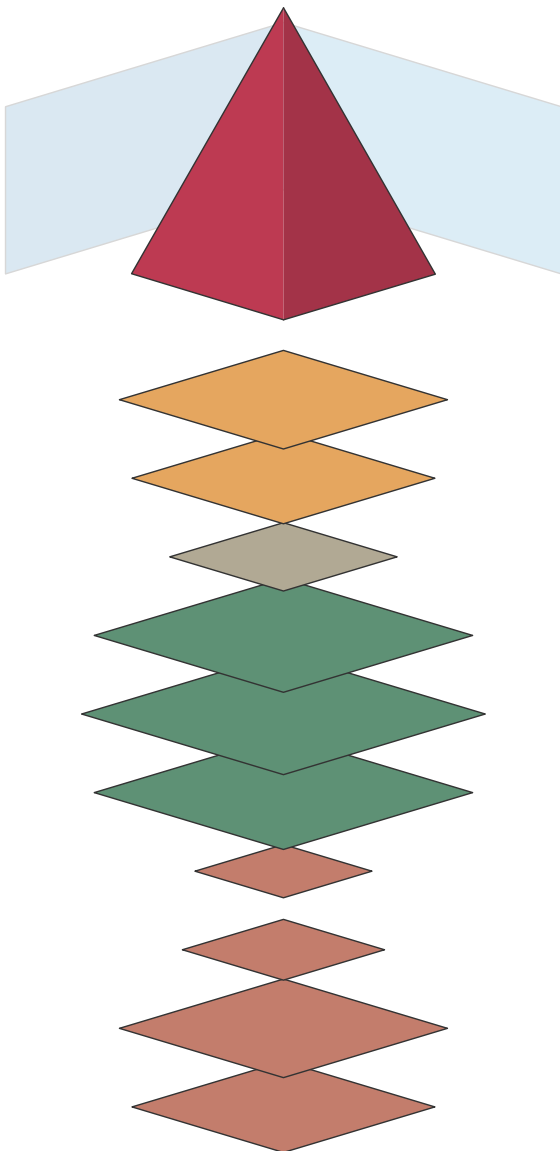


 **INDONESIA**



 **6.38**  
**CRIMINALITY SCORE**

25<sup>th</sup> of 193 countries  
9<sup>th</sup> of 46 Asian countries  
3<sup>rd</sup> of 11 South-Eastern Asian countries

 **CRIMINAL MARKETS** **6.00**

HUMAN TRAFFICKING	6.50
HUMAN SMUGGLING	6.00
ARMS TRAFFICKING	4.50
FLORA CRIMES	7.50
FAUNA CRIMES	8.00
NON-RENEWABLE RESOURCE CRIMES	7.50
HEROIN TRADE	3.50
COCAINE TRADE	4.00
CANNABIS TRADE	6.50
SYNTHETIC DRUG TRADE	6.00

 **CRIMINAL ACTORS** **6.75**

MAFIA-STYLE GROUPS	6.00
CRIMINAL NETWORKS	7.50
STATE-EMBEDDED ACTORS	7.50
FOREIGN ACTORS	6.00

 **4.33**  
**RESILIENCE SCORE**

118<sup>th</sup> of 193 countries  
22<sup>nd</sup> of 46 Asian countries  
6<sup>th</sup> of 11 South-Eastern Asian countries

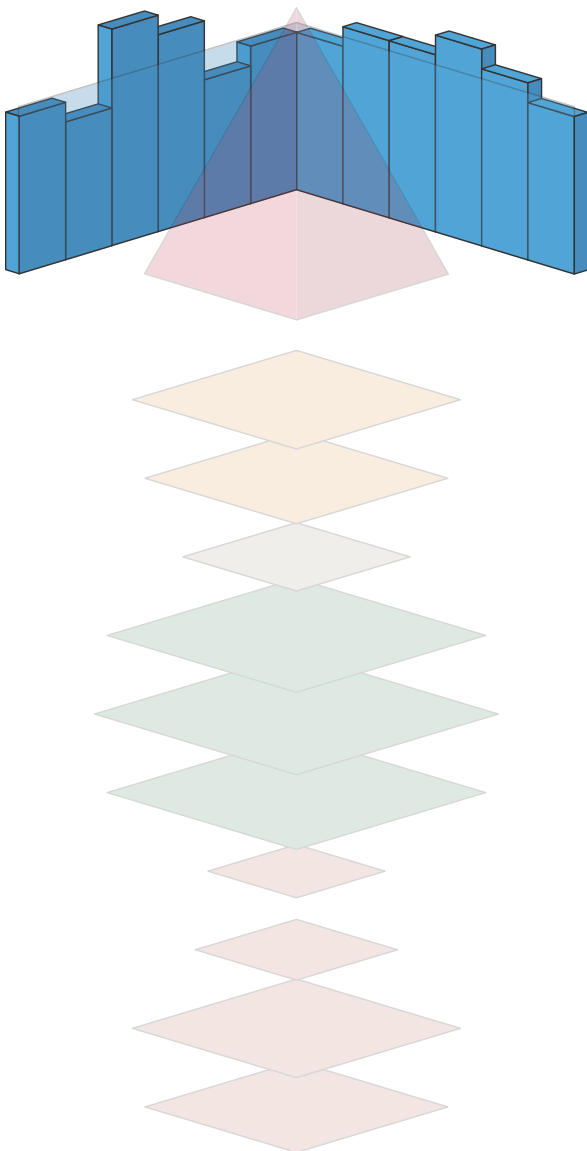


Funding provided by the United States Government.



ENACT is funded by the European Union and implemented by the Institute for Security Studies and INTERPOL, in affiliation with the Global Initiative Against Transnational Organized Crime.

 **INDONESIA**



**4.33**  
**RESILIENCE SCORE**

118<sup>th</sup> of 193 countries  
22<sup>nd</sup> of 46 Asian countries  
6<sup>th</sup> of 11 South-Eastern Asian countries

POLITICAL LEADERSHIP AND GOVERNANCE	4.00
GOVERNMENT TRANSPARENCY AND ACCOUNTABILITY	3.50
INTERNATIONAL COOPERATION	5.50
NATIONAL POLICIES AND LAWS	5.00
JUDICIAL SYSTEM AND DETENTION	3.50
LAW ENFORCEMENT	4.00
TERRITORIAL INTEGRITY	4.00
ANTI-MONEY LAUNDERING	4.50
ECONOMIC REGULATORY CAPACITY	4.50
VICTIM AND WITNESS SUPPORT	5.00
PREVENTION	4.50
NON-STATE ACTORS	4.00

**6.38**  
**CRIMINALITY SCORE**

25<sup>th</sup> of 193 countries  
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 <b>CRIMINAL MARKETS</b>	6.00
 <b>CRIMINAL ACTORS</b>	6.75



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# CRIMINALITY

## CRIMINAL MARKETS

### PEOPLE

Human trafficking is reportedly prevalent in Indonesia, with women and children being especially vulnerable to sexual exploitation. Children are also subjected to labour exploitation and forced to work overtime for inadequate wages. Men migrate internally in search of work in the fishing, mining and plantation industries, where they often fall victim to forced labour, have their mobility restricted, suffer physical abuse and work for little to no pay.

Indonesian victims are also trafficked abroad, mostly to Malaysia, Singapore, Morocco, Saudi Arabia, Syria and Turkey. Perpetrators are believed to operate both independently and as part of international labour-recruitment companies, which are known as Pelaksana Penempatan Tenaga Kerja Indonesia Swasta. Corruption facilitates the market for human trafficking, with corrupt officials issuing false documents, protecting venues of exploitation and providing protection to recruitment agencies.

Until it introduced tighter immigration controls in 2013, Indonesia was a significant transit corridor for migrants from Afghanistan, Sri Lanka and Myanmar looking to get to Australia. Smuggling flows from Indonesia have now shifted to Malaysia, with Indonesia's high rate of labour migration to Malaysia making smuggling more frequent between the two countries. Individuals who have themselves been smuggled into Indonesia work as recruiters and organizers of smuggling channels. Human smuggling has become a viable means of economic survival for many locals, which is why fishermen help with the transportation of asylum seekers and border officials engage in bribery and the falsification of identity documents.

### TRADE

Internal conflicts in Indonesia fuelled by rebel groups, separatist movements and terrorist organizations have led to an increase in arms trafficking from Cambodia, Myanmar and the Philippines. This proliferation of arms has contributed to rising rates of violence and communal conflict in certain regions of the country. There are allegations that state-embedded actors facilitate the market through the provision of funds and other resources.

### ENVIRONMENT

As home to the world's third-largest tropical forest, Indonesia has one of the largest illicit logging markets in South-eastern Asia. Illegal logging is a severe issue, with the market's grand scale being attributed to corrupt and

powerful businessmen and local officials. Illegal logging often occurs in protected forest areas, access to which is made easier by the fact that logging companies legally manage adjacent forest areas.

There is an enormous illegal wildlife market in Indonesia, among the largest in South-eastern Asia. The market mainly targets Sumatran tigers, cockatoos, monkeys, bats, parrots, elephants and orangutans. Illegal, unreported and unregulated (IUU) fishing also occurs on a significant scale in Indonesian waters. Poachers and wildlife dealers are predominantly domestic actors, while foreign fleets (Chinese, Vietnamese and Filipino) are for the most part engaged in IUU fishing in Indonesia.

Illegal mining for gold and drilling for oil occur on a large scale in Indonesia. There are reportedly thousands of unlicensed mines, using mostly unlicensed equipment, which increases both safety and environmental damage risks. Indonesia suffers significant annual financial losses, estimated to be equivalent to billions of US dollars, from illegal gold mining. The market for illegal non-renewable resources is arguably among the largest in the region. Both locals and migrant workers engage in illegal mining operations in Indonesia, along with mining companies which either lack valid licences or mine resources in protected areas. Corruption plays an integral part in illegal mining, usually in the form of payments to low-level officials. There have also been serious allegations about the military failing to end illegal mining due to corruption.

### DRUGS

A heroin market exists in Indonesia, but it is comparatively small. Heroin is trafficked into the country from large regional producers such as Thailand, Laos and Myanmar. There are many reports indicating that state-embedded actors, especially in the Indonesian national narcotics agency (BNN), accept payments in return for facilitating the illicit trade in heroin and cocaine. In turn, Indonesia is a destination country for cocaine, with tourist hotspots such as Bali and Nusa Tenggara being especially prominent markets.

Cannabis is prevalent in Indonesia and is used traditionally in the northern parts of Sumatra, especially in the Aceh region, where it holds religious as well as spiritual importance and is used in cooking and herbal medicine. The cannabis market in the country is operated mostly by locals and reportedly generates the equivalent of around US\$1 billion each year. As with heroin and cocaine, corruption is rampant and state-embedded actors are used to facilitate trade in both cannabis and synthetic drugs. Synthetic drug use in Indonesia has been on the rise in recent years. While

methamphetamine is the most popular synthetic drug in the country, there has been an increase in the use of new psychoactive substances, mostly synthetic cannabinoids.

## CRIMINAL ACTORS

There is a wide spectrum of criminal networks allegedly involved in various forms of organized crime in Indonesia. For the most part, these criminal networks are involved in drug trafficking in the major cities, such as Jakarta, Surabaya, Bandung, Yogyakarta and Medan, as well as in tourist destinations such as Bali. The latest operative information available suggests that there are 83 criminal networks engaged in drug trafficking in Indonesia. Human trafficking networks, on the other hand, are believed to exist primarily in rural areas, especially in eastern Indonesia. Terror-like operations are reportedly carried out by large criminal networks adhering to religious interests, but terrorist networks operate in Indonesia as well. Criminal networks are thought to significantly influence the democratic process in Indonesia, often through maintaining state-embedded connections, participating in political campaigns and buying votes. Corruption is rampant in the country at state and regional levels, and state-embedded actors facilitate a range of organized crime operations. In particular, prison

and border control officers, as well as the BNN, aid drug trafficking. It is likely that state-embedded actors also exert control over criminal markets in the country and take an active part in them.

Although the Indonesian government fails to recognise mafia-style groups, the Geng Sembilan (considered by experts to be such a group) has been present in Jakarta since the 1980s. The group, also known as Gang of Nine, 9 Naga and 9 Dragons, operates in various markets, most notably gambling, property and drugs. The group is characterized as a business racket with interests in the legal economy. While it does not control large territories and its membership is relatively small, the group has a monopoly on property and the drug trafficking market. Other mafia-style organizations are also operational in Indonesia and have ties to the police and military elite. There is anecdotal evidence of foreign involvement in certain criminal markets, such as human and drug trafficking, but foreign groups mostly collaborate with local organizations. Foreign actors operate primarily in tourist regions such as Bali and Nusa Tenggara, as well as across eastern Indonesia. Foreign motorcycle gangs have recently expanded their range and gained a foothold across the region, including in Indonesia.

# RESILIENCE

## LEADERSHIP AND GOVERNANCE

The Indonesian government has taken a strong public stance against organized crime in national and international forums, with the issue featuring on both party and election agendas. Several internal separatist movements have threatened government resilience to organized crime, and corruption runs unchecked in the country. There is a functioning anti-corruption body – the corruption eradication commission (KPK) – which enjoys public trust; however, its ability to operate was severely curtailed by legislative amendments in 2019. In spite of the protests and rioting that ensued, the amendments were implemented. Although the government engages with civil society in anti-corruption efforts, many of its agencies lack the capacity and skills to deal with corruption. However, anti-corruption measures such as e-budgeting and procurement have been implemented, and the government is considered fairly transparent.

Indonesia has signed and ratified all relevant international treaties pertaining to organized crime. Additionally, the government has stipulated international cooperation as one of its priorities in combating organized crime. In line with Indonesia's international commitments, its legal framework is able to respond adequately to current threats. Notably,

however, the revision of the country's anti-corruption legislation has weakened the KPK and impeded its work. In addition, it has been recommended that Indonesia amend its conservation legislation to meet current environmental crime concerns.

## CRIMINAL JUSTICE AND SECURITY

There are no specialized anti-organized crime units within the judiciary, and – as in politics – corruption is pervasive in the judicial system. One consequence of this is that the judiciary's ability to pass effective sentences in cases involving organized crime may be compromised. The prison system is also plagued by issues and does not meet minimum international standards. Overcrowding and a lack of proper facilities are common, which has allowed criminal networks to organize and engage in crime, notably drug trafficking, within Indonesia's penal institutions, again collaborating with prison officers. The Indonesian national police force is tasked with countering organized crime, although a lack of training limits its anti-organized crime capacities. Indonesia both shares and receives intelligence from its partners, but corruption and political influence may have decreased trust among its partners and discouraged the practice.

Apart from a forestry crimes section with dedicated investigators within the Department of Forestry, there are no specialized anti-organized crime units in Indonesia. The country lacks the necessary infrastructure to monitor its borders effectively, especially in its efforts to combat drug trafficking. In spite of the government claiming that the development of its border infrastructure has been a priority since 2014, the vast number of remote areas along Indonesia's maritime and land borders renders it particularly susceptible to transnational organized crime.

## ECONOMIC AND FINANCIAL ENVIRONMENT

Indonesia has AML/CFT legislation in place. It has also demonstrated significant efforts to implement AML/CFT recommendations and conduct financial investigations. Indonesia has a financial intelligence unit that is tasked with the prevention of money laundering, the analysis and investigation of financial transactions and data and information management. In spite of Indonesia's notable efforts in strengthening its AML/CFT regulations, however, the risk of money laundering remains moderate.

Significant progress in business regulation has been made, especially when compared with other countries in the region. E-commerce is growing fast in Indonesia, allowing businesses to reach larger audiences, but also presenting organized crime with more opportunities to sell drugs as well as illegal flora and fauna. There are some indications that organized crime has infiltrated the legal economy, especially in regard to gambling and real estate.

## CIVIL SOCIETY AND SOCIAL PROTECTION

The government supports victims of human trafficking and drug use, providing them with physical protection and medical, psychological and psychosocial services, as well as granting them procedural rights. Civil society has also been active in this respect, especially in assisting drug users and victims of drug-related crimes. There are witness-protection programmes, delivered by the witness and victim protection agency (LPSK). However, the LPSK is based in Jakarta and does not yet have any regional offices, which makes witness protection procedures low and access to safe houses difficult.

In terms of prevention, national prevention strategies exist, with the focus being predominantly on human trafficking. While government efforts to combat human trafficking have increased, including establishing local and district-level inter-agency anti-human trafficking task forces, measures remain inadequate to address the problem fully. The government still lacks standard operating procedures for proactive victim identification and referral services. However, mechanisms are available for local communities to report organized crime through call centres, texts or online platforms. NGOs are active in supporting anti-drug and anti-human trafficking campaigns. Despite some friction

between the government and the civil society sector, the former is generally supportive of non-state actors working against organized crime.

Conversely, press freedom in Indonesia is poor, as evidenced by acts of violence against and the prosecution of journalists. Reportedly, journalists documenting environmental crimes are being increasingly targeted, as are foreign journalists and fixers, particularly those reporting on government or military irregularities. The cutting off of internet access has also been a tool used by the government to restrict the freedom of the press.

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