



The Urgency of Indonesian Collaboration with International Organizations in Terms of Cooperation and Exchange of Information on Economic Crime and Money Laundering

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Abstract. The Institute for Financial Transaction Monitoring and Evaluation, which represents the State of Indonesia, has actively participated in several collaborative initiatives with a wide range of international organizations. These partnerships aim to foster cooperation and facilitate the exchange of information. The primary objective is to enhance the breadth of available data pertaining to individuals involved in economic crimes, while concurrently restricting the mobility of money launderers on a global scale. Indonesia has been involved in several international collaborations, such as those established with the FATF, Austrac, the Egmont Group, the FIU, the Asia Pacific Group on Money Laundering, among others. Cooperation and exchange of information has urgency and benefits for Indonesia, especially in the form of exchanging financial intelligence information with a high commitment to preventing and eradicating money laundering which is oriented towards improving the image of Indonesia in the international world and will give confidence to investors who will invest in Indonesia.

Keywords: Indonesian Collaboration, International Organizations, Cooperation and Information Exchange, Economic Crime, Money Laundering

1 Introduction

Indonesia's experience in preventing and eradicating money laundering crimes can be an important contribution in the preparation of international policies and standards. In supporting the international community to lower the level if Indonesia becomes a member of an international organization, it can prove to the international community

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that the level of stability and integrity of the Indonesian financial and trade system is sufficient, so that it can increase investment and economic growth, and be on par with developed countries, and in line with Indonesia's position with other G20 countries.

Benefits in policy-making International organizations are forums for meeting member countries to discuss international standard policies against money laundering. Indonesia is the only G-20 member country that is not yet a member of an international organization. The routine of this activity will continue with the pattern as above and will of course take on the burden of the duties of ministries of state institutions in the context of preparing Indonesia as a candidate for membership in an international organization.

Through the Financial Minister of Finance, Indonesia acknowledges the importance of actively participating in meetings of the Financial Action Task Force (FATF), Austrac, Egmont Group, Financial Intelligence Unit (FIU), and Asia Pacific Group On Money Laundering. Therefore, Indonesia seeks to participate as a candidate for FATF membership through a commitment letter made by the Government of Indonesia (Minister of Finance) to the President of the FATF Number S-639/MK.010/2017 dated 10 August 2017 concerning Indonesia's commitment to implementing the membership process.

Indonesia, which incidentally is a member of the G-20, is one of the countries that has the mandate to the Financial Action Task Force (FATF), Austrac, Egmont Group, Financial Intelligence Unit (FIU), Asia Pacific Group On Money Laundering to implement so that the global financial system is not mixed with crime. originating from money laundering and ensuring that the mandate is carried out. It is worth taking into account the current organisational structure in the event that Indonesia is included in joining the Financial Action Task Force (FATF), Austrac, Egmont Group, Financial Intelligence Unit (FIU), and Asia Pacific Group On Money Laundering. The Financial Action Task Force (FATF), Austrac, Egmont Group, Financial Intelligence Unit (FIU), and Asia Pacific Group On Money Laundering are institutions that set international standards that countries must follow. Sanctions will be imposed on the country in question if these conditions are not met.

A number of working groups in the Financial Action Task Force (FATF) forum, Austrac, Egmont Group, Financial Intelligence Unit (FIU), Asia Pacific Group On Money Laundering also have their own characteristics and in various meetings several countries that will be subject to sanctions generally send ambassadors most of them visited the Financial Action Task Force (FATF), Austrac, Egmont Group, Financial Intelligence Unit (FIU), Asia Pacific Group On Money Laundering to get support. Relevant organisations, such as the Coordinating Ministry for Political, Legal, and Security Affairs, the Ministry of Foreign Affairs, and the Ministry of Finance, which serve as portfolio institutions, are eligible to attend this meeting and serve as the delegation's chair if they believe that this is the best possible position and rank for those who represent them.

It is certain that the Indonesian government will fight for Indonesia to become a member of the forum as one of the consequences of its membership. In order to be eligible for membership in prestigious international organizations including the Financial Action Task Force (FATF), Austrac, Egmont Group, Financial Intelligence

Unit (FIU), and the Asia Pacific Group On Money Laundering, it is crucial for Indonesia's Mutual Evaluation rating to satisfy the minimum requirement of LC for Technical Compliance and attain a significant rating for Effectiveness with regards to the Recommendations established by the Financial Action Task Force (FATF). Indonesia's presence, which will be represented by the Financial Transaction Reports and Analysis Center in this forum, bearing in mind that the central handling of anti-money laundering issues at the national level, is a strategic value and of particular importance considering that a number of member countries of the Financial Action Task Force (FATF), Austrac, Egmont Group, Financial Intelligence Unit (FIU), Asia Pacific Group On Money Laundering represented as a focal point.

In order to protect the public from serious crimes and organised crime, various International Financial Action Task Force (FATF) organisations, including Austrac, Egmont Group, Financial Intelligence Unit (FIU), and Asia Pacific Group On Money Laundering, collaborate with each other. Financial intelligence is gathered by the International Financial Action Task Force (FATF), Austrac, Egmont Group, Financial Intelligence Unit (FIU), and Asia Pacific Group On Money Laundering organisations through strict regulation and improved intelligence capabilities.

To aid in national security and law enforcement investigations, important information about those who plan to commit these crimes and criminal actions is disclosed. The Asia Pacific Group On Money Laundering, Austrac, Egmont Group, Financial Intelligence Unit (FIU), and International Financial Action Task Force (FATF) organisation have developed to address issues in a financial system that is evolving quickly and being attacked by criminals in sophisticated ways.

The delivery of services is changing as a result of new and emerging technologies, which affect the International Financial Action Task Force (FATF), Austrac, Egmont Group, Financial Intelligence Unit (FIU), and Asia Pacific Group On Money Laundering. In an increasingly globalised economy, finance is a given. The sector has undergone major changes as a result of these disruptions, and firms have adjusted to these developments in order to fight financial crimes and safeguard society.

2 METHODS

The Sociological Legal Research (socio legal re-search) methodology is used in this scholarly article. Sociological legal research, also known as socio-legal research, is an academic inquiry that places emphasis on the rule of law, hence adopting a positive approach. This study employs the researcher as a primary instrument for identifying and examining the issues to be researched, with the aim of accurately representing the phenomena in its entirety and gathering data from authentic environments. This piece of scientific writing employs a qualitative research methodology to generate descriptive data that can be recorded orally or in writing.

3 RESULTS AND DISCUSSION

Cooperation and exchange of information has urgency and benefits for Indonesia, especially in the form of exchanging financial intelligence information with a high commitment to preventing and eradicating money laundering which is oriented towards improving the image of Indonesia in the international world and will give confidence to investors who will invest in Indonesia.

Some of the urgency and benefits for Indonesia in conducting international cooperation with the Financial Action Task Force (FATF), Austract, Egmont Group, Financial Intelligence Unit (FIU), Asia Pacific Group On Money Laundering are as follows:

3.1 The urgency and benefits of the State of Indonesia through the Center for Financial Transaction Reports and Analysis in collaboration with the Financial Action Task Force (FATF)

The Financial Transaction Reports and Analysis Centre has been given a mandate by the Ministry of Finance to aggressively work towards joining the Financial Action Task Force (FATF). Economic benefits 1) Increasing Indonesia's credibility in the eyes of the international community. 2) Potential to increase the effectiveness of international cooperation through the use of informal communication. Real benefits that can be obtained when becoming a member. This forum, among other things, Indonesia can actively participate in formulating international standards Financial Action Task Force (FATF) recommendations that are mandatory for countries in the world to comply with, Indonesia can prepare the latest standards that have not been implemented in the country through the acquisition of early information detection as members. Indonesia has the capability to construct a comprehensive domestic structure to address the issue of money laundering, aligning with the standards set forth by the Financial Action Task Force (FATF). By adhering to FATF guidelines, Indonesia can position itself as a prominent financial hub in the Asia Pacific region, surpassing Singapore. Members of the FATF enjoy certain privileges in conducting international financial transactions, unless they are classified under the International Cooperation Review Group (ICRG) as having a high risk of illicit money flows. To ensure the effectiveness of anti-money laundering measures, Indonesia must develop robust policies and regulations, and also implement adequate prevention and eradication strategies. This includes enhancing the detection and mitigation of illicit money flows.

3.2 The urgency and benefits of the State of Indonesia through the Center for Financial Transaction Reports and Analysis in collaboration with AUSTRAC

The Center for Financial Transaction Reports and Analysis and AUSTRAC have a history of close relationships. Both are FIUs with administrative forms. AUSTRAC and INTRAC are two names that have similarities in a number of ways,

including being both centers for financial transaction reporting and analysis. AUSTRAC and the Financial Transaction Reports and Analysis Center have conducted joint analysis several times through the Analyst exchange program/AEP program. However, not only analyst exchanges, AUSTRAC-Financial Transaction Reports and Analysis Center also conducts employee exchange programs at other units such as the CEP (corporate exchange program) program in which both parties exchange employees to increase the employee capacity of 2 (two) FIUs . In addition, this exchange is also expected to further increase trust and improve relations between the two parties. AUSTRAC is also a supporter of Indonesia in international forums, especially forums that discuss the anti-money laundering regime.

3.3 The urgency and benefits of the State of Indonesia through the Center for Financial Transaction Reports and Analysis in collaboration with the Egmont Group on Money Laundering

This forum offers various advantages, particularly in terms of economic benefits. If Indonesia demonstrates a cooperative attitude and a strong commitment to preventing and eradicating money laundering and terrorism financing crimes, it will significantly improve Indonesia's international reputation and instill confidence among potential investors seeking to invest in the country. This forum has important meaning for the Indonesian Center for Financial Transaction Reports and Analysis because it raises issues regarding true FIU institutional problems and is a forum for exchanging information and even signing MOUs with fellow financial intelligence agencies from around the world.

1) Concrete benefits:

- Egmont's operations and projects have the potential to contribute to the National Priority Program, specifically in the realm of preventing and eliminating crimes related to money laundering and terrorism funding. The main objective of this initiative is to effectively combat narcotics crimes, corruption, and banking crimes.
 - The direct impact of this Egmont policy on national interests can influence national priorities and on multi-sectoral national interests
 - The concrete benefits obtained compared to the contribution that must be paid are greater than the contribution that must be paid. Because this forum can expand and systematize international cooperation in the mutual exchange of financial intelligence information
- 2) The forum can also enhance the effectiveness of the FIU by offering training and personnel exchange to enhance the skills and capabilities of the personnel employed by the FIU/Financial Transaction Reports and Analysis Center.
 - 3) Through the use of technology, specifically the Egmont Secure Web (ESW), this forum encourages improved and secure communication between FIUs.
 - 4) International information exchange has been shown to be particularly advantageous in assisting various law enforcement initiatives. When it comes to sharing financial data, FIU has a special skill that can help law enforcement

agencies track financial trails in investigations, particularly those involving terrorism and locating illicit assets. These details may be gleaned from suspicious activity reports, unusual transactions, or other disclosures made by the banking industry or other required parties, as well as administrative data from the government and information from public records. By giving law enforcement around the world access to yet another potential source of foreign financial intelligence that may be crucial for national investigations, the Egmont Group FIUs benefit from keeping open lines of communication. The sharing of data among FIUs has considerable value since it frequently serves as the sole conduit for the transfer of financial intelligence between jurisdictions. According to the Egmont Group's "Principles for Information Exchange" (Principles for Information Exchange), the organization's primary goals are to advance information exchange and international cooperation.

- 5) By actively participating in this forum, it can expand international cooperation in the mutual exchange of financial intelligence information.

3.4 The urgency and benefits of the State of Indonesia through the Center for Financial Transaction Reports and Analysis in collaboration with the Asia Pacific Group on Money Laundering

According to Presidential Decree No. 64 of 1999 Article 4, among other benefits: ideology, politics, economy, socioculture, international peace and security, as well as other benefits to improve Indonesia's role and image in international forums and international relations, are included in the general benefits (ideology, politics, economy, social culture, peace, humanity, and image) for Indonesia due to the problem of money laundering. Indonesia started a strategic project.

Asia Pacific Group on Money Laundering activities or programs can support the National Priority Program. The eradication of corruption is a key initiative of the Government, with corruption being recognized as a predicate crime of money laundering that holds both national and international significance. Therefore, the involvement of PPATK in this forum holds considerable importance. The Central Agencies strive for no increase in PPATK contributions and must always be present at the Asia Pacific Group on Money Laundering Annual Meeting which determines the amount of state membership fees, so that Indonesia can influence the determination of the amount of contributions for each member.

Indeed, when Indonesia announced a national tax policy (tax amnesty) to avoid confrontation with the Asia Pacific Group on Money Laundering policy, namely Voluntary Tax Compliance, the policy had a direct influence on national interests.

The potential impact of the tangible advantages acquired relative to Indonesia's required contribution may shape and dictate the policies formulated by the Asia Pacific Group on Money Laundering concerning the implementation of anti-money laundering measures across the Asia Pacific region.

Indonesia's crucial significance in the Southeast Asian area, where it is located, makes participation in this event even more vital. The Center for Financial Transaction Reports and Analysis has become the lead country for countries in the

ASEAN region, deciding on a number of decision/policy proposals submitted in consensus forums on both external and internal issues of the organization, Indonesia was once a country that conducted a Mutual Evaluation Review (MER) of compliance with The FATF recommendation thus shows international confidence in Indonesia's capabilities.

3.5 The urgency and benefits of the State of Indonesia through the Center for Financial Transaction Reports and Analysis in collaboration with the USDOJ-OPDAT (Office of Overseas Prosecutorial Development, Assistance and Training)

Due to the problem of money laundering, general benefits for Indonesia are included, as stated in Article 4 of Presidential Decree Number 64 of 1999. These benefits include: ideology, politics, economy, social culture, peace, humanity, and image.

USDOJ-OPDAT (Office Of Overseas Prosecutorial Development, Assistance And Training) helps fight corruption, terrorism, money laundering, environmental crimes, human trafficking, and improves court security and mutual legal assistance in various countries, one of which is Indonesia. The USDOJ-OPDAT (Office of Overseas Prosecutorial Development, Assistance And Training) is building police and prosecutorial capacity to use anti-money laundering and asset confiscation laws as tools to deal with transnational crime and corruption in collaboration with the Indonesian Financial Intelligence Unit and the Centre for Financial Transaction Reports and Analysis. The USDOJ-OPDAT (Office Of Overseas Prosecutorial Development, Assistance And Training) has also provided training and support to the Indonesian Attorney General's Transnational Crime and Terrorism Task Force (Satgas), which has grown to be a significant partner of the US Government and been given the title of directorate.

The Centre for Financial Transaction Reports and Analysis and the USDOJ-OPDAT (Office of Overseas Prosecutorial Development, Assistance and Training) work well together, demonstrating the positive bilateral relations between Indonesia and the US government.

4 Conclusion

Cooperation and information sharing are urgent and advantageous for Indonesia, particularly when it comes to exchanging financial intelligence data with a strong focus on preventing and eliminating money laundering, which is geared towards enhancing Indonesia's reputation in the international community and providing investors with confidence to invest in Indonesia. The Asia Pacific Group On Money Laundering, specifically the Centre for Financial Transaction Reports and Analysis in the forum, the Financial Action Task Force (FATF), Austrack, the Egmont Group, the Financial Intelligence Unit (FIU), and other organisations are increasingly establishing their existence by: leading jointly in carrying out best practises in the context of efforts to prevent and eradicate money laundering According to the principle of information

exchange from the Financial Action Task Force (FATF), Austract, Egmont Group, Financial Intelligence Unit (FIU), and Asia Pacific Group On Money Laundering, Indonesia actively answers to requests (inquiries) from other nations.

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