

The Criminalization of Money Laundering: A Comparative Legal Study of Indonesia and the United Kingdom

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Article Info

Received: 19-08-2025

Revised: 23-12-2025

Accepted: 31-12-2025

Keywords:

Criminalization; Criminal Liability; Money Laundering;

Abstract

This study aims to analyze and compare the construction of the criminalization of money laundering offenses in Indonesia and the United Kingdom, as well as the limits of criminal liability established through each legal regime. This study employs normative legal research using statutory, conceptual, and comparative approaches. The results show that Indonesia and the United Kingdom share a common objective of severing the connection between the proceeds of crime and legitimate economic activities, but employ different techniques of conceptualization. Indonesia, through Articles 607 and 608 of the National Criminal Code, as well as the previous framework under Law Number 8 of 2010, places assets derived from criminal offenses, acts involving such assets, and subjective circumstances in the form of knowledge or suspicion as important elements of criminalization. The United Kingdom, through the Proceeds of Crime Act 2002, particularly sections 327, 328, and 329, uses the concept of criminal property as the central point connecting criminal conduct with acts of concealment, disguise, arrangement, acquisition, use, or possession of property. The comparison demonstrates that the distinction between predicate offenses and criminal property constitutes a difference in the conceptual technique for characterizing the criminal nature of property, rather than a difference in the objective of combating money laundering. The findings indicate that the limits of criminal liability in both systems should be based on the connection between property of a criminal character, acts involving such property, and mens rea, while being controlled by the principles of legality, legal certainty, clarity of the elements of the offense, and proof of the subjective circumstances of the perpetrator. Such a construction establishes a balance between the effectiveness of combating money laundering and the protection of fundamental principles of criminal law

I. Introduction

Money laundering is a form of economic crime with a cross-border character, as it involves not only the concealment or disguise of the proceeds of crime, but also the process of converting, transferring, using, or placing the proceeds of crime into seemingly legitimate economic activities. (I Made Ngurah Adi Kusumadewa et al., 2022). This character establishes a close relationship between money laundering and predicate offenses, financial systems, commerce, corporations, and the development of transaction technology. Therefore, the criminalization of money laundering is not solely aimed at punishing perpetrators after a crime has occurred, but also at severing the connection between the proceeds of crime and the legal economic system. (Makmur, 2024). In the context of modern criminal law, this approach positions money laundering as an important instrument in combating crimes driven by economic gain, particularly organized crime, corruption, drug offenses, fraud, and other forms of crime that generate financial profits. (Usman, 2023).

Indonesia developed its money laundering legal regime primarily through Law Number 8 of 2010 concerning the Prevention and Eradication of Money Laundering Crimes. The law initially established a relatively comprehensive criminal framework through the criminalization of acts of placing, transferring, diverting, spending, paying, donating, depositing, taking abroad, converting, exchanging, concealing, disguising, receiving, possessing, or using assets derived from criminal offenses. The Anti-Money Laundering Law also establishes a relationship between money laundering offenses and predicate offenses, while positioning financial transaction reporting and analysis mechanisms as part of the prevention and eradication strategy. Normatively, this construction demonstrates that the criminalization of money laundering in Indonesia is oriented not only toward the conduct of the perpetrator but also toward the character of the assets constituting the object of the offense.

The development of Indonesian criminal law following the entry into force of Law Number 1 of 2023 concerning the Criminal Code on January 2, 2026, has raised new issues in the construction of money laundering criminalization. The National Criminal Code incorporates money laundering offenses into Articles 607 and 608, while several key provisions of Law Number 8 of 2010, particularly Article 2 paragraph (1), Article 3, Article 4, and Article 5, have been partially repealed by the National Criminal Code. (Rodliyah, 2024). Accordingly, Indonesia's money laundering criminalization regime has entered a transitional phase from a framework previously centered on a specific statute toward a framework in which the regulation is partially integrated into the national codification of criminal law. This development is important to examine because changes in the sources of criminal law may affect the relationship between

predicate offenses and money laundering, the scope of criminalized conduct, the construction of the perpetrator's culpability, and the application of the principles of legality and legal certainty.

Meanwhile, the United Kingdom has developed its money laundering criminalization framework through a combination of common law and dispersed statutory regulations, with the Proceeds of Crime Act 2002 (POCA) serving as the principal instrument. (Perry, 2026). POCA regulates three principal forms of money laundering offenses through sections 327, 328, and 329, which essentially encompass the concealment or disguise of criminal property, the creation of or involvement in an arrangement that facilitates the use or control of criminal property, and the acquisition, use, or possession of criminal property. (Vu Cao & Cao, 2025). Criminal property within this regime refers to property that is known or suspected to constitute a benefit from criminal conduct. This construction demonstrates that criminalization in the United Kingdom adopts an approach that is more oriented toward the status of and conduct involving criminal property, and is therefore not entirely identical to the Indonesian construction, which has historically linked money laundering offenses to a list of predicate offenses under the Anti-Money Laundering Law.

This criminalization framework is further strengthened by the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, which establish preventive obligations for sectors subject to the anti-money laundering supervisory regime. The UK regime has also developed through the Criminal Finances Act 2017, which expanded the capacity of law enforcement authorities to obtain information, freeze and recover assets, and address money laundering and economic crime. (Arifin et al., 2025)(Surjanti et al., 2025). Furthermore, the Economic Crime and Corporate Transparency Act 2023 introduced further changes to the economic crime regime, including the Defence Against Money Laundering mechanism and certain exemptions from the principal offenses under sections 327–329 of POCA. Accordingly, the development of English law demonstrates that the criminalization of money laundering does not operate independently, but interacts with suspicious activity reports, obligations imposed on regulated sectors, asset recovery mechanisms, and policies for combating economic crime.

The comparison between Indonesia and the United Kingdom is relevant because both countries criminalize money laundering, but employ different legislative techniques and criminal law architectures. Indonesia has undergone significant changes through the partial integration of money laundering provisions into the National Criminal Code, whereas the United Kingdom maintains POCA as the principal basis for criminalization, subject to various amendments through sectoral

legislation and economic crime statutes. These differences raise questions concerning how each system determines the boundaries of criminalization, the relationship between predicate offenses and money laundering, the standards of knowledge or suspicion regarding the origin of assets, and the relationship between criminal liability and preventive obligations. Even within the United Kingdom regime, criminal conduct is not limited to specific categories of offenses, but encompasses various forms of criminal conduct that satisfy the requirements of POCA.

These issues have become increasingly important in the context of modern financial transactions, which enable the proceeds of crime to be transferred through various jurisdictions and economic instruments. Criminalization that is too narrow may create opportunities for perpetrators to exploit forms of transactions or assets that are not explicitly covered by the formulation of an offense. Conversely, overly broad criminalization may raise concerns regarding legal certainty, the boundaries of criminal liability, and the proof of subjective elements. Therefore, a comparative study is necessary not only to describe the similarities and differences between the regulations, but also to analyze how the techniques used to formulate offenses in both legal systems determine the boundary between punishable conduct and financial activities that remain within the lawful sphere.

Based on this context, this study focuses on the criminalization of money laundering offenses in Indonesia and the United Kingdom, particularly concerning the construction of the offense, its relationship with predicate offenses, the elements of culpability, the object in the form of proceeds of crime, and developments in legislative policy that affect the boundaries of criminal liability. A comparative approach is employed to identify differences in the normative constructions of the two countries and to explain their legal consequences for legal certainty and the effectiveness of combating money laundering. Accordingly, this study does not merely compare the existence of criminal provisions, but analyzes how criminalization models are constructed and developed within two legal systems with different legislative traditions.

2. Research Method

This study constitutes normative legal research or doctrinal legal research aimed at analyzing and comparing the legal construction of the criminalization of money laundering offenses in Indonesia and the United Kingdom. Normative legal research is employed to examine law as norms governing conduct, particularly with regard to the formulation of offenses, the elements of criminal liability, the relationship between money laundering offenses and predicate offenses, and the boundaries of

criminalization concerning assets derived from criminal offenses (Disantara et al., 2025). This study is not intended to measure community behavior or the empirical effectiveness of law enforcement, but rather to analyze the coherence, consistency, and development of legal norms governing money laundering in the two jurisdictions.

The statutory approach is used to identify, interpret, and analyze the legal provisions serving as the basis for the criminalization of money laundering in Indonesia and the United Kingdom. The conceptual approach is employed to analyze the legal concepts underlying the criminalization of money laundering. The concepts examined include criminalization, predicate offenses, criminal property, mens rea, criminal liability, the principle of legality, legal certainty, and the boundaries of criminalization. The comparative legal approach is used to systematically compare the normative constructions of Indonesia and the United Kingdom.

In the Indonesian context, the analysis is primarily directed at Law Number 1 of 2023 concerning the Criminal Code and Law Number 8 of 2010 concerning the Prevention and Eradication of Money Laundering Crimes, including the relationship between the provisions concerning money laundering offenses in the National Criminal Code and the provisions of the Anti-Money Laundering Law that remain in force. In the context of the United Kingdom, the study primarily analyzes the Proceeds of Crime Act 2002 (POCA), particularly sections 327–329, as well as developments in its regulation through the Criminal Finances Act 2017, the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, and the Economic Crime and Corporate Transparency Act 2023. This approach is used to examine legislative developments and identify differences in criminalization techniques, particularly concerning predicate offenses, criminal property, mens rea, and forms of conduct that may be subject to criminal liability.

The legal materials used consist of primary, secondary, and tertiary legal materials. Primary legal materials include Indonesian legislation and United Kingdom legislation governing the criminalization and combating of money laundering. Secondary legal materials include legal books, scholarly journal articles, legal doctrines, research findings, and expert opinions relevant to criminal law, money laundering, criminalization, and comparative law. Tertiary legal materials are used as supporting materials to provide explanations of relevant legal terms and concepts. The legal materials are collected through library research and subsequently inventoried and classified according to the legal issues examined.

The legal materials are analyzed qualitatively and normatively using deductive reasoning. (Eka N.A.M. Sihombing, 2022). The legal provisions identified are analyzed through legal interpretation to determine the normative meaning of each provision and are subsequently compared based on predetermined indicators. The analysis is

then directed at the relationship between predicate offenses, criminal property, mens rea, and the boundaries of criminal liability in both legal systems. The comparative results are used to identify the characteristics of each criminalization model and to identify legal issues arising from the differences in these constructions. Through this method, the study is expected to produce an analysis that goes beyond merely inventorying differences in regulations, but is capable of explaining how and why money laundering criminalization is constructed differently within the Indonesian and United Kingdom legal systems, as well as its implications for the principles of legality and legal certainty.

2. Results and Discussion

A. Construction of the Criminalization of Money Laundering Offenses in Indonesia and the United Kingdom

The criminalization of money laundering offenses in Indonesia has undergone significant development following the entry into force of Law Number 1 of 2023 concerning the Criminal Code. Prior to the entry into force of the National Criminal Code, the principal framework governing money laundering offenses was established under Law Number 8 of 2010 concerning the Prevention and Eradication of Money Laundering Crimes. The Anti-Money Laundering Law established criminalization through several forms of conduct that are essentially directed at assets known or reasonably suspected to have originated from criminal offenses. (Nurhani Mouriska & Ani Purwati, 2025). This construction demonstrates that money laundering is not merely a standalone criminal offense, but an offense closely related to the existence of assets derived from a predicate offense. Accordingly, the primary object of criminalization is not only the perpetrator's conduct concerning the assets, but also the relationship between such assets and a prior criminal act.

Following the entry into force of the National Criminal Code, this construction underwent changes as money laundering offenses were incorporated into Articles 607 and 608 of Law Number 1 of 2023. Article 607 essentially retains the criminalization of acts of placing, transferring, diverting, spending, paying, donating, depositing, taking abroad, converting, exchanging for currency or securities, as well as other acts intended to conceal or disguise the origin of assets derived from criminal offenses. This construction demonstrates that the core of criminalization remains centered on the existence of conduct that causes the proceeds of crime to acquire a form, position, or use that may obscure their origin. (Husni & Khairat, 2024).

In addition to the criminalization of active conduct involving the concealment or disguise of the proceeds of crime, Indonesian law also distinguishes the liability of parties who receive, possess, or use assets known or reasonably suspected to have originated from criminal offenses. This distinction demonstrates an expansion of criminalization from perpetrators who directly engage in the process of concealing or disguising assets to parties who obtain benefits from or possess the proceeds of crime. Conceptually, this model demonstrates that Indonesian law views money laundering as a series of conduct that may occur from the point at which the proceeds of crime enter the economic system to the point at which such assets are possessed or used by another party. An important issue subsequently arises concerning the relationship between Articles 607–608 of the National Criminal Code and Law Number 8 of 2010, which remains the basis for various aspects of the prevention and eradication of money laundering. This change demonstrates that the criminalization of money laundering is no longer understood solely within the framework of a specific statute, but has also become part of the national criminal law codification system. This situation requires a systematic interpretation of both legal instruments to avoid uncertainty regarding the provisions applicable in determining criminal conduct, forms of liability, and the legal consequences for perpetrators.

From the perspective of *mens rea*, the Indonesian legal framework also demonstrates that knowledge or suspicion regarding the origin of assets has an important position. The legal issue does not end with proving that an individual conducted a transaction involving certain assets, but also concerns whether there is a basis for establishing that the perpetrator knew or had reasonable grounds to suspect that the assets originated from criminal conduct. (Mangi et al., 2025). This is important because the expansion of criminalization to transactions involving and possession of assets may conflict with the principle of legality if the subjective elements are not clearly formulated and applied. Accordingly, the criminalization of money laundering offenses in Indonesia demonstrates a relationship between conduct, the object in the form of assets, predicate offenses, and the perpetrator's mental state as elements that determine the boundaries of criminal liability.

Unlike Indonesia, which has undergone a process of partially integrating money laundering provisions into the National Criminal Code, the United Kingdom maintains the Proceeds of Crime Act 2002 (POCA) as one of the principal instruments for the criminalization of money laundering. POCA establishes a relatively detailed framework through sections 327, 328, and 329. Section 327 criminalizes conduct involving the concealment or disguise of criminal property, including its identity, origin, location, disposition, or movement. (Atika, 2023). Section 328 concerns involvement in an arrangement that is known or suspected to facilitate the acquisition,

use, or control of criminal property. Meanwhile, section 329 regulates the acquisition, use, or possession of criminal property. This structure demonstrates that English law distinguishes several forms of conduct that may constitute money laundering offenses.

The concept of criminal property is a central element in this construction. POCA links criminal property to property that constitutes or represents a person's benefit from criminal conduct, whether directly or indirectly. (Cherniei et al., 2021). Therefore, the English construction does not merely use a list of specific offenses as the starting point for criminalization, but instead connects criminalization with the broader concept of criminal conduct and the benefits derived from such conduct. Consequently, the focus of criminalization shifts from merely identifying the types of predicate offenses to identifying the character of the property as the proceeds or representation of criminal conduct. This construction also demonstrates a strong emphasis on the elements of knowledge and suspicion. Under several provisions of POCA, the subjective state of the perpetrator constitutes an important factor in determining whether conduct involving criminal property may give rise to criminal liability. Thus, as in Indonesia, English law does not merely criminalize the possession or control of property, but requires a particular connection between the perpetrator and the criminal character of the property. In addition to the Proceeds of Crime Act 2002, developments in criminalization in the United Kingdom have been influenced by the Criminal Finances Act 2017 and the Economic Crime and Corporate Transparency Act 2023.

These developments demonstrate that English law continues to adapt the criminalization of money laundering to the complexity of economic crime and the need for asset recovery. (Perry, 2026). Meanwhile, the Money Laundering Regulations 2017 establish a preventive layer through obligations imposed on parties operating within regulated sectors, including customer due diligence, record-keeping, and the reporting of suspicious activities. Accordingly, the English framework demonstrates a close relationship between criminalization, transaction monitoring, reporting, and the recovery of proceeds of crime.

B. Comparison of the Construction of Criminalization and the Boundaries of Criminal Liability in Indonesia and the United Kingdom

The A comparison of the construction of money laundering criminalization in Indonesia and the United Kingdom demonstrates that both jurisdictions place criminalization as a criminal law instrument for severing the connection between the

proceeds of crime and legitimate economic activities, but establish techniques of formulation and boundaries of criminal liability through different normative architectures. These differences concern not only the choice of terminology or the systematic structure of legislation, but also reflect how each legal system understands the relationship between predicate offenses, proceeds of crime, conduct involving such property, and the perpetrator's mental state. Historically, Indonesia has developed the construction of money laundering offenses through Law Number 8 of 2010 concerning the Prevention and Eradication of Money Laundering Crimes, which places assets known or reasonably suspected to have originated from criminal offenses as an important object of criminalization. Subsequent developments occurred following the entry into force of Law Number 1 of 2023 concerning the Criminal Code, particularly through Articles 607 and 608, which incorporate the construction of money laundering offenses into the national criminal law codification. (Harahap & Harahap, 2024). Meanwhile, the United Kingdom maintains the Proceeds of Crime Act 2002 (POCA) as the principal instrument for the criminalization of money laundering by distinguishing several forms of criminal conduct based on the manner in which a person deals with criminal property, particularly through sections 327, 328, and 329. This difference produces normative emphases that are not entirely identical. Indonesian law more explicitly connects criminalization with assets derived from criminal offenses, whereas United Kingdom law develops a construction centered on the status of property as criminal property that derives from or represents a benefit from criminal conduct.

Accordingly, a comparison of the two legal systems should be directed not only at differences in the formulation of offenses, but also at how each system establishes the legal relationship between the predicate offense, the proceeds of crime, and conduct involving such property. The difference in these constructions becomes clearer when analyzed through the concept of predicate offenses. In the Indonesian legal system, the existence of a predicate offense occupies an important position because the criminalization of money laundering essentially requires a connection between the assets constituting the object of money laundering and the criminal offense that generated those assets. (Mariyanawati & Saleh, 2023). The criminal character of the property does not arise independently, but derives its basis from its connection with the preceding criminal activity. This demonstrates that money laundering offenses have both a derivative and an independent dimension: derivative because their object originates from another criminal offense, but independent because acts of concealing, disguising, transferring, using, or possessing the proceeds of crime may constitute separate criminal liability. The normative consequence of this construction is the importance of distinguishing between proving the origin of the

property and proving all elements of the predicate offense as an independent offense. In the context of evidence, what is relevant is the ability of the public prosecutor to demonstrate a valid connection between the assets and the criminal activity from which they originated, without reducing money laundering to merely a derivative offense that loses its own character as an offense. (Wei et al., 2024). Accordingly, the concept of predicate offenses in the Indonesian system functions as a basis for establishing the criminal character of the property constituting the object of money laundering, while also serving as a boundary to ensure that criminalization is not applied to assets that have no connection with criminal activity (Fahamsyah & Disantara, 2022).

In the United Kingdom system, the concept of criminal property provides a construction that is more oriented toward the legal character of the property constituting the object of the perpetrator's conduct. (Benson, 2025). POCA employs the concept of criminal property to refer to property that constitutes or represents a person's benefit from criminal conduct, whether directly or indirectly. Through this construction, the law does not merely inquire into the type of predicate offense that generated the property, but also whether the property possesses the character of the proceeds of or represents a benefit derived from criminal conduct. This results in a criminalization technique that differs from an approach relying solely on the categorization of predicate offenses. Section 327 of POCA, for example, focuses on conduct involving the concealment or disguise of criminal property, whereas section 328 concerns involvement in an arrangement that facilitates the acquisition, use, or control of criminal property. (Benson, 2025). Section 329 subsequently regulates the acquisition, use, or possession of criminal property. This structure demonstrates that POCA seeks to address various stages of a person's relationship with the proceeds of crime, ranging from concealment and facilitation to acquisition or possession. Therefore, the concept of criminal property functions as the connecting point between criminal conduct and the actions undertaken in relation to such property. When the two constructions are compared, a fundamental difference in legislative technique becomes apparent. Indonesia establishes a normative relationship between assets and predicate offenses within the framework of money laundering offenses and subsequently regulates various forms of conduct that may give rise to criminal liability in relation to such assets.

The United Kingdom, by contrast, assigns a central position to the concept of criminal property and develops several offenses based on the nature of the perpetrator's relationship with such property. This difference does not mean that one system disregards predicate offenses or that the other fails to consider the character of property, as both still require a basis for determining that property is connected to

criminal activity. The difference lies primarily in the technique of conceptualization. Under Indonesian law, the relationship between property and the predicate offense constitutes an important element in the construction of money laundering offenses, whereas under POCA, this relationship is constructed through the concept of criminal property, which derives its criminal character from criminal conduct. Ultimately, both models converge on the need to establish a sufficient connection between property and criminal activity before an individual may be held criminally liable. Another important dimension for comparison is the construction of mens rea. Under Indonesian law, the use of formulations such as “known” and “reasonably suspected” demonstrates that the perpetrator’s subjective state concerning the origin of the property occupies an important position in determining criminal liability. (Hiariej, 2020). This formulation demonstrates that criminalization is not based solely on the fact that an individual conducts a transaction involving or possesses certain property, but also requires an assessment of the knowledge or suspicion that may be attributed to the perpetrator based on the specific circumstances. Meanwhile, POCA employs the concept of knowledge or suspicion in several of its offense constructions. The comparison demonstrates that both systems seek to establish boundaries for criminalization so that an individual’s objective relationship with property is not automatically considered sufficient to give rise to criminal liability.

Accordingly, the existence of a transaction, receipt, use, possession, or transfer of property must be analyzed together with the perpetrator’s subjective state as determined by the applicable legal provisions. This issue becomes increasingly complex when transactions are conducted through corporate structures, third parties, intermediary accounts, digital assets, or other forms of transactions that may create a separation between the perpetrator of the predicate offense and the party who subsequently deals with the proceeds of crime. The differences in the construction of mens rea are also related to the issue of the boundaries of criminal liability. The criminalization of money laundering essentially involves two legal needs that must be balanced (Atilos Osoria, 2021). On the one hand, the state requires instruments that enable law enforcement authorities to reach parties who knowingly benefit from or assist in the circulation of the proceeds of crime. On the other hand, criminal law must avoid extending liability to an individual merely because that person has factually had a connection with property that is subsequently discovered to have a criminal origin. (Butt, 2023). Therefore, the elements of knowledge, suspicion, or reasonable grounds for suspicion cannot be understood merely as additional elements, but rather as limiting instruments that determine when a person’s relationship with criminal property or the proceeds of crime becomes conduct subject to criminal liability. From this perspective, mens rea serves a dual function, namely strengthening the capacity

of criminal law to address conduct genuinely connected to money laundering while simultaneously ensuring that criminalization does not develop into automatic or purely objective criminal liability.(Hamidi, 2024). From the perspective of the principle of legality, these differences in construction have direct implications for the boundaries of criminalization.

The principle of *nullum crimen sine lege* requires that punishable conduct, the objects targeted by criminalization, and the circumstances giving rise to criminal liability be determined on the basis of applicable law. In the Indonesian context, the integration of part of the money laundering offense framework into the National Criminal Code through Articles 607–608 creates a need to read these provisions systematically together with the relevant provisions of Law Number 8 of 2010. Such consistency is necessary to prevent uncertainty concerning the relationship between the criminal provisions of the National Criminal Code and the prevention and eradication mechanisms established under the Anti-Money Laundering Law. In the context of the United Kingdom, the development of POCA through various economic crime statutes also demonstrates that the expansion of anti-money laundering instruments must continue to have determinable normative boundaries, particularly concerning the meanings of criminal property, criminal conduct, and knowledge or suspicion. Accordingly, the effectiveness of combating money laundering cannot be separated from the requirements of legality and legal certainty (Gricius, 2019), because the broader the scope of criminalization, the more important it becomes to ensure clarity regarding the conduct and subjective circumstances that may give rise to criminal liability. This issue becomes increasingly significant when the criminalization of money laundering is understood in the context of increasingly complex economic crime. The proceeds of crime can currently be transferred through various accounts, business entities, investment instruments, digital assets, cross-border transactions, or trading mechanisms that formally appear to constitute ordinary economic activities.

Under such conditions, the boundary between lawful transactions and conduct constituting part of the money laundering process may become increasingly difficult to determine if the law is oriented solely toward the form of the transaction. Therefore, both Indonesia and the United Kingdom have developed approaches that not only criminalize the final acts of concealing or using the proceeds of crime, but also address various forms of involvement in the movement or management of property possessing a criminal character. This development demonstrates that the criminalization of money laundering is moving from an approach oriented solely toward individual acts toward an approach that considers the overall cycle of the movement of the proceeds of crime. The comparison must also be situated within the relationship between criminalization and prevention. In Indonesia, Law Number 8 of

2010 not only regulates criminal provisions, but also establishes an institutional system and preventive mechanisms through the Financial Transaction Reports and Analysis Center (PPATK), obligations imposed on reporting parties, customer identification, transaction monitoring, and the reporting of suspicious financial transactions. These mechanisms demonstrate that combating money laundering is not carried out only after a criminal offense has occurred, but also through intervention in transactions that have the potential to serve as a means of concealing the proceeds of crime.

Accordingly, the function of criminal law is closely connected with administrative and institutional systems that enable the state to obtain information concerning the movement of funds and conduct analysis before or at the early stage of law enforcement (Husin & Husin, 2024). A relatively similar approach is also found in the United Kingdom through the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, the Suspicious Activity Reports (SARs) regime, as well as various mechanisms under POCA and developments in economic crime legislation. The obligations of customer due diligence, risk identification, information retention, and reporting suspicious activities demonstrate that the criminalization of money laundering constitutes part of a broader system (Nazzari & Reuter, 2025). This relationship demonstrates that prevention and criminalization cannot be separated absolutely. The preventive regime provides information and detection mechanisms, while criminal law provides consequences for conduct that fulfills the elements of a criminal offense. Nevertheless, the existence of suspicious transaction reports or administrative indicators does not in itself eliminate the need to prove the elements of a criminal offense in criminal proceedings. This distinction is important for maintaining the boundaries between financial intelligence information, administrative obligations, and proof of criminal liability.

Based on the overall comparison, the criminalization of money laundering can be constructed as having at least three interconnected normative layers, namely, first, the existence of property that has a connection with criminal activity (Flora et al., 2023); second, the existence of certain acts performed in relation to such property; and third, the existence of subjective circumstances connecting the perpetrator with the criminal character of the property. These three layers form a structure that determines when an economic activity connected with the proceeds of crime may shift into a money laundering offense. The differences between Indonesia and the United Kingdom primarily lie in how these three layers are formulated and connected within legislation. Indonesia places the relationship with predicate offenses and various forms of conduct involving property within the framework of the National Criminal

Code and the Anti-Money Laundering Law, whereas the United Kingdom uses the concept of criminal property as the central point and delineates various forms of conduct through POCA. This model also demonstrates that the concepts of criminal property and predicate offense have different but interconnected functions in establishing the boundaries of criminalization. A predicate offense helps explain the criminal source of the property, whereas criminal property explains the legal character of the property constituting the object of the conduct. From a comparative perspective, both can be understood as mechanisms for bridging two legal interests: the state's interest in removing the proceeds of crime from economic circulation and the individual's interest in obtaining certainty as to when property may become the subject of criminal liability. Therefore, differences in terminology should not be understood merely as technical differences, but as reflections of differences in how legal systems construct the relationship between crime, property, and liability.

The comparison of Indonesia and the United Kingdom is not intended to position one system as a model that should replace the other, but rather to demonstrate two criminalization constructions that have developed within different legal traditions in addressing a relatively similar objective, namely preventing the proceeds of crime from entering, circulating, being concealed, being used, and obtaining legitimacy within the economic system. Indonesia demonstrates a strong criminalization character through the relationship between property and predicate offenses, which has subsequently developed through codification in the National Criminal Code. Meanwhile, the United Kingdom demonstrates a construction centered on criminal property and the various forms of the perpetrator's relationship with such property under POCA. Both approaches demonstrate that the effectiveness of criminalization is determined not only by the breadth of the formulation of offenses, but also by the clarity of the elements of conduct, the connection with the proceeds of crime, the construction of mens rea, and the boundaries of criminal liability. The comparison demonstrates that the principal challenge in the criminalization of money laundering lies in the ability of law to maintain a balance between the effectiveness of combating economic crime and the protection of fundamental principles of criminal law.

The expansion of criminalization is indeed necessary to respond to the complexity of transactions and money laundering methods, but such expansion must remain constrained by the principle of legality, legal certainty, clarity of the elements of the offense, and proof of the perpetrator's subjective circumstances. Within such a framework, the development of money laundering law in Indonesia and the United Kingdom can be understood as a process of seeking a balance between the state's capacity to trace and recover the proceeds of crime and the state's obligation to ensure

that criminal liability is imposed only for conduct that clearly fulfills the elements of a criminal offense. This balance constitutes an important foundation for developing a construction of money laundering criminalization capable of addressing the development of economic crime without diminishing the fundamental principles of criminal liability

D. Conclusion

The construction of the criminalization of money laundering offenses in Indonesia and the United Kingdom is similarly directed at severing the connection between the proceeds of crime and lawful economic activities, but is developed through different legislative techniques. In Indonesia, criminalization, which was previously centered on Law Number 8 of 2010, has developed through the integration of money laundering offenses into the National Criminal Code through Articles 607 and 608, by positioning assets derived from criminal offenses, conduct involving such assets, and the perpetrator's knowledge or suspicion as important elements of criminal liability. Meanwhile, the United Kingdom employs the Proceeds of Crime Act 2002 (POCA), particularly sections 327, 328, and 329, by making criminal property the central concept connecting criminal conduct with various forms of conduct involving the concealment, disguise, arrangement, acquisition, use, or possession of property. Accordingly, both systems construct criminalization through the relationship between the criminal source of property, the perpetrator's conduct involving the property, and the perpetrator's subjective circumstances, although Indonesia places greater emphasis on the relationship with the predicate offense, whereas the United Kingdom develops a construction centered on the character of property as criminal property.

A comparison of the criminalization constructions demonstrates that the distinction between predicate offense and criminal property is essentially a difference in the technique of conceptualization used to determine the criminal character of property and the boundaries of criminal liability, rather than a difference in the objective of preventing the proceeds of crime from circulating and obtaining legitimacy within the economic system. Indonesia and the United Kingdom both require a demonstrable connection between property and criminal activity and take into account the perpetrator's subjective circumstances through the concepts of "known" or "reasonably suspected" in Indonesia and knowledge or suspicion under POCA. This difference also demonstrates that the boundaries of criminalization must be controlled by the principle of legality, legal certainty, clarity of the elements of the offense, and proof of mens rea, so that an individual is not held criminally liable merely because of a factual connection with property that is subsequently discovered

to have originated from criminal activity. At the same time, both countries have developed criminalization within a regime integrated with mechanisms for prevention, reporting, transaction detection, investigation, and recovery of the proceeds of crime. Therefore, a construction of criminalization capable of maintaining a balance between the effectiveness of combating money laundering and the protection of fundamental principles of criminal law rests on three normative layers, namely, the existence of property connected with criminal activity, the existence of certain acts involving such property, and the existence of subjective circumstances connecting the perpetrator with the criminal character of the property.

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