



AN INDONESIAN PERSPECTIVE ON TERROR FINANCING INVESTIGATION

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ABSTRACT

The article consists of three key elements: (1) the terror finance trend in Indonesia prior and after 2013, (2) the connection of Indonesian jihadist in global terror finance, and (3) the Indonesian government response upon countering the terror finance. The first part highlights the shifting trends of terror financing sources from "dependent" terror groups -that are receiving donations from overseas - to "independent" groups that have established charity organisations as the source of funds. The second part discusses "Indonesia and Beyond". This part identifies the important role of the Indonesian jihadist play in terms of terror financing. These activities include courriering funds and playing an intermediary role between the Middle East and Southeast Asia. The third part discusses the Indonesian government's effort in countering terror financing which consists of the strategies and achievements used up to now. These efforts include enforcing laws in arresting "the key financiers" and listing individuals and entities and provide them to update the United Nation consolidated list. These lists reveal their affiliation to Al-Qaeda or domestic terror groups. This articles uses primary data collected from the local law enforcement agencies and highlights the Indonesia terror finance trends, transfer patterns, and the significant improvement of of terror financing countermeasures implem,ented in Indonesia.

Keywords: Terror Financing, Terror Finance Countermeasures, Non-profit organisations

GENERAL OVERVIEW: TERROR FINANCE TREND¹

Prior to 2013, most of the terror finance *modus operandi* have shown a transformation from non-violent to violent.. The non-violent *modus operandi* serves in the form of international illegal transfer of money by the terrorist groups. Abuza (2003) mentioned a local terror group of Indonesia affiliated and received funds from overseas terror groups., The terror attacks by *Jemaah Islamiyah* from 2002 to 2005, such as Bali Bombings, were funded by Al-Qaeda (Abuza,2003). The violent *modus operandi* serves in the form of illegal activity, such as bank robbery(Ariant, 2013), auto-theft, and one "unique" case of fundraising through online

¹ The researcher used 2013 as a year in dividing two different periods consisting of before and after 2013. The year 2013 was when the Indonesian Anti-Terrorism Financing Act was enacted. This timeline is useful to gauge the effectiveness of the Anti-terror Financing Law after it was enacted.

hacking to support terror activity in Central Sulawesi (Ariant, 2019). These activities were identified prior to 2013 in the phase of early establishment of Non-Profit Organization (NPO) in Indonesia in which the NPO then used as the new fundraising *modus operandi* of the terror group. There were three NPO's (Al-Haramain Foundation Indonesia, KOMPAK, and Hilal Ahmar Society Indonesia) identified as being used by terror groups to support the terror activities in Indonesia.

After 2013, there was a significant rise in the numbers of NPOs used for terror activities. There are numerous NPOs established by the terror group serving as the cover of their fundraising to support the terror activities. During 2020 to 2021, the Indonesian authority has successfully dismantled source of funds of the *Jemaah Islamiyah* which used charity organisations named *Baitul Mal Abdurrahman Bin Auf* (BM ABA) and *Syam Organizer* (Antara News 16th August 2021). The charity organisations were used to follow various *modus operandi* in collecting funds, such as charity boxes, online promotions, and direct funds collection during religious events. There were around 2000 charity boxes spread and placed in highly polpulated spots, such as convenience stores and restaurants. This shows the shift of trends from depending on the terror groups to raising funds through non-profit organisations which are more independant in nature.

INDONESIA AND BEYOND: THE INDONESIAN "JIHADIST" MOVEMENT IN GLOBAL TERROR FINANCING.

a. The financial flow of the Islamic State: Centrally supporting terrorism activities taking place in Indonesia from 2015 to 2016.

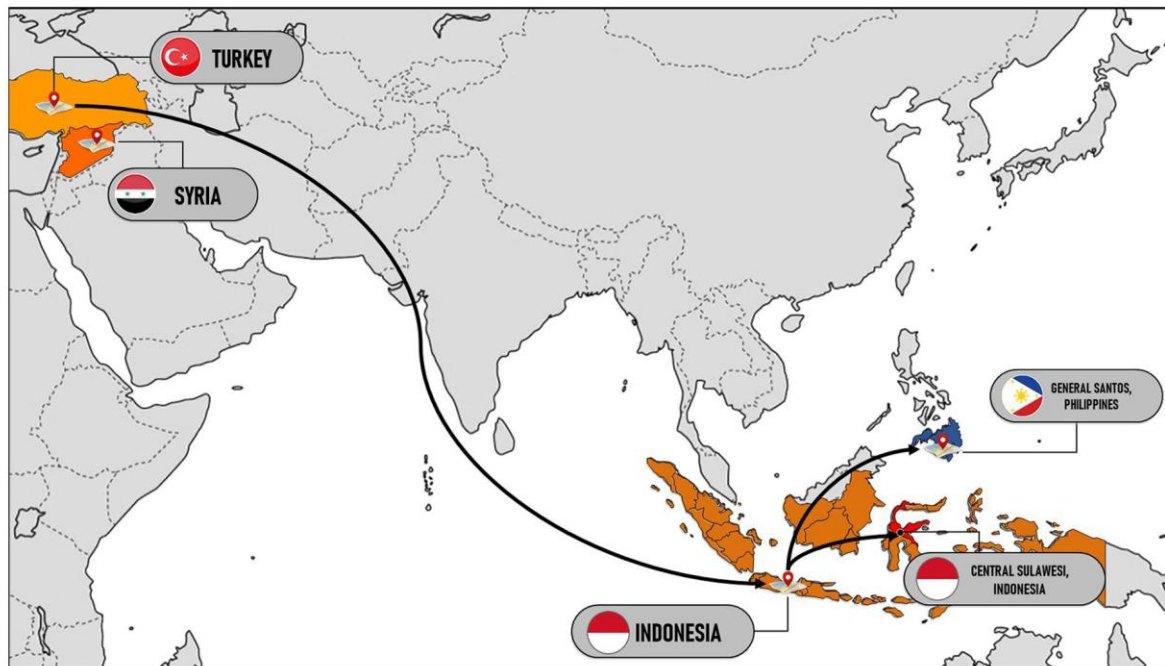


Figure 01. The financial flow of the Islamic State: Centrally supporting terrorism activities taking place in Indonesia from 2015 to 2016

Source: Author

Back in 2014, a group of Indonesian FTF's led by "BahrumSyah" fled to Syria to join the Islamic state (Ref needed). The group then famously known as "Katibah Nusantara" (Straits Times, Jan 17th 2016) and served as the representatives of the South East Asia's jihadist. BahrumSyah and his group were tasked to facilitate the Indonesian and/or South East Asian who wanted to travel to Syria to join the struggle to establish the Islamic State. *Katibah Nusantara* also had other special task to funnel funds to support terror acts in Indonesia or South East Asia (Singh, 2016). In the middle of 2015, *BachrumSyah* sent USD \$100,000 to Indonesia for terror purposes². The funds were used to; (a) establish a new terror group called 'Jemaah Anshoruh Daulah' in Indonesia, (b) support military training in East Java as preparation for terror operation by the 'Jemaah Anshoruh Daulah' in the central capital city of Indonesia which then famously known as the 'Thamrin Terror Bomb' in January 2016, (c) the funds were also transferred to General Santos Southern Philippines³ to purchase firearms to support the terror acts in Indonesia, (d) some of the funds were distributed to the Eastern Indonesia *Mujahideen* in Central Sulawesi as direct funding to purchase logistics, firearms, and indirect funding to finance the family of the terror group.

b. The Indonesian terror group acting as "hub" to finance the Marawi Siege in the mid 2017

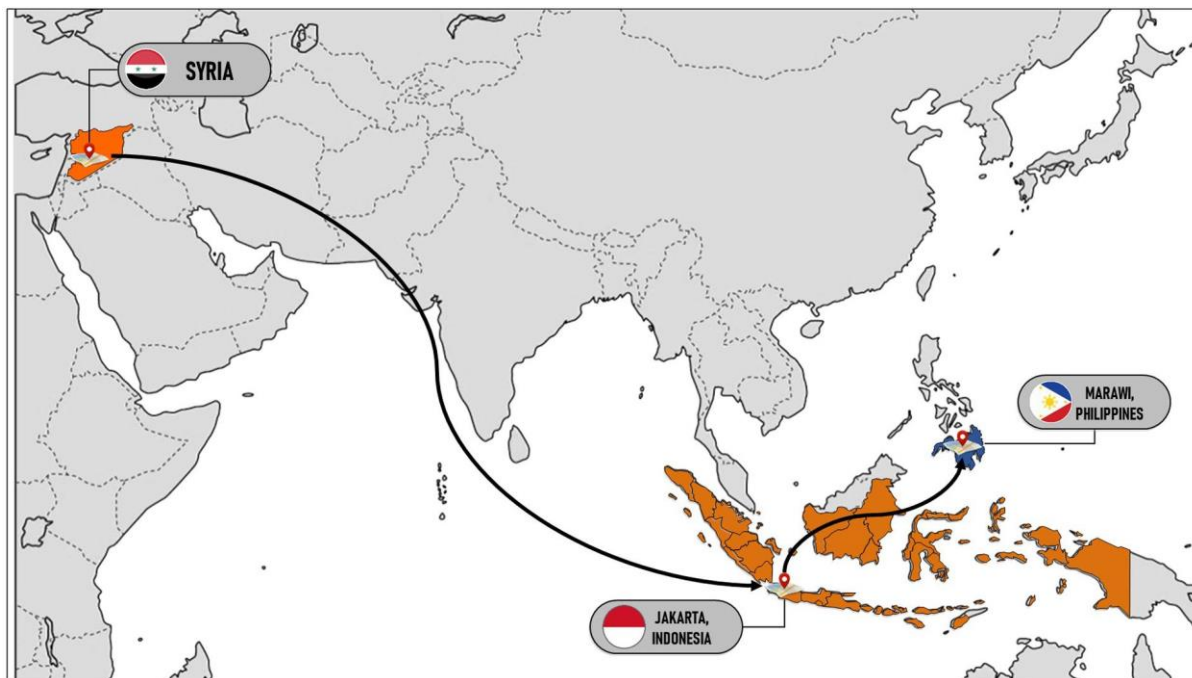


Figure 02: The financial flow of the Islamic State Central and Indonesia as intermediary in supporting terrorism activities in Marawi in 2017

Source: Author

² <https://news.detik.com/berita/d-3142099/kapolri-teroris-dapat-dana-rp-13-m-dari-suriyah-yordania-dan-turki>

³ City of General Santos, is a city in the region of Soccsksargen, Philippines

The incidents in Marawi was led by the local Maute group and *Abu Sayyaf* group faction led by Isnilon Hapilon (Geoffry,2017). At that time, there Munawar (Syria) contacted Achmad Supriyanto (Indonesia) and Dr. Mahmud (Southern Philippines) to send funds for designated areas in Marawi Southern Philippines. The Indonesian supporters named Achmad Suprianto, Rochmat Septriyanto, Gilang Nabaris and Akhmad Ghoni⁴ sent an amount of Rp 300,000,000 in January 2017 and Rp 100,000,000 in February 2017. The total amount sent from Indonesia were Rp 400,000,000 or USD 28,000⁵. The funds transfers occurred from January to February 2017, while the Marawi Incidents happened a couple months later in May 2017.

c. The Funds for Islamic States-Khorasan



Figure 03: The flow of funds received by Indonesian FTF's for IS-Khorasan in 2017

Source: Primary Data of the Researcher

An Indonesian FTF named Syaifullah a.k.a Daniel fled from Indonesia to Thailand in 2017. He was aiming to join IS-Khorasan and acting as a funds courier. He received funds of \$29,000 USD through Western Union in Thailand then distributed the funds to Myanmar and carried some of the funds to Afghanistan. Syaifullah a.k.a Daniel received the funds from various locations, such as Germany, Trinidad and Tobago, Venezuela and Maldives (Singh, 2021). Based on the travel records, he then flew to Iran, and then to Afghanistan after receiving the funds. The Indonesian authority believed that Syaifullah a.k.a Daniel was killed in 2019 in the Afghanistan territory.

⁴ Arrested in March and June 2017.

⁵ Primary data collected from counter terror financing operations in Indonesia.

d. The Financial Flow of NPO's in Funds Collection and Distribution

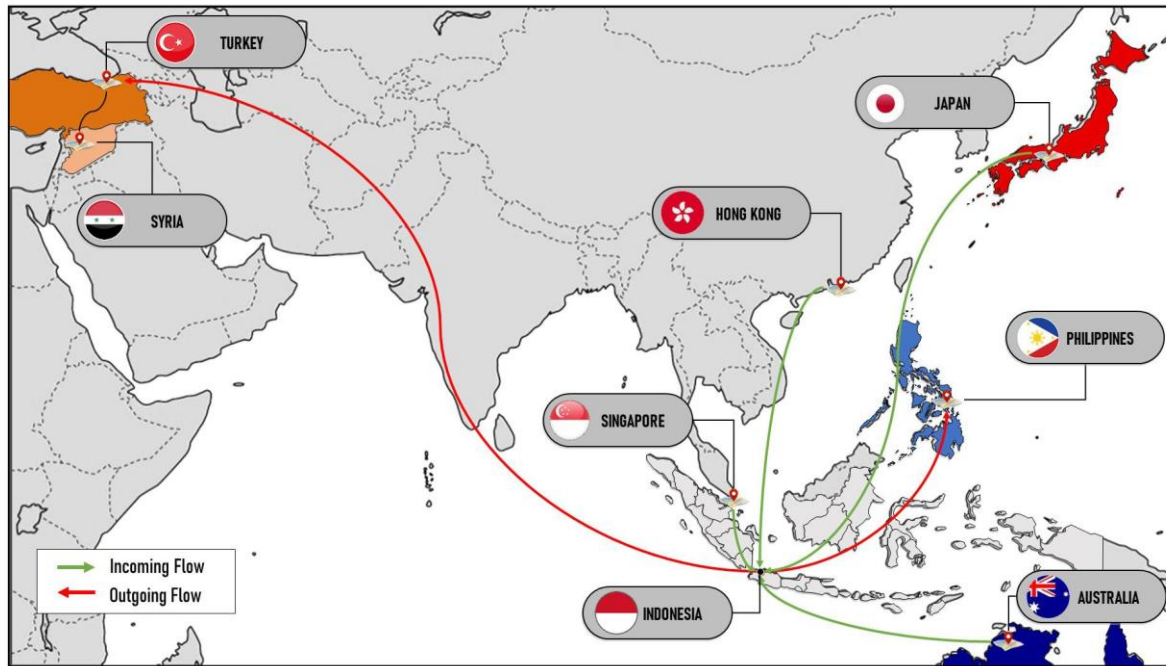


Figure 04: The flow of funds collection and distribution of the non-profit organisation in supporting terrorism activities in Indonesia and overseas after 2013

Source: Primary Data of the Researcher

The fundraising and funds transmissions were conducted in domestic and overseas. The map shows how the funds collected from overseas, mostly from Asia (Singapore, Hongkong, Japan). These funds were transmitted by the Indonesian workers who also served as terror sympathisers (Ariyanti,2020)⁶. The Indonesian authorities also found some funds transfer from Australia. They also found that the donors support the terror groups through charity organisations that were suspected of terror groups or groups that carried out certain movements based on their campaign or promotions. The funds were distributed domestically to support terror groups and their activities in Indonesia. Some were also internationally distributed to the conflict zones, such as Southern Philippines and Syria. Not only funds, the charity organisation also distributed logistics and humanitarian workers which served as cover for transferring "Jihadist" to the conflict zone.

⁶ V. Arianti, RSIS and Muh Taufiqurrohman, "Extremist Charities Spread in Indonesia", EastAsiaForum, (March 17th 2020).

THE INDONESIAN GOVERNMENT EFFORT IN COMBATING TERRORISM FINANCING: WHAT ARE THE STRATEGY AND ACHIEVEMENT

A. LAW ENFORCEMENT STRATEGY

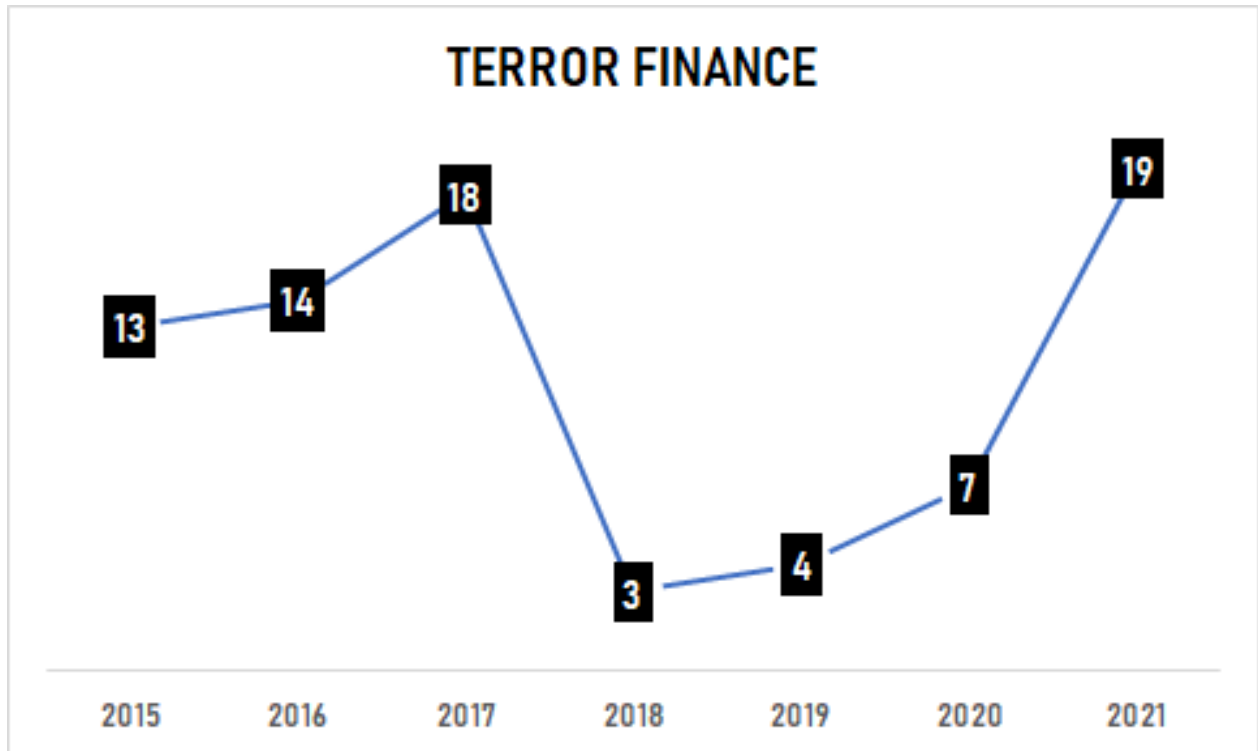


Figure 05: The arrests of terror financiers in Indonesia from 2016 to 2021

Source: Author

Responding to the terror group cases, the Indonesian government has been actively arresting the terror financiers. Referring to Image 5 of Terror Financiers, the blue line shows the number of arrested terror financiers. In 2015 to 2017, some of the terror financiers were Wahyudin a.k.a Iron (arrested in 2015), Hendro Fernando who was arrested in 2016 (Arnaz 2016), Suryadi Masud, Adi Jihadi, and Mulyadi (arrested in 2017) whose cases refer to the financial support from Islamic States Central in supporting terror activities in Indonesia, also cases of financing and purchasing weapons to the Southern Philippines in 2015 to 2016 (Direktori Putusan, 2018) (section II.a). In 2017, some of the terror financiers were Achmad Supriyanto, Rochmat Septriyanto, Gilang Nabaris and Akhmad Ghoni in which they were responsible of funds transmission to Marawi (Direktori Putusan, 2018) (refers to section II.b). Another specific case of the non-profit organisation in terror finance was by Aznop Priyandi, an administrator and treasurer of Baitul Mal Ummah, a charity organization in Riau Sumatra supporting terror groups in North Sumatra (Direktori Putusan, 2018). After 2017, there was a significant drop of arrests from eighteen to three in 2018. However, from 2018 onwards, there has been a significant raise, especially during 2020 to 2021 with a total of seven to nineteen arrested terror financiers.

B. DOMESTIC SANCTIONS LIST STRATEGY

Another strategy used by the Indonesian government is the domestic sanctions list strategy. Image 6 below shows the listing amount by the Indonesian authority upon the terrorists or entities affiliated with terror groups in domestic sanctions list after 2013.

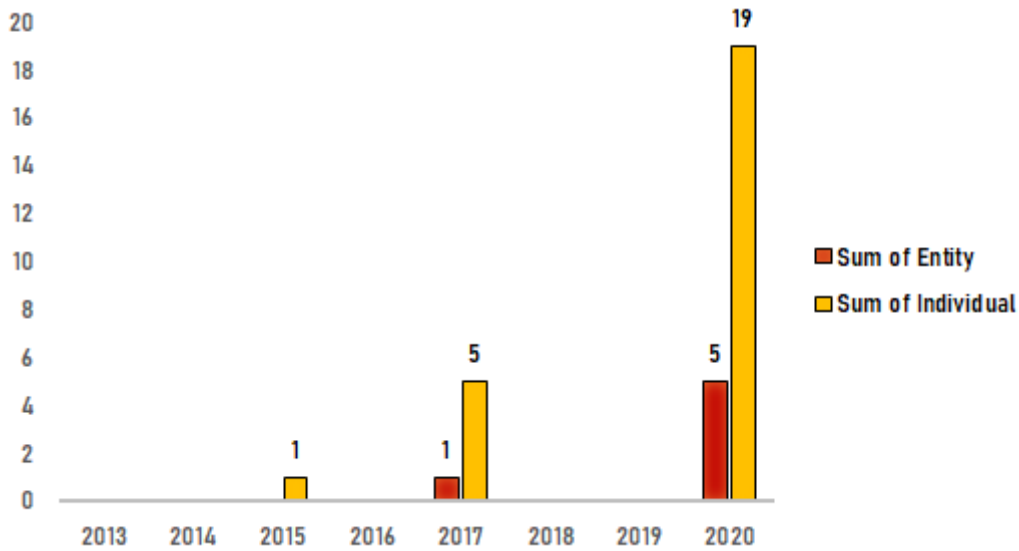


Figure 06: The list of individuals and entities listed in the domestic sanctions list after 2013

Source: Primary Data of the Researcher

In 2015, the domestic sanctions list was represented by only a single amount of individuals listed and none of the entities listed in 2015. However, the listing increased in 2017 with five individuals and one entity listed. There were no individuals or entities listed during 2018 to 2019. However, the listing of individuals and entities then had a drastic increase in 2020 with a total of nineteen individuals acting as the non-profit organization staff and five unregistered non-profit organizations. In 2020, some of the non-profit organizations listed were (1) Abu Ahmed Foundation and (2) Muslimah Bima Peduli which were an affiliate and supporter of the Jabhat Al-Nusrah in Syria(Nomor,2020), (3) RQ Sama Taat which raised the funds through social media in order to support the terror attack at the Brimob police detention center in 2018(The Guardian, 2018), (4) Gashibu, a charity organisation located in Central Java which supported the Eastern Indonesia Mujahideen movement in Central Sulawesi, and (4) Aseer Crue Center which supported people listed in the terrorist wanted list and affiliated with the error suspect (Nomor,2020).

CONCLUSION

Examining the terror finance of Indonesian terror groups supports the states in combating the terrorism. The Indonesian terror groups are playing a significant role in supporting global terror, serving as direct support as an FTF in the conflict zones and as an intermediary in



funneling funds through cash courier. These terrorist groups act as hub and propagate supportive activities to and from South East Asia. This article spots the shift of terror finance trend in Indonesia terror groups, from receiving funds from overseas and conducting illegal activity to become more independent by using charity organisations as a cover to attract numerous potential donors or even public donations to support their violent activities. Responding to this findings, Indonesia is now on the right path in combating terrorism financing. The data shows significant rise in the quality and quantity of arrest and the listing of individuals or entities in the domestic sanction list. The Indonesian authorities are now using all possible instruments in combating the terror finance in Indonesia. This effort includes promoting cooperation between government agencies and private sector as the efforts could not solely done only by government authorities.

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