

EFFORTS TO COMBAT MONEY LAUNDERING (RESEARCH STUDY OF MEDAN POLRESTABES)

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ABSTRACT

Money laundering, often known as money laundering, is carried out by government officials who hold the power to roll back money that is not legitimate after getting proceeds that are not theirs. In Indonesian, money laundering is translated by the term "money laundering" or "money bleaching". Article 3 of Law Number 8 of 2010 concerning Prevention and Eradication of Money Laundering Crimes states that Everyone who places, transfers, assigns, spends, pays, grants, deposits, takes abroad, changes forms, exchanges with currency or securities or acts other assets of which he knows or reasonably suspects constitute the proceeds of a crime with a maximum imprisonment of 20 (twenty) years and a maximum fine of Rp. 10,000,000,000.00 (ten billion rupiah). Based on research at the Criminal Investigation Unit of the Medan Police Criminal Investigation Unit, there was a crime of money laundering. However, in reality the settlement of money laundering crimes still faces obstacles. This study aims to explain the law enforcement process by the Criminal Investigation Unit of the Medan Polrestabes in the crime of money laundering, the efforts made by the Criminal Investigation Unit of the Medan Police in tackling money laundering and the obstacles faced by the Criminal Investigation Unit of the Medan Police in tackling money laundering. Data in the completion of this scientific work was carried out using empirical legal research methods by collecting primary data obtained by interviewing respondents and information, while library data was obtained by studying laws and regulations, textbooks, scientific writings, and literature related to the problems discussed in this study. It is recommended to increase the quantity and quality of police personnel and complete the facilities needed by the police as well as increase the budget used to handle cases. As for the inhibiting factors of the Police in tackling money laundering crimes, namely internal factors are law enforcement factors while external factors are legal factors, facilities and infrastructure factors, community factors and cultural factors. It is recommended to increase the quantity and quality of police personnel and complete the facilities needed by the police as well as increase the budget used to handle cases.

Keywords: *Countermeasures, Money Laundering Crime.*

A. INTRODUCTION

Seeing the development of society in the current era, more and more people are competing to get material satisfaction in their lives. In getting material satisfaction, a person does various ways to get money either in a positive way or in a negative way. A positive way of getting money can be interpreted that in order to increase one's prosperity one achieves it in accordance

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with applicable rules or based on the values and norms that apply in society. Meanwhile, in a negative way, one tends to justify any means to get money for the sake of material prosperity and of course to achieve Prosperity is no longer based on the values and norms prevailing in society, including legal norms.⁶

In general, the elements of money laundering are money (funds) which are the result of criminal acts, or so-called dirty money, which are processed in a certain way through legitimate institutions, with the aim of removing traces between the criminal act and money generated from the criminal act so that it can be legally owned or controlled.

Basically, there are many attempts to hide and disguise the origin of money or assets resulting from criminal acts through various financial transactions and transferring assets to their children and relatives, with the aim of making it appear as if they originate from legitimate or legal activities. Money laundering crimes include one of the means of various types of actions whose crimes are included in organized crime to make money resulting from money laundering can be made lawful from the origin of the acquisition of wealth. So in this money laundering crime it becomes a factor of the economy which is usually profitable for the owners, because in this factor money launderers can cleverly justify any means to gain huge profits,

In the Criminal Procedure Code (KUHAP), one of the institutions that is authorized to conduct investigations and investigations. One form of negative way in this case is the Crime of Money Laundering committed by a person or organization against illicit money, namely money originating from from mistakes, with the intention of concealing or disguising the origins of said money from criminal acts by entering the money into the financial system so that the money can be taken out of the financial system as halal money.

The definition of money laundering according to Law Number 8 of 2010 concerning the Prevention and Eradication of the Crime of Money Laundering, specifically in Article 1, states that money laundering is any act that fulfills the elements of a crime in accordance with the provisions of the Act. Meanwhile, what is meant by the crime of money laundering according to Article 3 of Law no. 8 of 2010 stated that:

"Every person who places, transfers, diverts, spends, pays, grants, deposits, takes abroad, changes the form, exchanges with currency or securities or other actions on Assets that he knows or should reasonably suspect is the proceeds of criminal acts with the aim of hiding or disguising the origin of Assets shall be punished for the crime of Money Laundering".⁷

In the Criminal Procedure Code (KUHAP), one of the institutions authorized to conduct investigations and investigations is the Indonesian National Police. In addition to the Criminal Procedure Code, the authority of the police as investigators and investigators to uncover criminal acts is reaffirmed in Article 1 point 8 and 9, and Article 14 paragraph (1) letter g of Law no. 2 of 2002 concerning the Indonesian National Police which states "to carry out investigations and investigations into all criminal acts in accordance with the criminal procedure law and other laws and regulations". The authority of the police as investigators and investigators is a form of embodiment of the main duties of the police as stated in Article 13 of Law No. 2 of 2002,⁸

⁶Yasmirah Mandasari Saragih, JURIDICAL REVIEW IN THE IMPLEMENTATION OF ARTICLE 3 OF LAW NUMBER 8 OF 2010 REGARDING THE PREVENTION AND ERADICATION OF THE CRIME OF MONEY LAUNDERING, Journal, 2017

⁷Law Number 8 of 2010 concerning Prevention and Eradication of Money Laundering Crimes Article 1 and Article 3.

⁸Yuli Kristiana "Eradication of Money Laundering Crimes from a Progressive Legal Perspective, Jogjakarta: Thafamedia, 2015, h. 17.

So, based on this background, the authors are interested in conducting research with the title, EFFORTS TO OVERCOME THE CRIME OF MONEY LAUNDERING (RESEARCH STUDY OF MEDAN POLRESTABES)

B. FORMULATION OF THE PROBLEM

Based on the background described, the formulation of the problem to be discussed is as follows:

1. What are the Factors Causing the Crime of Money Laundering?
2. How are the Medan Polrestabes Efforts in Overcoming Money Laundering Crimes?

C. RESEARCH METHODS

The research method is an attempt to find, describe and test the truth of a knowledge which is done using the scientific method. The research method uses a qualitative empirical research method. The legal research method consists of several approach methods, namely: the statutory approach, the case approach, the historical approach, and the legal approach. comparative (comparative approach), Conceptual Approach Method (conceptual approach), namely:

1. The statutory approach method is carried out by examining all laws and regulations that are related to the legal issues being handled. The results of the study are an argument for solving the issues at hand.
2. The case approach method is carried out by conducting a study of cases related to the issues faced by examining a court decision that has permanent force.
3. Method Historical approach (historical approach) that is carried out by examining the background of what was learned and the development of regulations concerning the issues at hand.
4. Methods Comparative approach (comparative approach) is done by comparing the laws of a country with the laws of one or more other countries regarding the same matter.
5. Conceptual Approach Method (conceptual approach) is a conceptual approach that departs from the views and doctrines that developed in the science of law.
6. The Problem Approach Method used in this study is the Conceptual and Legislative Approach Method which departs from the views and doctrines that develop in the science of law with an understanding of the views and doctrines which are the basis for researchers in building an argument. law for the collection of data that is factual when the author conducts interviews with the Criminal Investigation Unit of the Medan Police Pidsus Section. In writing this scientific paper, the authors obtain the data and information needed through the method:
 - a. The interview method with the Criminal Investigation Unit of the Medan Police Pidsus was used to find information and information for research purposes.
 - b. The library research method, which is an attempt to obtain secondary data through reading materials in the form of books, journals, scientific articles, legal articles that contain expert opinions related to the topics discussed by the author⁹

D. DISCUSSION

1. Factors Causing the Crime of Money Laundering

Proving the existence of a Money Laundering Crime is not an easy thing because the money laundering technique or process essentially consists of three stages, namely Placement, Layering and Integration. (Ganarsih, 2004). Placement, is the placement of proceeds of crime in the form of cash deposits in banks, insurance policies, buying houses, jewelery and so on. It is at this stage that it is easiest to detect because the

⁹Peter Mahmud marzuki "Legal Research" Kencana, Jakarta, 2005, h. 94

proceeds of crime are directly related to their source. Layering, is the process of transferring funds from several accounts or from certain locations as a result of Placement to other places, through a series of complex transactions designed to disguise or deceive the source of these illegal funds. Layering can be done through opening accounts of fictitious companies by utilizing bank secrecy provisions, and even using a number of accounts transferred to various countries, so that at this stage it is more difficult to track because there is always an intervention by international bank mechanisms. Integration, is the stage of re-entering funds whose origins are not visible into a valid transaction. At this stage, money laundered through Placement and Layering is diverted into official activities, so that it is seen that it is not at all related to criminal activity. At this stage, money that has been laundered is put back into circulation in a form that is in line with the rule of law. so that at this stage it is more difficult to trace because there is always an intervention by international bank mechanisms. Integration, is the stage of re-entering funds whose origins are not visible into a valid transaction. At this stage, money laundered through Placement and Layering is diverted into official activities, so that it is seen that it is not at all related to criminal activity. At this stage, money that has been laundered is put back into circulation in a form that is in line with the rule of law.

There are several modes of using objects and means used by money launderers in carrying out money laundering. According to Munir Fuady and Bambang Setijoprodjo, as quoted by Siahaan (Siahaan, 2002), there are 13 *modus operandi* for money laundering crimes, namely:

- 1) Loanback mode, namely by borrowing his own money from a foreign company, a kind of shadow company whose directors and shareholders are himself.
- 2) C-Chase's *modus operandi*, this *modus operandi* is quite complicated and tortuous, several times to several other banks, then converted in the form of a Certificate of Deposit to guarantee a loan. Here Loans are never billed, but only by disbursing a certificate of deposit.
- 3) The mode of international trade transactions by means of L/C documents which are the focus of bank affairs, both correspondence and bank openings are the bank documents themselves and do not concern the condition of the goods. So in this case the target of money laundering is large invoices for small items or even nonexistent items.
- 4) Cash smuggling mode, carrying cash across borders between countries at seaports or airports.
- 5) The mode of buying the company (acquisition) is then selling the shares to other parties and making money, this money is money that looks clean.
- 6) Over invoices or double invoices mode. This mode is carried out by establishing an import-export company in one's own country, then abroad (which is a tax haven) also establishing a shadow company. This company in a tax haven country exports goods to Indonesia and this company makes purchase invoices at high prices. This is what is called a double invoice. In order for companies in Indonesia to continue to survive, companies abroad provide loans. In this way, dirty money from companies in other countries officially enters the country.

- 7) Real Estate mode, namely selling a property several times to companies in the same group. The same mode is also carried out in the capital market, namely the purchase of shares only by companies in the neighborhood with high bid prices.
- 8) Certain modes of investment, usually in the business of dealing in paintings or antiques, then selling them to someone who is actually the agent's order at a high price.
- 9) Stock trading mode. The Amsterdam mode involves the Nusse Brink securities company, where several customers of this securities company become perpetrators of money laundering crimes.
- 10) Pizza Connection mode, this mode is carried out by investing the proceeds of the drug trade invested in Carabia and Switzerland.
- 11) La Mina Mode. This mode occurred in the United States in 1990, funds obtained from the drug trade as a syndicate. Then gold bullion was exported from Uruguay with the intention that the import would be illegal. The money is deposited in a gold packaging box design, then sent to a jeweler who is licensed as a drug mafia. The sale was made in Los Angeles, the proceeds of the cash were brought to the Bank, with the intention that it appeared as if it had come from the sale of gold and gems and was sent to the Bank of New York and from this city it was sent to banks in Europe via the country of Panama. The money eventually reached Columbia to be distributed to pay fees, to invest in the drug trade, but mostly to long-term investments.
- 12) Deposit Taking mode. Establishing financial companies such as Deposit Taking Institutions (DTI) in Canada. DTI is known for its money laundering facilities such as Chartered Banks, Trust Companies and Credit Unions. Money laundering cases involving DTI include: Transfers via telex, securities, foreign currency exchange, purchases of government bonds and Treasury bills.
- 13) Fake Identity Mode, namely using banking institutions as money launderers by depositing money in fake names, using save deposit boxes to hide proceeds of crime, providing transfer facilities so that they can be easily transferred to the desired place or using electronic fund transfers to pay off illegal transaction obligations, store or distribute the proceeds of the illicit transaction.¹⁰

According to Sutan Remy Syahdeni, there are several factors driving the rise of money laundering activities in various countries, including:

First, the Globalization Factor, as revealed by Pino Arlacchi, Executive Director of the US Offices for Drug Control and Crime Prevention in mid-1998 as follows: "Globalitation has turned the international financial into a money lounderer's dream, and this criminal process siphons away billions of dollars per year from economic growth at a time when the financial health of every country affects the stability of the global market place". (Globalization has turned the international financial system into a destination for money launderers, and this criminal process diverts trillions of dollars annually from economic growth while good financial conditions in every country have an impact on the stability of global markets).

Second, the factor of rapid technological progress, the progress that most encourages the rise of money laundering is technology in the information sector, namely the emergence of the internet which shows extraordinary progress. With the advancement of information technology, national borders are meaningless and the world has become one unit without borders. It is easy for organized crimes to be carried out across national borders so that these crimes develop into transnational crimes. At present criminal organizations can easily and quickly transfer very large sums of money from one jurisdiction to another. For example,

¹⁰Nurmalawaty, FACTORS CAUSING THE CRIME OF MONEY LAUNDERING AND EFFORTS TO PREVENT IT, Vol. 11, 2006.

Third, the very strict regulation on bank secrecy from the country concerned, relating to tax reforms from European Union member countries, which at a meeting of the Ministers of Finance of the European Union countries have called for abolishing the provisions of the European Union. provisions relating to bank secrecy, Fourth, the factor of not really implementing the "Know Your Customer" principle (know your customer) for banks and other financial service providers. The existence of a country that allows a person to save funds in a bank using a pseudonym or anonymously. For example, Austria, which is in the southeast as a country that is used as a base for money laundering activities from corruptors and organizations engaged in drug trafficking and an organization opens an account at a bank in Australia anonymously (pseudonym), Fifth, the factor of the increasingly widespread Electronic Banking (electronic network). Electronic Banking (e-banking) is the process of providing banking services and products through (by utilizing) electronic networks, including ATM (Automated Teller Machine) and Wire Transfers. Electronic Banking has provided opportunities for money launderers to carry out a new model of money laundering via the internet network called CyberLaundering.

Sixth, Factors Using Electronic Money (E-money) or Electronic Money. The Bank for International Settlements defines Electronic Money (E-Money) as a mechanism for storing value and or making payments electronically. In other words, E-Money has two functions of money, namely as Store Value and pre-paid payment which are essentially identical to the function of Standard Of Deferred Payment in money in general. E-money has several advantages compared to traditional money, namely: (a) E-Money uses a card or device that can store very large amounts of funds, so it does not require a large place or container to carry it, (b) E-money money is easy to transfer anytime and anywhere with the help of the internet. (c) E-Money is more difficult to track because it doesn't have a traditional sell number. In addition, the encryption technology involved in the E-Money transfer process makes it increasingly difficult to determine its origin. With the three advantages above, perpetrators who usually smuggle money move to this facility. Apart from that E-Money does not require an intermediary in transferring money, there is no recorded track record, E-Money is designed in various currencies which makes it easy to launder money from one country to another (Nasution, 2005). With the three advantages above, perpetrators who usually smuggle money move to this facility. Apart from that E-Money does not require an intermediary in transferring money, there is no recorded track record, E-Money is designed in various currencies which makes it easy to launder money from one country to another (Nasution, 2005). With the three advantages above, perpetrators who usually smuggle money move to this facility. Apart from that E-Money does not require an intermediary in transferring money, there is no recorded track record, E-Money is designed in various currencies which makes it easy to launder money from one country to another (Nasution, 2005).

Seventh, the factor that allows the use of layers of legal service providers (lawyers) to place funds. In this way, the depositor/depositor is not the real owner. The depositor only acts as a power of attorney or executor of the mandate of another party who assigns him to deposit money in a bank. This depositor can occur in layers before reaching the real owner. In other words, there is a relay in layers, and usually the attorneys who act in layers in this relay are attorney's offices. Eighth, the factor is the existence of statutory provisions regarding the obligation to keep confidential the relationship between lawyers and their clients and between accountants and their clients. According to the laws of most developed countries, such as Switzerland and Australia, the confidentiality of the relationship between client and lawyer is protected by law. Lawyers who deposit funds on behalf of their clients cannot be forced by the competent authority to reveal the identity of their clients. Ninth, the factor of not being serious about the government of a country to allow money laundering practices, because it gains profit from placing illicit money in state banks. The funds collected are very much needed to finance development, gain profits from the distribution of funds, and can contribute in the form of large taxes to the state.

Tenth, the factor is the absence of a law against money laundering in a country. This is possible because of the reluctance of the state to seriously participate in eradicating the practice of money laundering. Indonesia recently had Law No. 15 of 2002 concerning the Crime of Money Laundering which then underwent several changes in Law No. 25 of 2003.¹¹

2. Medan Polrestabas Efforts in Combating Money Laundering Crimes

Money laundering as a new form of crime in Indonesia, even though it has been happening for a long time in various countries of the world, has had a negative impact on a country's economy, because in this practice, many potential funds are not utilized optimally. The practice of money laundering also creates instability in the national economy, causing sharp fluctuations in exchange rates and interest rates, the transfer of money from one country to another, so that it can slowly destroy financial markets, which also results in a decline in world economic growth. . (Nasution, 2005).

One of the efforts to prevent and eradicate the practice of money laundering (Money Laundering) is to establish laws that prohibit and punish money laundering actors. For the aforementioned efforts, Indonesia currently has a Money Laundering Law, Law No. 15 of 2002 which was later amended by Law No. 25 of 2003. Main points of amendment and improvement of the law includes; affirming the meaning of money laundering, changing the approach in determining predicate crimes (predicate crime) from a closed system to an open system, expanding the scope of money laundering crimes, making PPATK more effective in implementing it, expanding data confidentiality, expanding forms of international cooperation in dealing with money laundering.

Since the full operation of PPATK on October 20, 2003, the process of building an anti-money laundering regime in Indonesia has begun to be effective, the efforts made by the anti-money laundering regime in Indonesia are strong, the efforts made are to strengthen the four pillars of the regime (Zulkarnain, 2005). First, laws and regulations. It is intended to provide a strong legal and regulatory framework, which can create firmness and clarity regarding the anti-money laundering regime so as to facilitate the enforcement process. Second, information system technology and human resources, which aims to provide global information and communication facilities that are integrated and secure, and create strong, skilled and high morale human resources. Third, analysis and compliance. The results of the analysis of reports submitted by PPATK are expected to be able to produce a conclusion that has quality so that it can optimally assist law enforcement in enforcing the law. The fourth is domestic and international cooperation. With close cooperation between domestic agencies and international cooperation, it will be possible to create cross-sectoral coordination in FIU (Financial Intelligence Unit) to accelerate the exchange of information without sacrificing confidentiality aspects.

In addition to the law above, there are several other regulations known as prevention efforts, namely; First, the principle of knowing your customer (Know Your Customer). This know your customer principle is regulated in Bank Indonesia Regulation Number 5/21/PBI/2003 as an amendment to Bank Indonesia Regulation Number 3/23/PBI/2001 and Number 3/10/PBI/2001. In article 1 point 2 it is stated that the principle of knowing your customer is a principle applied by the Bank to find out the customer's identity, monitor customer transaction activities including reporting suspicious transactions. Even though Indonesia already has know-your-customer principle regulations and money laundering laws, this does not mean that Indonesia has been declared a cooperative country in eradicating money laundering. To prevent Indonesia from being included in the NCCTs (Non-Cooperate Countries and Territories) list, other regulations were issued regarding the

¹¹Syahdeni, Sutan Remy. 2003. Money Laundering: Definition, History, Causative Factors and their impact on Society. Journal of Business Law Vol.22 No.3.

application of the know your customer principle within the capital market industry and other non-bank financial institutions. Several other provisions regarding the know your customer principle are:

- (a) Bank Indonesia Regulation Number: 5/23/PBI/2003 concerning Application of Know Your Customer Principles for Rural Banks. (b) Decree of the Chairman of the Capital Market Supervisory Agency Number: Kep-02/PM/2003 concerning Know Your Customer Principles. (c) Decree of the Minister of Finance of the Republic of Indonesia Number: 45/KMK.06/2003 concerning Guidelines for Implementing the Application of Know Principles in Non-Bank Financial Institutions. In implementing the Know your Customer principle, there are several obstacles, including: (1) Fear of losing customers. Financial Service Providers (PJK) are worried about losing customers, both existing and prospective customers. This is due to the failure of FSPs to apply the Know Your Customer Principles simultaneously. This condition provides an opportunity for customers to refuse to provide information and transfer their funds to FSPs that have not implemented Know Your Customer Principles. (2) The business scale of the bank is very large, making it quite difficult for the bank to collect data on the profiles of all existing customers, besides requiring training for employees and procurement of information systems. This requires quite a long preparation in terms of time, funds and expertise. (3) Lack of attention from the public, so that it appears that there is no good cooperation from the community (customers) in conveying the information requested by the bank. This is mainly due to the fact that these provisions have not been widely socialized to the general public. Second, the role of PPATK (Financial Transaction Reporting and Analysis Center). In Law Number 25 of 2003, article 18 states that the formation of PPATK is an independent institution in carrying out its duties and authorities (Article 18 paragraph 2) and is responsible to the President (Article 18 paragraph 3). In carrying out its functions, PPATK has the following tasks: (a) Collect, store, analyze, evaluate information obtained by PPATK in accordance with this law. (b) Monitor the records in the exception list book made by the Financial Services Provider. (c) Create guidelines regarding procedures for reporting Suspicious Financial Transactions. (d) Provide advice and assistance to authorized agencies regarding information obtained by PPATK in accordance with the provisions of this law. (e) Make guidelines and publications for Financial Service Providers regarding their stipulated obligations
- (b) in this law or with other laws and regulations, and assist in detecting suspicious customer behavior. (f) Provide recommendations to the government regarding efforts to prevent and eradicate money laundering. (g) Reporting the analysis results of financial transactions and other activities every 6 (six) months to the President, the House of Representatives and institutions authorized to supervise Financial Service Providers. (i) Providing information to the public regarding institutional performance as long as providing such information does not conflict with this Law (Article 26 of Law No. 25 of 2003)
- (c) In addition to the above tasks, PPATK has the authority to: (a) Request and receive reports from financial service providers. (b) Request information regarding the progress of the investigation or prosecution of the crime of money laundering that has been reported to investigators or public prosecutors. (c) Conducting audits of Financial Services Providers regarding compliance with obligations in accordance with the provisions of this law and the guidelines for reporting on financial transactions. (d) Provide exceptions to reporting obligations regarding financial transactions conducted in cash as referred to in Article 13 paragraph (1) letter b. In carrying out its duties and authorities, the PPATK is independent as contained in UUTPPU, namely: (a) It is directly responsible to the President. (b) It is not permissible for any party to carry out

any form of interference with the implementation of the duties and authorities of the PPATK. (c) The head and deputy head of the PPATK are required to refuse any interference with the implementation of their duties and authorities. The concrete steps taken by PPATK in an effort to implement UUTPPU are issuing a series of implementing provisions so that the law can operate. The implementation provisions are issued in the form of a decision of the Head of PPATK which includes: (1) General guidelines on the Crime of Money Laundering. (2) Guidelines for the Identification and Reporting of Suspicious Financial Transactions for Financial Service Providers, Foreign Exchange Traders and Money Transfer Service Businesses. (3) Guidelines for the Exception of Cash Transactions. Besides that, in the context of developing an anti-money laundering regime, PPATK strengthens cooperation with relevant government agencies and expands international cooperation, especially with fellow FIUs. Formally this was marked by the signing of an MOU with Bank Indonesia, Bapepam, the Director General of Taxes, the Director General of Customs and Excise, the Directorate General of Financial Institutions, the Anti-Corruption and Collusion Commission. In addition, an MOU was also signed regarding the exchange of information with FIU Thailand, Malaysia, South Korea, Australia, the Philippines and Romania. PPATK also plays an active role in every international meeting such as the annual meeting of the Asia Pacific Group on Money Laundering (APG) and The Egmont Group. Third, the role of Bank Indonesia in preventing money laundering. Bank Indonesia regulations to prevent the occurrence of laundering crimes are reflected in various provisions issued by Bank Indonesia, including: (a) Decree of the Board of Directors of Bank Indonesia No.30/271/A/KEP/DIR concerning the issuance or entry of rupiah currency from or into the territory of the Republic of Indonesia. Based on these provisions, every person who brings in and out of the territory of the Republic of Indonesia with an amount of more than IDR 5,000,000 (Five Million Rupiah) must fill out a declaration form. Apart from that, for anyone who brings rupiah currency outside or into the territory of the Republic of Indonesia with an amount of more than IDR 10,000,000 (Ten Million Rupiah), besides being required to fill out a form, they must also obtain permission from Bank Indonesia, (b) Regulation Bank Indonesia No.2/27/PBI/2000 concerning Commercial Banks. Article 6 paragraph (1) letter J stipulates that in the context of applying for a license to establish a Commercial Bank, prospective bank shareholders are required to attach a statement stating that the bank's capital injection did not come from and for the purpose of money laundering. Article 14 letter b stipulates that sources of funds used in the context of owning a bank or purchasing bank shares are prohibited from or for the purpose of laundering money. (c) Bank Indonesia Regulation No.3/10/PBI/2001 jo No.3/23/PBI/2001 jo No.5/21/PBI/2003 jo No.5/23/PBI/2003 concerning Application of Know Your Customer Principles (Know Your Customer Principles). (d) Bank Indonesia Regulation No.6/1/PBI/2004 concerning Foreign Exchange Traders. Fourth; International Cooperation for Transnational Crime Laundering, therefore its prevention and eradication requires international cooperation, Likewise, the governing national law must comply with international standards, because after all Indonesia is part of the international community, for this reason it must comply with international relations (Duadji, 2004). In the amendment to Article 44 of Law No. 15 of 2002, international cooperation is replaced with mutual assistance, so that the formula reads: "in the context of preventing and eradicating money laundering, mutual assistance in criminal matters with other countries can be carried out through bilateral or multilateral forums. in accordance with statutory provisions.

- (d) This mutual assistance cooperation includes: First, the taking of evidence and statements of a person including the implementation of the Letter of Rogatory. Rogatory letter is a letter from another country requesting an examination to obtain information regarding a money laundering crime. The statements in the letter are made under oath before investigators, public speakers or judges. Rogatory letters requested by Indonesia from Singapore, for example, statements based on oath before legal officials in Singapore and vice versa. Second, Provision of Evidence such as documents and other records. Third, Cooperation regarding the identification and location of a person's whereabouts. Fourth, Execution of requests to search for evidence and confiscation of proceeds of crime. Fifth, Cooperation to search, freezing and confiscation of proceeds of crime. Sixth, Cooperation seeks agreement on willingness to provide testimony or assist in investigations in the requesting country. Seventh, other assistance as long as it does not conflict with laws and regulations.

In the framework of cooperation to prevent and eradicate "Transnational Crime", including Money Laundering, Indonesia has made efforts to: (a) Issuing International Notices (b) Issuing International Reviews containing information on crimes and their prevention. (c) Organizing seminars, symposiums and training. (d) Computerization of crime data and information. (e) Telecommunications networks and assistance.

In Presidential Decree Number 70 of 2002 concerning the Organization and Work Procedure of the Indonesian National Police, it is stated that the police organization is arranged in stages from the central level to the regions in article 3 paragraphs (1), (2) and (3). The level at the central level is called the Headquarters of the Indonesian National Police, abbreviated as Mabes Polri, and at the regional level, it is called the National Police of the Republic of Indonesia Region, abbreviated as Polda. At the level of the Regional Police of the Republic of Indonesia (Polda) there are levels to regional units called and abbreviated as Polwil or Polwiltabes, Polres or Polresta and Polsek or Polsekta, each level or level has elements. Based on Presidential Decree No. 70 of 2002, the organizational structure at the National Police Headquarters level has elements consisting of:

- a. Leadership Element
- b. Elements of assistant leadership and executive staff
- c. Education Implementing Elements and or Special Staff Executors
- d. Main Implementing Element of the Center
- e. Other supporting organizational units.

In addition to levels at the National Police Headquarters level, for levels at the regional level, it is regulated in article 26 of Presidential Decree Number 70 of 2002 whose substance regulates the Organizational Structure and Elements at the Polda level, concerning the Organization and Working Procedures of Organizational Units at the Indonesian National Police Level. Region (Polda). The elements at the Polda level consist of:

- a. Leadership Element
- b. Elements of Assistant Leadership / Executive Staff
- c. Implementing Elements of Education/Special Staff and Services
- d. Main Implementing Element.
- e. Auxiliary Elements of Leadership and Implementation of Regional Police Regional Staff, abbreviated as Polwil.

So that all accountability for policing by lower-level organizations is carried out in stages up to the top level (Police Headquarters), such as the Polsek being responsible to the Polres, the Polres being responsible to the Polwil, the Polwil being responsible to the Polda and the Polda being responsible to organizations at the Headquarters level, both structurally and functionally. In addition, relationships that are horizontal or sideways with regional police organizations are coordinative or assistance, for example Polda and Polda,

Polwil and Polwil up to the Polres and Polsek levels within one area or outside the area. The role of Polri investigators in the criminal justice system is at the forefront and is the initial stage of the mechanism of the criminal justice process, namely:¹²

Preliminary examination is carried out in the sense that an investigation is carried out against someone who is suspected of committing a crime. A criminal case reaches the hands of Polri investigators through 3 (three) possibilities, namely:

1. Reported by the victim
2. Reported by witnesses/community
3. Known by the police themselves

According to Article 5 paragraph (1) of Law Number 2 of 2002: "The National Police of the Republic of Indonesia is a state instrument that plays a role in maintaining public security and order, enforcing the law, and providing protection, protection and service to the public in the context of maintaining security in country". While law enforcement is a process to realize the wishes in the law so that it becomes an obligation and is obeyed by the community.¹³

The role of the Police in investigations and investigations according to the Criminal Procedure Code includes receiving reports and complaints, seeking information and evidence, ordering suspects to stop, other actions according to law, arrest, prohibition of leaving the place, search and confiscation, examination and confiscation of letters, taking fingerprints and photographing a person, bringing and presenting a person to investigators, receiving a report or complaint from someone about a crime, taking the first action at the scene, ordering a suspect to stop and checking the suspect's identification, committing arrest, detain, search and confiscate, examine and confiscate letters, take fingerprints and photograph a person, calling people to be heard and examined as suspects or witnesses, bringing in the experts needed at the time of the case, holding investigations to a halt, and taking other responsible actions according to law.

E. CLOSING

Based on the discussion above, the authors draw the following conclusions:

1. In general, money laundering is defined as a process carried out to change the proceeds of crimes such as corruption, narcotics crimes, gambling, smuggling and other crimes, so that the proceeds of these crimes appear to be legitimate proceeds of crime because their origins have been disguised/hidden. In the practice of money laundering, most rely on the means of financial institutions, especially banks by making use of bank secrecy provisions, which in the end arises the idea of how to prevent this practice of laundering. The reasons for the occurrence of money laundering basically lie in factors including weaknesses in financial or banking regulations and the seriousness of the banks or the government of a country to eradicate money laundering practices. Therefore the efforts that can be made to prevent this practice of money laundering are by cooperating with world countries (international cooperation), especially by applying the know your customer principle. In Indonesia, this effort has been carried out by issuing a money laundering criminalization policy which was later amended by Law No. 25 of 2003.
2. Medan Polresta efforts in tackling money laundering crimes according to Article 1 paragraph (5) of Law Number 2 of 2002 concerning the Indonesian National Police, namely the role of the Police which is in line with the functions of the Police as stipulated in Law Number 2 of 2002 concerning the Police and in the effort to tackle money laundering in the criminal justice system is to conduct a preliminary examination.

¹²Soedjono Dirdjosisworo, Police in the Criminal Justice system in Indonesia, Bhayangkara Magazine No. 05 (10; 1988), p. 54

¹³Baringbing Simpul, RE, Realizing the Supremacy of Law, Center for Reform Activities, Jakarta, 2001, h. 55.

EFFORTS TO COMBAT MONEY LAUNDERING (RESEARCH STUDY OF MEDAN POLRESTABES)

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Preliminary examination is carried out in the sense that an investigation is carried out against someone who is suspected of committing a crime. A criminal case reaches the hands of Polri investigators.

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