
Binary Option Affiliate Mode In Money Laundering

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Abstract

This article aims to analyze the legal arrangements regarding money laundering under the guise of binary options trading and the elements behind the actions of binary option affiliates can be qualified as money laundering crimes. This study discusses regulations related to money laundering under the guise of binary options trading and the elements behind the actions of binary option affiliates can be qualified as money laundering crimes. The type of research is normative, with a statutory approach and a case approach, legal material collection techniques consisting of literature studies, document studies, and online research as well as methods of descriptive legal material analysis and deductive conclusion making. The results showed that the regulation of money laundering in the mode of binary options trading in Indonesia is regulated in Article 3 of the TPPU Law, while the mode of binary options trading itself is regulated in Article 378 of the Criminal Code concerning fraud, Article 27 paragraph (2) and article 28 paragraph (1) of the ITE Law. While the elements behind the actions of binary option affiliates can be qualified as money laundering crimes are the existence of original crimes, namely fraud and online gambling and the act of disguising assets obtained from the results of binary option affiliates by spending these assets and giving them free of charge to others in unreasonable large amounts, As well as storing them in the form of digital assets such as crypto and bitcoin.

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Introduction

Technological advances have a major impact on various aspects of life. Daily activities are developed in digital form making it easier for people to access them without any distance, time and procedural restrictions. However, this has a negative influence because it opens up opportunities for the use of the media as an opening for criminals to commit crimes. Legal rules related to criminal acts in the use of electronic media are regulated in Law No. 19 of 2016 concerning Amendments to Law Number 11 of 2008 concerning Informasi dan Transaksi Elektronik. The crime is also related to the Criminal Code as a source of reference including fraud, which is the original crime of the existence of other

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crimes as stipulated in Law No. 8 of 2010 concerning Pencegahan dan Pemberantasan Tindak Pidana Pencucian Uang.

A country needs transfers to currency conventions between countries in order to fulfill its country's international trade activities. This is because not all countries have the same currency so currency conversion is needed in international trade traffic to create foreign exchange transactions in the foreign exchange market. Foreign Exchange Online Trading transactions are trades that are influenced by the development of internet technology where physical contact between humans becomes minimal so that deals and buying and selling instructions are on one internet platform (Widiatmodjo, 2013). This type of transaction is increasingly popular among the public, the use of the internet which is relatively easy and fast in the process, making the rapid development of this type of trade transaction.

Binary Options are online trading instruments whose way of working requires traders to predict the price of an asset will move up or down within a certain period of time. Traders can choose the assets to be traded and generally in the form of currencies, stock indices, crypto to commodities (Kompas, 2022). The strategy used to introduce and promote to the public is binary options trading in collaboration with several binary option affiliates as part of a marketing strategy (Tirto, 2022). Basically, an affiliate will promote by showing large profits from trading results to attract consumers through online media.

The strategy is indeed successful, it is proven that many people are interested in binary options, besides the appearance of binary option software is very simple with 2 (two) true or false choices. As for how binary option trading works, traders are required to predict or guess the price of an asset will move up or down, traders can also choose the asset to be traded. If you have determined the type of asset to be traded, the trader must risk some of the capital owned to make a profit. Generally, traders get a profit of 60% to 90% if the guess is correct. However, if the guess is wrong, all capital staked in one transaction will be lost (Tirto, 2022). The working system of binary options trading is very similar to the practice of gambling, but it is done online.

Through a very speculative binary option scheme between options prices go up or prices go down, so binary options are very high risk. Binary option schemes are often associated with futures trading because binary options organize or provide a system that resembles trading as regulated in Law No. 10 of 2011 concerning Amendments to Law Number 32 of 1997 concerning Perdagangan Berjangka Komoditi (Puspitasari, 2022).

Commodity futures trading is anything related to buying and selling commodities with margin withdrawals and with later settlement based on futures contracts, Islamic derivative contracts, and/or other derivative contracts. While a futures contract is a form of contract used to buy and / or sell commodities in units of quality, type, place and time of delivery in the future as stipulated in contracts traded on the futures exchange.

However, the binary option working system is similar to gambling and there are no goods traded so that it contradicts Article 1 number 8 of Law No. 10 of 2011 concerning Amendments to Law No. 32 of 1997 concerning Perdagangan Berjangka Komoditi that "Option is a contract that gives the buyer the right to buy or sell a certain Futures Contract or Commodity at a price level, a certain amount and period of time that has been determined in advance by paying a certain amount of premium".

The article above explains that the option must have a certain commodity traded and it is clearly stated about a certain price level, amount, and period of time set in advance, while in binary options there is no commodity traded and there is no clarity regarding the price level, amount and period that should be set first.

According to Finsensus Mendrofa, who is the legal representative of the victim, binary options trading states that the binary option case is a modern money laundering crime (Kompas, 2022). Money laundering is not new in Indonesia, but the motives are different. Recently, there has been a case of fraud under the guise of binary options trading and suspected money laundering practices in it. In simple terms, money laundering can be interpreted as an attempt to disguise money obtained from a crime or proceeds of crime as if it appears to be legitimate wealth. Money laundering is regulated in Law No. 8 of 2010 concerning Pencegahan dan Pemberantasan Tindak Pidana Pencucian Uang.

Money laundering is a serious crime on a global scale that harms society and the state because it can damage the stability of the national economy or state finances. As a crime in the economic sector, money laundering illustrates that crime is a continuation of economic activities and growth that are a problem for the state (Pratama, 2022). The practice of money laundering is a way for economic criminals to freely enjoy and utilize the proceeds of their crime. In addition, money (proceeds of crime) is the pulse for organized crimes in an effort to develop their crime networks so that the barrier so that perpetrators can enjoy the proceeds of crime becomes very important (Zeldin, 2006). In practice, money laundering crimes do not always proceed gradually, on the contrary, they combine these stages and then carry out complicated and multi-party stages of money laundering.

Digital financial technology is growing, and criminals are taking advantage of it to make a lot of money. The way businesses, law enforcement, and regulators respond will always be determined by the speed and development of technology. Opportunities for more sophisticated criminal activity will arise as new technologies are developed and implemented as technology advances. As a result, technology-based financial crimes are becoming increasingly prevalent (Lestari, 2022). As is known, there are 2 (two) influencers, namely Indra Kenz and Doni Salmanan who are binary options trading affiliates who were determined as suspects based on reports from several people who became victims. The trading sites used by both are different sites, Indra Kenz is an affiliate of binary options trading with the Binomo platform while Doni Salmanan is with the Quotex platform.

Head of Badan Pengawas Perdagangan Berjangka Komoditi (BAPPEBTI) Indrasari Wisnu stated that binary options did not receive permission from the BAPPEBTI of the Ministry of Trade and transactions were prohibited and did not provide permission for binary options trading applications (Liputan6, 2023). The case of fraudulent investment from binary option trading affiliators is becoming one of the most discussed cases, in addition to a working system similar to online gambling, there are also many binary option applications that are free to use, one of which is binomo and quotex which have currently been blocked by Bappebti after the arrest of two binary option trading affiliates Indra Kenz and Doni Salmanan.

BAPPEBTI has blocked the Binomo application 75 times, the platform still exists, so indirectly the state is being controlled by digital criminals (Republika. 2022). As long as the platform still exists, digital criminalization under the guise of binary options trading promoted by affiliates will continue, the potential for money laundering will be even greater. The affiliators also have digital assets as part of the profits obtained through binary options trading, these digital assets vary, one of which is in the form of crypto and bitcoin while Law No. 8 of 2010 concerning Pencegahan dan Pemberantasan Tindak Pidana Pencucian Uang (TPPU Law) only regulates the disguise of assets carried out in banking transactions, or gifts to other parties in the form of grants, donations, custody and other similar matters and the source of these funds can be traced by the Pusat Pelaporan dan Analisis Transaksi Keuangan (PPATK).

Meanwhile, digital assets such as crypto and bitcoin have not been clearly regulated in the TPPU Law, because these digital assets are new innovations. The flow of funds stored in the form of digital assets will be difficult for PPATK to detect, because their use can be done without central bank authorization in each country (PPATK, 2023). Law Number 19 of 2016 concerning Amendments to Law Number 11 of 2008 concerning Informasi dan Transaksi Elektronik (ITE Law) which is a regulation against digital crime generally contains rules aimed at preventing the occurrence of all types of criminal acts committed through electronic media, but this ITE Law has not accommodated rules related to the prevention of anticipating digital crimes such as binary options.

Research Methods

Legal research has a very important role in the framework of the development of legal science and is one of the causal factors in solving legal problems that occur. According to Peter Mahmud Marzuki, legal research is an ilmiah activity based on certain methods, systematics and thinking, which aims to study one or several certain legal phenomena by analyzing them. A process to find legal rules, legal principles, and legal doctrines to answer legal issues faced (Marzuki, 2006). Based on the subject of study and the type of problem, this study uses the type of normative legal research. Normative legal research is also

referred to as dogmatic legal research that studies, maintains and develops positive legal buildings with logical legal buildings (Wirapraja, 2015).

While the research approach to answer the formulation of problems related to the legal issues discussed, there is one approach that is considered capable of being part of the analytical knife in this study, as for the research approach is: First, the Statute Approach, this approach is carried out by examining all laws and regulations related to the legal issue being handled (Marzuki, 2015). Namely reviewing all regulations related to money laundering and the original criminal act of money laundering, Second, Case Approach, the case approach is carried out by reviewing cases related to the issue at hand which has become a court decision with permanent legal force. These cases can be cases originating from Indonesia or cases occurring in other countries (Marzuki, 2015).

Result And Discussion

Theoretical Basis of Money Laundering and Binary Options

The term money laundering is interpreted separately, it will get two words, namely money and laundering where the word money (noun) in the Complete English-Indonesian Dictionary: "Money is Uang" and the meaning of Laundering comes from the basic word Laundry (verb) in the Complete English-Indonesian Dictionary: "Laundry is washing" (Wasito, 1980). Money Laundering is broadly defined as money that has been washed, cleaned, or bleached, will become a term and acquire a verb meaning when combined.

Definition of money laundering according to Sutan Remi Sjahdeini is a series of activities in the form of a process carried out by a person or organization against illicit money, namely money derived from a criminal act, with the aim of hiding or disguising the origin of the money from the government or authorities authorized to take action against criminal acts, in other ways and especially inserting the money and then can be removed from the system finance as halal money (Andrisman, 2010). Meanwhile, according to the Black Law Dictionary money laundering is a term to be used to describe investment or other transfer of money flowing from racketeering, drug transaction, and other illegal sources into legitimate channels so that the original source can be tracked, which means money laundering is a term used to describe investment or money transfer resulting from corruption, drug transactions, and other illegal sources into legal channels so that the original source cannot be traced (Tumiwa, 2018).

Money laundering is an act that harms many parties so that it qualifies as a criminal act. The legal basis of Money Laundering is Law No. 8 of 2010 concerning Pencegahan dan Pemberantasan Tindak Pidana Pencucian Uang. The definition of the criminal act of money laundering is explained in Article 1 point 1 of the law, namely "all acts that meet the elements of a criminal act in accordance with the provisions of this law". The elements of money laundering include:

- a. All deeds, all deeds in the above sense, have a very broad meaning because they not only place money, but also exchange money from crime;
- b. Fulfilling the elements of a criminal act, fulfilling the elements of a criminal act is conceptualized that the perpetrators of money laundering have sufficient elements to be convicted.

One aspect of criminal acts faced by the nation and state is money laundering. The background of obtaining large amounts of dark, illegal, and dirty money is what makes money laundering have a criminal nature. This amount of dirty money is then managed through actions such as starting a business, transferring or converting it to a bank or foreign exchange to eliminate the history of the dirty money. Based on several definitions of money laundering above, it can be understood that money laundering is the process of channeling or smuggling money through certain transactions including banking transactions by a person or organization obtained from a way that is not justified by legal norms and religious norms whose status is illegal and then manipulated as if the money distributed is legitimate or legal but the origin of the money cannot be traced, and this act of money laundering is a criminal offense that is threatened with criminal sanctions by applicable laws and regulations in Indonesia.

The scope of money laundering is explained in Article 2 paragraph (1) and paragraph (2) of Law No. 8 of 2010 concerning Pencegahan dan Pemberantasan Tindak Pidana Pencucian Uang that paragraph (1) as a result of criminal acts is wealth obtained from corruption, bribery, drugs, psychotropics, labor smuggling, migrant smuggling, in banking, in the capital market, in the fields of insurance, customs, excise, trafficking in persons, illicit arms trafficking, terrorism, kidnapping, theft, embezzlement, fraud, counterfeiting money, gambling, prostitution, in the field of taxation, in the field of forestry, in the field of environment, in the field of marine and fisheries, or other crimes punishable by imprisonment of 4 years or more committed in the territory of the Republic of Indonesia or outside the territory of the Republic of Indonesia and such crimes are criminal offenses under Indonesian law.

Then it is also explained in paragraph (2) that "Property that is known or reasonably suspected to be used and used directly or indirectly for terrorist activities, terrorist organizations, or individuals is equated as the proceeds of criminal acts as referred to in paragraph (1) letter n." Assets obtained as described in article 2 paragraph (1) and paragraph (2) of Law No. 8 of 2010 concerning Pencegahan dan Pemberantasan Tindak Pidana Pencucian Uang are types of crimes that usually coincide with money laundering crimes, because in essence money laundering crimes always coincide with other crimes that have the potential to get relatively large amounts of profits.

In general, criminals try to hide or disguise the source of their assets in various ways to make it difficult for law enforcement officials to trace these assets so that they can be used freely, which in turn leads to new crimes. in particular, money laundering. Money

laundering is always the second crime after the original crime, although in its regulation money laundering is always associated with other crimes, this type of crime has its own legal arrangements.

The practice of money laundering is carried out in stages, the stages are carried out in a joint way, the stages of money laundering activities include:

a. Placement

Attempts to place current accounts (checks, bank drafts, certificates of deposit, etc.) Or cash from crime into the financial system is known as placement back into the banking system, specifically the financial system. Placement is the simplest stage, namely the process of converting funds from crime into a form that does not arouse suspicion and finally enter the financial system network (Ganarsih, 2003).

b. Layering

Layering (transfer) is an effort to transfer assets sourced from criminal acts (dirty money) that have been successfully placed in financial service providers as a result of placement efforts to other financial service providers. Layering is carried out, it is difficult for law enforcement to know where the assets come from which is the process of separating the proceeds of criminal acts from their source, can be associated with criminal acts through a series of financial transactions or money laundering that seeks to separate the proceeds of criminal acts from the source. Through complex transactions designed to conceal the source of these illicit funds, funds are transferred from multiple accounts or locations as a result of placement to other locations. By using bank secrecy provisions, the parties can also layer by opening as many engineering company accounts as possible. As a result, at this point, funds have been transferred from some accounts to others through complex transaction mechanisms, including the possibility of creating fictitious accounts with the aim of erasing all traces (Ganarsih, 2003).

c. Integration

Integration is an effort to use assets obtained from criminal acts that have successfully entered the financial system through placement or transfer (layering) so that it seems to be halal assets (clean money), for halal business activities or to refinance criminal activities. Here what is "laundered" through placement or layering is transferred into official activities so that it appears to have no connection at all with the previous criminal activity from which the money was laundered. This integration can be said to be a ruse to be able to give legitimacy to the money from crime (Ganarsih, 2003).

The reports provided by financial service providers are essential for detection purposes during the three stages of the money laundering process. Financial service providers who deliberately fail to submit reports to PPATK are threatened with a maximum fine of one billion rupiah and a maximum of two hundred and fifty million rupiah. Banks, finance companies, pension funds, financing institutions, securities companies, foreign

exchange traders, card payment instrument operators, cooperatives that organize savings and loan activities, pawnshops, and shipping business operators are examples of financial service providers.

The Money Laundering Law is a means to realize the expectations of many parties as a law to anticipate various patterns of criminal acts that lead to money laundering activities. The placement, layering, and integration of systems or processes used in money laundering is the purpose of integration, because bank and non-bank financial institutions are the main targets of money laundering activities, the target of this law regulation includes its active role in anticipating money laundering crimes.

Binary Options and Affiliates

Binary options are instruments that are still relatively new among the people of Indonesia, the existence of binary options began to be widely known to the public since the viral media reports related to some binary option holders who felt deceived and suffered considerable losses after joining the binary option platform. Quoted from investopedia.com binary options have a definition: a financial product where the parties involved in the transaction are assigned one of two outcomes based on whether the option expires in the money. Binary options depend on the outcome of a "yes or no" proposition, hence the name "binary". Traders receive a payout if the binary option expires in the money and incur a loss if it expires out of the money (Investopedia, 2022).

If translated in Indonesian, binary options or binary options are financial products where the parties involved in the transaction are given one of 2 (two) results based on whether the option expires in the form of money. Binary options rely on the outcome of a "yes or no" proposition hence the name "binary". Traders receive payouts if binary options expire in the money incurring losses if they run out of money. The profit and loss of binary options which is a form of financial product depends on the outcome proposition of the option "yes or no". Binary options are executed automatically, which means that profits or losses obtained by the parties in binary option transactions are automatically credited or debited in the user's or trader's account when the option expires. The possibility is only 2 (two), namely binary option users can receive payments or lose all invested assets.

Many users of binary options platforms do not realize that the projected price movements of financial products used as underlying assets will always be associated with high risks. One could call binary options a platform with a lot of risk. To do the binary option mechanism, prospective users must have sufficient knowledge about how products that work that have a fairly high risk and return. Standard financial literacy is not enough to provide increased awareness of the relationship between high risk and high return (Lestari, 2022).

In the process of introducing binary options to the community, the term affiliator is known which has an important role. Affiliator is a term for people who promote a product

to others. Affiliator comes from the word "affiliate" which means affinity as a member or branch in the Big Dictionary Indonesian". So, binary option affiliates can be understood as people whose job is to promote, introduce and invite others to join binary options trading, where the affiliator benefits personally from everyone who is successfully invited to join and become part of binary option users.

There is a cynical correlation between Binomo application affiliates and money laundering crimes. Considering that the victim's money only spins and follows the gameplay of the Binomo application so that affiliates will benefit greatly from losing victims or korba who choose incorrectly between going up or down (Risat, 2022). The nominal profit obtained by binary option affiliates is quite high, because the promotional system used through social media with tricks to show large amounts of profits, so most people are interested because they want to get profits in large amounts with little capital without finding out in advance the legality of the platform being promoted.

How Binary Options Work

In the era of globalization, transactions have emerged that can be done in various ways, one of which is online transactions, buying and selling and utilizing a movement of foreign currencies which are currently more popular and have become part of the current trend is binary options trading on the Binomo platform (Nabila, 2022). As for how binary options work is fairly easy and simple, users only need to register on the binary option platform and make a deposit. While the amount of deposit at each provider varies. However, it is generally 10 US\$ (10 United States Dollars) (Kontan, 2022).

Then in the transaction, binary option users will choose asset indices, ranging from currencies, stock indices, to commodities. After selecting an asset index, users can enter the capital to be staked. The minimum amount of capital used depends on the assets (Kontan, 2022). After that the binary option platform will automatically calculate the potential profit obtained from the transaction. The vulnerability is quite diverse, ranging from 60% to 90%. After that, users choose various transaction durations, ranging from fractions of seconds, minutes, hours, and days (Kontan, 2022).

As for the last stage, binary option users are required to guess within a pre-selected duration. Whether at the end of the duration the index price is above or below the price when initiating the transaction. If the guess is correct, the binary option user will benefit, but if the guess is wrong, the capital at stake will be forfeited and the user will experience losses (Kontan, 2022). Before scams under the guise of binary options trading were widely discussed, many people thought that binary options were financial products for investment. Given the fantastic benefits that are often shown by binary option affiliates as a form of promotion to attract public interest to join and become binary option users.

Binary Options Are Not Investments

Investment is often associated with long-term investment. Investment is the implementation of an assessment of a resource, how the invested resource is able to produce a return. Investment can be in the form of capital participation in both financial and physical forms (Lestari, 2022). Investments have the potential to rise or fall in value over time, as well as to raise or decrease in value. The investment itself aims to maintain the value of capital, generate income and returns, expand capital, and generate new capital equity.

Investing focuses on investments that are known and understood to maximize profits while minimizing risk. Investment characteristics require analysis. Taking a systematic approach, avoiding emotions such as greed and fear, engaging in sustainable activity as part of a long-term strategy, not solely motivated by entertainment or coercion, having something tangible, and producing net positive economic effects are all examples of profitable opportunity analysis.

From the explanation above, it can be understood that binary options are actually not an investment. Binary options are often thought of more as a zero-sum game than as a reasonable investment vehicle. Based on the explanation above, it can be concluded 3 (three) basic differences between investment and binary options, namely:

- a. Investment is usually long-term to get big profits, while binary options can get big profits in the short term;
- b. Investment is more considered low risk while binary options have high risk;
- c. The investment promotion system is usually done through direct promotion and through advertising, while promotion in binary options is carried out by affiliates through social media;
- d. The practice of financial instruments in investments is real, while the practice of finance in binary options is more speculative;
- e. The way investment works is gradual and detailed while the way binary options work is simpler and instant.

Binary options began to be known in Indonesia around 2018 through digital mass media marketing. In Indonesia, binary options trading is included in the category of futures contracts. Futures contracts are regulated in Law No. 10 of 2011 which discusses Perdagangan Berjangka komoditi. In terms of legality, binary options are prohibited by BAPPEBTI because they are activities prohibited by Article 1 number 8 of Law No. 10 of 2011 concerning Amendments to Law Number 32 of 1997 concerning Perdagangan Berjangka komoditi.

In this case, the case used is a case that occurred in Indonesia where there was a court decision, namely the Tangerang District Court Decision Number: 1240/Pid.Sus/2022/PN.Tng with the defendant Indra Kesuma or Indra Kenz. As for this verdict, the defendant was found guilty by the Panel of Judges because he was proven to

violate Article 45 paragraph (1) Jo. Article 28 paragraph (1) of Law Number 19 of 2016 concerning Amendments to Law Number 11 of 2008 concerning Informasi dan Transaksi Elektronik which states "Any person who intentionally and without rights spreads false and misleading news that results in consumer losses in electronic transactions." Article 3 of the TPPU Law states: "Any person who places, transfers, transfers, spends, pays, grants, deposits, carries abroad, changes form, exchanges for currency or securities or other acts on Property that he knows or reasonably suspects is the result of a criminal act as referred to in Article 2 paragraph (1) with the aim of concealing or disguising the origin of the Asset shall be convicted of the crime of Laundering Money with a maximum imprisonment of 20 (twenty) years and a maximum fine of Rp10,000,000,000.00 (ten billion rupiah)." Indra Kesuma has been legally and conclusively proven guilty of the criminal act of spreading false and misleading news resulting in consumer losses in electronic transactions and money laundering.

Especially regarding electronic evidence in criminal procedural law, it is considered valid if it meets the provisions in the ITE Law and guarantees its authenticity by expert witnesses in the field of digital forensics (Zaenudin, 2022). Before investing in commodity futures trading, the public should check the legality of business actors in the field of Commodity Futures Trading through bappebti.go.id website. The Financial Services Authority has never issued a license for binary options. Crypto assets and commodity futures trading products such as gold, forex, forex and others are not financial products or services licensed by the Otoritas Jasa Keuangan (OJK).

The legality of Binary Option Trading is still questionable because the types of commodities included in the subject of futures contracts are regulated in BAPPEBTI Regulation No. 3 of 2019 concerning Commodities, where Binary options are not included in the subject (Article 1). This means that the application is illegal and includes gambling practices. Even though gambling violates Article 303 of the Criminal Code (KUHP), Law Number 7 of 1974 and Government Regulation Number 9 of 1981 and Law Number 11 of 2008 (ITE Law) (Ferdiansyah, 2022). Therefore, before becoming a user of a financial product, it is necessary to understand the instruments and workings of the product. It is also necessary to know the legality of these financial products, especially in certain online-based platforms because in addition to avoiding losses, it also ensures the protection provided by the government.

Given the rapid development of financial products and services, it demands the convergence of law and technology so that the possibility of abuse by perpetrators of money laundering crimes can at least be minimized. In addition, the Government must cooperate with law enforcement to arrest and punish the perpetrators, remove advertisements related to binary options and block access and intensify financial education to the public, so that they are trapped in the mode of operation (Bustomi, 2022).

The factors causing money laundering mainly lie in weak financial regulations, and the seriousness of banks or governments of certain countries to eradicate money laundering practices (Raihan, 2021). Currently, the international community is increasingly aggressively eradicating money laundering practices through bilateral cooperation between two countries and international cooperation forums such as the Financial Action Task Force (FATF) consisting of 29 developed countries (Europe, North America and Asia). The FATF recommended that every country should have an anti-money laundering legal regime and ironically in June 2001 Indonesia along with 15 other countries - such as the Philippines and Myanmar, among others, - were included by the FATF in the list of Non-Cooperative Countries and Territories (NCCT).

In order for Indonesia to be considered cooperative and removed from the NCCT blacklist by the FATF, law enforcement officials, in this case the Police and Prosecutor's Office, should no longer use money law regulations to ensnare predicate offenses, but instead use the anti-money laundering law as a form of countering and combating money laundering crimes (Waluyo, 2009).

In some countries, especially Austria, the United States and Cyprus, countries have banned the practice of binary options because of the high risk and possibility of becoming fraud, although there are exceptions if obtained permission from the relevant agencies. But in Indonesia, Binary Options have not obtained a license and there is no regulation so there is no protection for consumers, besides there are no representative offices in countries that are its market share. Consequently, if there are legal problems between investors in connection with Binary Option activities, the relevant agency, namely Bappebti, cannot mediate and it is difficult for investors to hold them accountable (Puspitasari, 2021).

The form of criminal liability for perpetrators of money laundering as stipulated in Article 3 of Law No. 8 of 2010 concerning Pencegahan dan Pemberantasan Tindak Pidana Pencucian Uang and additional crimes in the form of confiscation of certain goods and impoverishment or impoverishment (Sastraatmadja, 2022).

The existence of PPATK is based on Law Number 15 of 2002 concerning Tindak Pidana Pencucian Uang where the task is: to prevent and eradicate money laundering, manage data and information obtained by PPATK, supervise the compliance of the reporting party and analyze or examine reports and information on financial transactions indicated by money laundering and/or other criminal acts. According to the Head of PPATK, Ivan Yustiavandana, there are 345 accounts that have been blocked worth IDR 588 billion where to uncover cases of suspected illegal investment fraud in Indonesia, PPATK collaborates with Financial Intelligence Units (FIU) from other countries. According to Ivan, based on the results of coordination with PPATK partners with FIU, there is an outflow of funds to bank accounts located in Belarus, Kazakhstan and Switzerland (Jawapos, 2023).

Conclusion

The legal regulation of money laundering in the mode of binary options trading in Indonesia is regulated in Article 3 of Law No. 8 of 2010 concerning Pencegahan dan Pemberantasan Tindak Pidana Pencucian Uang, while the mode of binary options trading itself is regulated in Article 378 of the Criminal Code concerning fraud, Article 27 paragraph (2) and article 28 paragraph (1) of Law No. 19 of 2016 Amendments to Law Number 11 of 2008 concerning Informasi dan Transaksi Elektronik related to online gambling and prohibitions on spreading fake news. While the elements behind the actions of binary option affiliates can be qualified as money laundering crimes are the existence of original crimes, namely fraud and online gambling and the act of disguising assets obtained from the results of binary option affiliates by spending these assets and giving them free of charge to others in irrational large amounts, and storing them in the form of digital assets such as crypto and bitcoin. Therefore, the conditions of TPPU have been fulfilled, namely the existence of a criminal act of origin and disguise of property obtained from proceeds that are not justified by law into property that seems to be obtained by lawful means.

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