and illicit trafficking of Narcotics and Narcotics Precursors;
- Monitor, direct and improve community activities in preventing abuse and illicit trafficking of Narcotics and Narcotics Psychotropics;
- Through bilateral and multilateral cooperation, both regionally and internationally, in order to prevent and eradicate the illicit trafficking of Narcotics and Narcotics Precursors;
- Developing Narcotics and Narcotics Precursor laboratories;
- Carry out administrative investigations and investigations of cases of abuse and illicit trafficking of Narcotics and Narcotics Precursors; and
- Make an annual report regarding the implementation of duties and authorities.

Sociologically, BNN law enforcers have a position (status) and a role (role). Social position is a certain position in the structure of society that may be high, moderate or low. The position is actually a container whose contents are certain rights and obligations. These rights and obligations are roles or roles. Therefore, someone who has a certain position is usually called a role holder. A right is actually the authority to do or not to do. While the obligation is a burden or task.

The role of law in terms of its function is a tool that can be forced to achieve the common goals of society. The goal is to realize the welfare of society [8]. The common goal based on common interests is to maintain a balance between the rights and obligations of each. In the end, it will create an atmosphere of peace and provide opportunities for the community to work safely and carry out tasks that lead to mutual prosperity. It is better if the act of violating the law is a threat to all members of society.

Then based on the results of the analysis conducted by PPATK from January to June 2021 on predicate crimes, Narcotics occupies the 5th (five) position, following the results of the analysis in table 2:

TABLE II. RESULTS OF THE ANALYSIS CONDUCTED BY PPATK FROM JANUARY TO JUNE 2021 ON PREDICATE CRIMES

No.	Original Crime	Number of Analysis Results
1	Terrorism Financing	64
2	Corruption	39
3	Taxation	39
4	Fraud and/or embezzlement	23
5	Narcotics	15
6	Fraud	15
7	Taxation	5
8	Customs and Excise Bidang	4
9	Excise Department	3
10	Banking	3

Source: PPATK Semester I Report 2021

In the enforcement of criminal law cases of money laundering offenses originating from narcotics crimes, it can be carried out in a law enforcement approach using the UUTPPU framework as contained in Article 3 against perpetrators of money laundering crimes in cases of ensnaring money laundering offenses. The basis for considering whether the asset is suspected to have originated from the proceeds of a criminal act is whether the transactions carried out are in accordance with their profile and habits, whether the person is carrying out transactions according to his capacity, and whether the transactions carried out contain suspicious transactions or not.

In narcotics abuse has involved many elements, so that the drug cartels play an important role in the high circulation of narcotics in Indonesia. Officials, pilots, law enforcement officers, students and children have become victims of narcotics abuse. Law enforcement officials even cooperate with narcotics cartels to sell and protect the narcotics cartels. Law

enforcement that can be bribed and very weak, has become an increasing element that causes narcotics abuse to remain high in Indonesia.

Law enforcement of the crime of money laundering is basically a series of activities that prevent the movement or widening of the use of the proceeds of the crime to other forms. Because by deciding the pulse of the movement of the use of the proceeds of the crime, it will be more difficult for criminals to continue the money from the crime in other forms. This effort will be more effective in minimizing the money resulting from the crime of money laundering circulating among legal money. The crime of money laundering referred to by the Law on the Prevention and Eradication of the crime of money laundering, is a crime that is very difficult to prove who the perpetrator is quickly than other ordinary crimes, because the crime of money laundering is a crime that is carried out smoothly, vague, or as if it is a legal activity, as well as money laundering does not have a direct victim but only the negative impact it causes. For this reason, with suspicion or based on an assessment of suspicion that is seen based on the results of analysis related to suspicious financial transaction reports, of course, it will weaken the purpose of the law itself, namely to prevent and eradicate money laundering.

The modes of money laundering are very diverse according to the intelligence of the perpetrators to justify money originating from criminal behavior, so that the number of investigators in order to make money laundering law enforcement effective is very appropriate so that all of them together further enhance the professionalism of their respective institutions. Because money laundering law enforcement systems and mechanisms or anti-money laundering regimes are more focused on tracking the flow of illicit funds/money (follow the money) or financial transactions, it is believed to be the right way to find the type of crime, the perpetrators of the crime and the place where the proceeds of the crime are hidden, or disguised.

The professionalism of the National Narcotics Agency as an investigator in dealing with money laundering crimes whose

origins are narcotics crimes greatly determines the direction of prevention and eradication of money laundering crimes in Indonesia, so that BNN is required to be able to carry out the best so that later it can have a positive impact in the community.

#### IV. CONCLUSION

Money Laundering (TPPU) is an organized money processing activity in which money proceeds from a crime or illegal business is placed into the financial system of a service provider and then overlays the money with several transactions including narcotics crimes, such as investing in legal businesses to cover up or cover up money, obscure the origin of the money earned. The crime of money laundering has been regulated in Article 1 number (1) of Law Number 25 of 2003 concerning amendments to Law Number 15 of 2002 concerning the Crime of Money Laundering and Law Number 8 of 2010 concerning the Prevention and Eradication of the Crime of Laundering Money.

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