

**GUIDELINES ON THE IMPLEMENTATION OF IMMEDIATE BLOCKING OF
FUND OWNED BY INDIVIDUALS OR CORPORATIONS THE IDENTITIES
OF WHICH ARE LISTED IN THE LIST OF FUNDING OF PROLIFERATION
OF WEAPONS OF MASS DESTRUCTION**

A. Background

1. Based on the Joint Regulation of the Minister of Foreign Affairs of the Republic of Indonesia, the Chief of the Indonesian National Police, the Head of the Financial Transaction Reporting and Analysis Center, and the Head of the Nuclear Power Control Agency (Joint Regulation), Proliferation of weapons of mass destruction is the distribution of nuclear, biological and chemical weapons.
2. The objective of funding the proliferation of weapons of mass destruction is to support the distribution of nuclear, biological and chemical weapons, either with assets which are the result of a crime or of legally acquired property.
3. In order to prevent the Operator from being used as a means of funding the proliferation of weapons of mass destruction, the Non-Bank Payment System Provider and Foreign Exchange Business Activities Operator need to apply the APU and PPT Program adequately, which at least include the following procedures:
 - a. Application of the principle of Knowing the Financial Services Users
 - b. Compliance Reporting and Supervision
 - c. Monitoring of Money Transfer Activities through the transfer system or through other systems conducted by the Money Value Transfer Services Provider
 - d. Supervision of the carrying of cash and / or other payment instruments into or outside the Indonesian customs area

- e. The mechanism of inclusion, extension and deletion of the identity of a person or corporation in the Suspected Terrorist and Terrorist Organization List (DTTOT) and List of Funding of Proliferation of Weapon of Mass Destruction.
4. The scope regulated under the Joint Regulation are as follows:
- a. Inclusion or renewal of the identity of the person and the identity of person or corporation in List of Funding of Proliferation of Weapon of Mass Destruction.
 - b. Immediate blocking of funds owned by a person or corporation listed in the list of funding of the Proliferation of Weapons of Mass Destruction.
 - c. Removal of the identity of persons and corporations in the List of Proliferation of Weapons of Mass Destruction.
- B. Handling Mechanism of List of Proliferation of Weapons of Mass Destruction

The matters relating to the authority of PT to execute the request for blocking and / or unblocking as referred to in the Joint Regulation are as follows:

- 1. In the event of Immediate Blocking, PT:
 - a. Receiving List of Proliferation of Weapons of Mass Destruction information letter from Bank Indonesia or other relevant agencies;
 - b. Administering and updating the profile of persons or Corporations listed in List of Proliferation of Weapons of Mass Destruction into the database of blocking of PT;
 - c. Identifies the suitability of Service Users profile with a database of blocking of PT;
 - d. Immediately blocking all funds owned or controlled, directly or indirectly by any person or corporation listed in the List of Proliferation of Weapons of Mass Destruction;

- e. Preparing Minutes of Immediate Blocking to all funds owned or controlled, either directly or indirectly by any person or corporation listed in the List of Proliferation of Weapons of Mass Destruction;
 - f. Submitting Minutes of Blocking as referred to above to PPATK with copies to Bank Indonesia (c.q Unit supervising Non-Bank Payment System / Foreign Exchange Business Activities).
2. In the case of the Removal of the identity of a Person or Corporation from List of Proliferation of Weapons of Mass Destruction, PT.:
- a. Provider receives a letter of notification of removal of person or corporate information from the List of Funding of the Proliferation of Weapons of Mass Destruction, and the request for the immediate lifting of the blocking of all funds owned or controlled, directly or indirectly, by a person or corporation;
 - b. Remove the identity of the person or corporation listed in the person or corporation's deletion information from the List of Funding of the Proliferation of Weapons of Mass Destruction from the block list database owned by PT;
 - c. The Provider shall automatically withdraw the blocking of all funds owned or controlled, either directly or indirectly by a person or Corporation;
 - d. The Provider shall make the report on the event of the lifting of the blocking immediately against all funds owned or controlled, either directly or indirectly by a person or Corporation;
 - e. Submitting Minutes of Revocation of Blocking as referred to above to PPATK with copies to Bank Indonesia (c.q Unit supervising Non-Bank Payment System / Foreign Exchange Business Activities).

C. False Positive and False Negative

PT must mitigate the risks of possible false positives or false negatives in blocking immediately

1. False Positive is a mistake in the implementation of the blocking by the Operator immediately found that there is a partial compatibility of the Service User information located in the Operator's database listed in List of Funding of the Proliferation of Weapons of Mass Destruction.

For example:

Database	List of Funding of the Proliferation of Weapons of Mass Destruction	Conformity / Status	Errors
Encep Nurzaman	Encep Nurjaman	Conforming / Block	Nurzaman = Nurjaman
<ul style="list-style-type: none"> • Parlindungan Siregar • Medan, April 25, 1976 	<ul style="list-style-type: none"> • Parlindungan Siregar • Medan, April 25, 1967 	Conforming / Block	April 25, 1976 = April 25, 1967

2. False Negative is an error of the provider of not immediately blocking the fund because the User Service information system of the provider finds the suitability of some of the User Service information existing in the data base of the provider with the identity of the person or corporation listed in List of Funding of the Proliferation of Weapons of Mass Destruction.

For Example:

Database	List of Funding of the Proliferation of Weapons of Mass Destruction	Conformity / Status	Errors
<ul style="list-style-type: none"> • Muhammad Ricky Ardhan • Lombok Timur, May 28, 1984 	<ul style="list-style-type: none"> • Muhammad Jibril Abdurrahman • Lombok Timur, May 28, 1984 	Non-Conforming / Block	Muhammad Jibril Abdurrahman alias Muhammad Ricky Ardhan

3. Mitigation of False Positive and False Negative Risks

- a. Conformity checks are performed through the separation of names, aliases, places of birth, citizenship, and addresses listed in DTIOT. This can reduce errors.

Database	List of Funding of the Proliferation of Weapons of Mass Destruction	Potential Error
<ul style="list-style-type: none"> • Jose Gonzales • Residing in Martinez Street 	<ul style="list-style-type: none"> • Jose Martinez Gonzalez 	<p>If there is no separation between names and addresses, the information system can read the overall suitability and potentially lead to false positives.</p>

- b. Repeated and comprehensive examination may be conducted in the case of the conformity of Indonesian common names contained in the Provider database, such as Muhammad, Mochammad, Agus, Bambang and others, with the names listed in the List of Funding of the Proliferation of Weapons of Mass Destruction. In-depth inspection can be done by the provider through the search for reliable source information, whether the information is closed, such as information sourced from the LPP, law enforcement officers, or information that is open, such as information sourced from the internet.

D. Submission of Minutes of Immediate Blocking

1. General

- a. Based on Article 6 Paragraph (g) of the Joint Regulation, the Provider who performs the blocking shall immediately prepare the Minutes of Blocking and shall submit the same to the PPATK.
- b. Submission of Minutes of the Immediate Blocking to the Head of the PPATK as well as copies to Bank Indonesia shall be made by the Provider, no later than 1 (one) working day after the time of immediate blocking.

2. Form of Report and Minutes of Immediate Blocking

- a. Minutes of Immediate Blocking shall be made in writing by expressly stating the followings:
- 1) name, title, and address of the head of Provider;
 - 2) the date on which the immediate blocking is done;
 - 3) a statement that the blocking has been done immediately;
 - 4) Number of Decree of Head of PPATK concerning Stipulation of List of Funding of Proliferation of Weapons of Mass Destruction;
 - 5) letter of request for immediate blocking from PPATK or Bank Indonesia;
 - 6) the name and position of the witness who is an employee of the Provider;
 - 7) the identity of the Service User shall at least contain the name, place of birth date, occupation and address;
 - 8) the account number of the Service User shall include the savings account number, the account number of the current account, or any other number as required and the characteristics of the Provider;
 - 9) the last account balance or the value of an asset owned or controlled by the Service User by which the blocking is done automatically;
 - 10) the type and identity of movable or immovable assets or property, whether tangible or intangible, which are managed or in the possession of the Provider, which is automatically blocked; and
 - 11) a statement that the minutes were prepared before the witness, namely the Provider's staff.
- b. The Report of immediate blocking shall be made in writing by expressly stating :
- 1) the date on which the immediate blocking is done;

- 3) a statement that the blocking has been done immediately;
 - 3) name of Service User; and
 - 4) the account number of the Service User shall include the savings account number, the account number of the current account, or any other number as required and the characteristics of the Provider; and
 - 5) the type and identity of movable or immovable assets or property, whether tangible or intangible, which are managed or in the possession of the Provider, which is automatically blocked;
- c. The format of Minutes and Reports of Immediate Blocking as referred to in letter a) and letter b) are listed in Attachment I which is an inseparable part of these Policies and Procedures.
 - d. In the event that the Provider finds no conformity to the identity of the person or corporation contained in the database with the identity of the person or corporation contained in the List of Funding of Proliferation of Weapons of Mass Destruction, the Provider shall submit the Nil Report to the Police of the Republic of Indonesia and copies to Bank Indonesia.
 - e. The Nil Report Format as referred to in letter d) is contained in Attachment II which forms an integral part of this Circular Letter.
 - f. Minutes and Reports on Immediate Blocking, and Nil Report are made in 1 (one) copy.
 - g. Minutes and Report of Immediate Blocking and Nil Report must be submitted to:
HEAD OF REPORTING CENTER AND FINANCIAL ANALYSIS TRANSACTION
cq. LEGAL DIRECTOR OF PPATK

Jalan Ir. H. Juanda 35

Jakarta Pusat 10120

- h. Copy of Minutes and Report of Immediate Blocking and Nil Report must be submitted to:

BANK INDONESIA

cq. Unit Supervising Non-Bank Payment System / Foreign Exchange Business Activities

Jalan MH. Thamrin No.2

Jakarta 10350

3. Objection of Immediate Blocking

- a. In the event that the PPATK receives an objection submitted by a person or corporation to the execution of the immediate blocking, the PPATK shall request the Provider to promptly revoke the immediate blocking.
- b. PT provides a request to PPATK to revoke the immediate blocking.
- c. PT shall prepare minutes of revocation of immediate blocking against all funds owned or controlled, either directly or indirectly by person or corporation.
- d. PT shall submit minutes of blocking as referred to point c. to PPATK with a copy to Bank Indonesia.

E. Submission of the Suspicious Financial Transactions related to Funding of Proliferation of Weapons of Mass Destruction

1. Suspicious Financial Transactions related to Funding of Proliferation of Weapons of Mass Destruction shall mean:
- a. financial transactions with a view to use and / or known to be used to finance the proliferation of weapons of mass destruction; or
- b. transactions involving Any Person based on the funding list of the proliferation of weapons of mass destruction.
2. The list of funding for the proliferation of weapons of mass destruction as referred to in number 1 letter b shall be the list

of funding for the proliferation of weapons of mass destruction issued by PPATK.

3. PT submits Suspicious Financial Transactions report related to Funding of Proliferation of Weapons of Mass Destruction to PPATK no later than 3 (three) working days after knowing Suspicious Financial Transactions related to the Fund Proliferation of Weapons of Mass Destruction.
4. Procedures for submitting Suspicious Financial Transaction Reports related to Terrorism Financing as referred to in paragraph (3) shall refer to the Regulation of the Head of PPATK regarding the procedure of submitting suspicious financial transactions reports to financial service providers.

F. Miscellaneous

1. In the event that the account of the Service User is immediately blocked, the blocked account shall bear interests or profit sharing in accordance with the provisions in force in the Provider.
2. In the case of any agreement or obligation arising after the User of the Service is identified in the DTTOT, the Service User shall still retain its rights under the agreement, including interest or payment.
3. Rights of User Service as referred to in number 2 shall be included in the Fund Mandatorily Included in the immediate blocking.

ANNEX I

FORM OF MINUTES AND REPORT OF IMMEDIATE BLOCKING

[PT. XXX¹]

[address]

MINUTES OF IMMEDIATE BLOCKING

The undersigned²:

Name :

Position :

Address :

in this matter acting for and on behalf of [PT. XXX], hereby declares that on this day [day, date, month, year], at WIB / WITA / WIT³ has performed immediate blocking based on Bank Indonesia letter of request, dated number.... before the following witness pursuant to Decree of Head of PPAATK concerning List of Funding of Proliferation of Weapons of Mass Destruction before the following witnesses:

Name :

Position :

To the accounts/assets/funds owned or possessed by Service User such as follows:

Name :

Place, Date of Birth :

Occupation :

Address :

Account Number⁴ :

Current balance/asset value :

¹ Name of Provider

² Name, position, and address of Head of Provider

³ Time zone shall be adjusted

⁴ Shall be matched with the account number such as saving account number, demand deposit account number, or other numbers according to the requirement and characteristics of the industry

Type and identity of assets⁵ :

Hereby this Minutes is made in 1 (one) counterpart and 1 (one) copy

The Official Performing
Immediate Blocking,

Witness

Name

Name

Position

Position

⁵ In the event that the asset or fund being immediately blocked is not in an account

ANNEX II
FORM OF REPORT OF IMMEDIATE BLOCKING

[PT. XXX¹]

[address]

Number : [place], [date, month, year]

Enclosure :

Re : Report of Immediate Blocking

To

Head of Center for Financial Transaction and Reporting

c.q. Legal Director of PPATK

Jalan Ir. H. Juanda 35

Central Jakarta 10120

With reference to Decree of Head of Center for Financial Transaction and Reporting No. dated concerning Stipulation of List of Funding of Proliferation of Weapons of Mass Destruction, hereby we report that on this day [day, date, month, year], at WIB / WITA / WIT² we have immediately blocked the account or asset fund in the name of.....³ [account number⁴/ current balance/asset value] as set out in the attached minutes.

Thank you for your attention and cooperation.

[Name of Provider⁵]

[Signature]

Copy:

1. Bank Indonesia (Unit supervising Non-Bank Payment System / Foreign Exchange Business Activities)
2. Head of Representative Office of the Bank Indonesia in the relevant areas

¹ Name of Provider

² Time zone shall be adjusted

³ Name of Service User

⁴ Shall be matched with the account number such as saving account number, demand deposit account number, or other numbers according to the requirement and characteristics of the industry

⁵ Name and position of Head of Provider

ANNEX III
FORM OF NIL REPORT

[PT. XXX¹]

[address]

Number : [place], [date, month, year]

Enclosure :

Re : Report of Immediate Blocking

To

Head of Center for Financial Transaction and Reporting

c.q. Legal Director of PPATK

Jalan Ir. H. Juanda 35

Central Jakarta 10120

With reference to Decree of Head of Center for Financial Transaction and Reporting No. dated concerning Stipulation of List of Funding of Proliferation of Weapons of Mass Destruction, hereby we report that on this day [day, date, month, year], at ... WIB / WITA / WIT² there is no conforming identity or a person or corporation in the database with the identity of the person or corporations as set out the DTOT of the provider or NIL.

Thank you for your attention.

[Name of Provider³]

[signature]

Copy:

1. Bank Indonesia (Unit supervising Non-Bank Payment System / Foreign Exchange Business Activities)
2. Head of Representative Office of the Bank Indonesia in the relevant areas

¹ Name of Provider

² Time zone shall be adjusted

³ Name and Position of Head of Service Provider