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Terrorism: The Threat Persists

THE numerous terrorist attacks in 2016 persisted into the New Year with a deadly attack on the very first day of 2017; 39 people were killed and 70 injured in a mass shooting in an Istanbul nightclub. Numerous terrorist attacks followed, mostly in the Middle East, Africa, Afghanistan and Pakistan. Many of the attacks, which took the form of suicide car bombings and shootings, were carried out or claimed by the 'Islamic State' (IS) terrorist group. Other militant groups involved included Boko Haram, Al Shabaab and the Taliban (in Afghanistan).

Al Qaeda militants have also been active. An affiliate of Al Qaeda in the Islamic Maghreb (AQIM), Al Mourabitoun, claimed responsibility for the deadly suicide car bombing attack at an army camp in Mali on 18 January killing at least 77 people and injuring over 110. In Yemen, Al Qaeda in the Arabian Peninsula (AQAP) killed and injured over a dozen Yemeni soldiers on 3 January. Al Qaeda has also stepped up its propaganda effort, releasing statements by IS leader Ayman al-Zawahiri calling for attacks against the US, saying that it was a "top priority" target. Reflecting the internecine warfare within the global jihadi movement, Zawahiri also denounced IS propaganda campaign against Al-Qaeda and eulogised a number of Al Qaeda 'martyrs'.

The next few months will be crucial for IS as coalition forces stepped up its campaign to recapture Mosul and Raqqa and dismantle its so-called caliphate. So far, eastern Mosul has been liberated although the battle ahead for western Mosul is predicted to be challenging. US President Donald Trump, inaugurated on 20 January, has vowed to work with other countries including Russia to crush IS and eradicate terrorism.

Meanwhile, Russia and Turkey have started joint operations against IS near the Syrian town of Al-Bab. These, and other developments on the ground such as the loss of IS-held territories, top IS leaders, fighters and sources of funds will determine IS' future in Iraq and Syria and the directions it will take in the coming months.

IS is expected to expand the 'battlefield' to the West and elsewhere, and consolidate and expand its many *wilayats* (provinces) and enclaves outside the Levant, stretching from Western Africa to Southeast Asia. The articles in this month's issue deal with IS militants in and beyond Southeast Asia, IS' exploitation of religion, rising Uyghur militancy and terrorism financing.

V Arianti focuses on a key IS ideologue and 'commander' in Indonesia, Aman Abdurrahman, leader of Jamaah Ansharud Daulah (JAD) who is behind bars. She discusses how Aman Abduhrrahman succeeded in spreading radical ideology and unifying pro-IS groups, and his connections with IS in Syria.

Md Saiful Alam Shah Bin Sudiman explores the 'Islamic State' (IS) terrorist group's exploitation of Islamic precedents to falsely argue that *hijra* (emigration) to IS-held territories and *wilayats* is obligatory and an act of worship.

The writer draws attention to IS' cold calculated strategy of fomenting inter-religious discord and creating a 'hostile' environment in Europe to 'encourage' Muslims there to emigrate. He recommends steps European governments and Muslim communities should take to maintain social cohesion and inter-religious harmony, and counter IS false narratives and propaganda.

Terrorism: The Threat Persists

Nodirbek Soliev looks at the growing militancy of disaffected Xinjiang Uyghurs, their recruitment by IS and Al Qaeda, their movement into Southeast Asia and the risk of such Uyghurs linking up with existing militant groups in the region. The writer also highlights the need to achieve long-lasting stability in Xinjiang by developing comprehensive counter-radicalisation and community engagement strategies, relying less on hard power and more on winning "hearts and minds" of its Uyghur minority community.

The use of new payment methods to make illicit cross-border money transfers has reignited concerns about the lack of regulation in regards to such payment methods and the misuse of such channels by terrorists to fund their activities. **Sylvia Windya Laksmi** highlights the abuse of modern payment methods over the Internet and outlines three challenges faced by the Indonesian authorities in particular, based on the existing frameworks in place. She offers four policy recommendations to tackle the problems associated with combating terrorism financing.

Aman Abdurrahman: Ideologue and 'Commander' of IS Supporters in Indonesia
V. ARIANTI

On 10 January 2017 the United States designated Jamaah Ansharud Daulah (JAD) as a terrorist group and imposed sanctions on its leader Aman Abdurrahman, the leading ideologue and 'commander' of supporters of the 'Islamic State' (IS) terrorist group in Indonesia. Aman provided ideological and spiritual leadership for IS followers in Indonesia even before the group declared its so-called caliphate in June 2014. Many of his students joined IS ranks, conducted attacks in Indonesia or worked to unite various pro-IS groups under one umbrella. Imprisoned for the second time since 2010, Aman has been implicated in the January 2016 Jakarta attack. Despite his present incarceration and isolation, he is still influential and his sermons still resonate among IS followers in Indonesia.

Background

Aman Abdurrahman, whose original name is Oman Rochman, was born in Sumedang (West Java) in 1972. Married and father of four (Qutaibah 2013), Aman graduated with honours in Islamic law from a salafi university in Jakarta, LIPIA (a Saudi Arabian-funded institution linked to the Islamic university in Riyadh). He subsequently became a teacher and taught in several salafi mosques and pesantren in Jakarta and West Java before becoming a jihadi scholar. He is proficient in Arabic and has reportedly memorised the Qur'an and almost 1,500 hadiths (sayings of Prophet Muhammad). With these "religious credentials", he has been able to garner a large number of followers (Qutaibah 2013, ICG 2004, DetikX 2016).

Aman is also a prolific author, translator and editor of extremist texts and videos, including that of the so-called 'Islamic State' (IS). He translated and articulated the writings of Al Qaeda's Middle Eastern ideologues, and subsequently IS, and applied them in the context of Indonesia. Currently, Aman is incarcerated for funding and sending his students to the jihadi training camp in Aceh in 2010. He is reportedly placed in isolation after his alleged involvement in orchestrating the January 2016 attack in Jakarta (Tempo 2010, IPAC 2016a).

Rise of Aman Abdurrahman as a Jihadist Ideologue

Aman Abdurrahman's involvement in terrorism began in 2004 when he organised a bomb-making class for his students in Cimanggis, West Java (ICG 2004). He was sentenced to seven years' imprisonment and was released in 2008 with remission (Liputan6 2005, ICG 2010). Using the pen name Abu Sulaiman, his influence within Indonesian jihadi circles grew in 2007 after he translated the writings of an influential salafi-jihadi ideologue Abu Muhammad al-Maqdisi, the mentor of Abu Musab al-Zarqawi (the deceased leader of Al Qaeda in Iraq who is widely recognised as the 'father' of IS) (ICG 2010, Patterson, Harrison, Hassan). Aman provided the ideological foundation for the cross organisational (*lintas tanzim*) jihadi training camp in Aceh on the importance of *qital tamkin*, which is based on Al-Maqdisi's work. *Qital tamkin* defines the importance of securing a base while waging *jihad* and conducting *dakwah* (religious outreach) simultaneously (ICG 2010).

Aman is also an avid proponent of *takfiri mu'ayyan,* which is the most extreme thought within jihadi-Salafism. The concept labels Muslims as *kafir* (non-believers) if they are associated with *thaghut* entities (those who do not implement God's law) and do not agree with the *takfiri mu'ayyan* camp; they are also liable to be killed and have their assets confiscated (IPAC 2014a, Sulaiman 2010a/b, Abdurrahman 2012a).

Despite being incarcerated, Aman remained influential within the jihadi community as he continued to write, translate, and edit from prison. His followers disseminated his writings, translations and edited works, including IS material, through various platforms such as MP3 audios, books, e-books, and articles. Aman's profile as an ideologue increased following the decline of the terrorist group Jemaah Islamiyah (JI), the arrests of its leaders Abu Dujana and Zarkasih, and the dismantlement of JI second headquarters in Poso in 2007. Following these setbacks, JI began to focus on *dakwah*, rather than waging *jihad* (ICG 2010, IPAC 2014b). It was further weakened after the death of Noordin M. Top in 2009. (Noordin was the leader of a JI splinter group that masterminded several suicide bombings in Indonesia).

Aman provided the ideological justification for *jihad* in Indonesia by targeting the 'near' enemy (ICG 2010/11, Abdurrahman 2012b). This partly contributed to the shift of primary targets from foreign to local, which includes mainly the police and top government leaders and parliament buildings. This was a departure from Noordin's targets of the 'far enemy', which included the interests of the US and its Western allies. In late 2013, Aman chose to oppose Al Qaeda and sided with IS, well before IS declared its caliphate in June 2014 (IPAC 2014a, Sulaiman 2009).

"Unification" of Pro-IS Groups

Aman Abdurrahman's students maintained a cohesive network, albeit without a rigid organisational structure. The students created a study group, Tauhid wal jihad, after their mentor was imprisoned in 2004 (ICG 2010). During his time in prison, Aman recruited both criminal and terrorist inmates; he even successfully influenced Abu Bakar Ba'asyir, the former JI leader and a prominent jihadi ideologue to support IS. This resulted in the split of Ba'asyir's movement, Jamaah Ansharut Tauhid (JAT), and the formation of the splinter group Jamaah

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Ansharusy Syariah (JAS) in August 2014, led by Abu Bakar Ba'asyir's son, Abdul Rochim Ba'asyir (VoA-Islam 2016, JAS 2014/16). Aman managed to "annex" the remaining JAT structure, including the administrators and members loyal to Ba'asyir.

Aman's students also infiltrated and recruited members of various radical Islamist groups, such as Gerakan Reformis Islam (GARIS) and the now dismantled Front Pembela Islam (FPI) Lamongan. They managed to create Forum Aktivis Syariat Islam (FAKSI), Forum Komunikasi Dunia Islam (FKDI), and Umat Islam Nusantara (UIN) [IPAC 2014a/2015, Fachry 2014/2015]. The three major Indonesian IS fighters who have allegedly ordered attacks in Indonesia – Bahrumsyah, Bahrun Naim, and Salim Mubarok Attatmimi alias Abu Jandal – are all former students of Aman Abdurrahman (IPAC 2014a, Setyawan).

In spearheading the unification of pro-IS groups, Aman Abdurrahman was probably inspired by IS propaganda magazine *Dabiq* (November 2014), which spelled out the requirements of establishing a *wilayat* (governorate). It stated that for a *wilayat* to be declared, groups that had pledged allegiance to IS must unite under a single leadership, which has to be acknowledged by the "caliph". The existing groups were to be abolished in order to become part of IS *wilayat*. An effort to unite pro-IS groups under one organisation was detected in March 2015 with the formation of Jamaah Ansharud Daulah (JAD)

; it reportedly comprised members of Mujahidin Indonesia Timur (MIT), Mujahidin Indonesia Barat (MIB), JI splinter groups and Al-Muhajirun (Tribun News 2015). Students of Aman Abdurrahman were also members of JAD (IPAC 2014a, Tempo 2016). However, by the time JAD was declared, it had yet to form an organisational structure (Aditya 2015).

More serious efforts by Aman Abdurrahman to unite pro-IS groups in Indonesia were seen when JAD expanded and used the name Ansharud Daulah Islamiyah (ADI), Jamaah Ansharul Khilafah (JAK), and finally Jamaah Ansharul Khilafah Islamiyah (JAKI). Up to 100 pro-IS individuals from across the country met at a JAKI meeting in a hotel in Malang in November 2015 (IPAC 2016b/2016c). Unlike Aman's unstructured network in the past, JAKI had a semblance of a "proper" organisational structure. It had, inter alia, a division of military affairs and regional *emir* (leaders) for Ambon, South Sulawesi, East Java, and Central Java.

IS Central – JAD's Connection

Aman Abdurrahman was allegedly involved in the January 2016 attack in Jakarta that killed eight people, including four attackers from JAD (Purnama 2016b, Tempo 2016). He allegedly communicated with Abu Jandal, who delivered a message from IS central to carry out an attack in Indonesia (IPAC 2016c). Three out of five IS-linked attacks in Indonesia in 2016 have been attributed to JAD; they were the January 2016 Jakarta attack, the October 2016 stabbing of three police officers in Tangerang, a suburb of Jakarta, and the November 2016 church bombing in Samarinda, the capital city of East Kalimantan (Metro TV 2016, Friastuti, Tempo 2016). Two JAD-linked attacks in Jakarta and Tangerang were claimed by IS central in *Dabiq* (13th edition) and *Rumiyah* (3rd edition), respectively. This indicates a strong connection between IS central and JAD, especially since not all attacks linked to IS fighters, such as the Bahrun Naim-linked suicide bombing in Solo in July 2016, were acknowledged by IS central.

In June 2016, JAD members planned to replicate the Jakarta attack in Surabaya, the capital city of East Java. JAD members also planned to stab police officers in a police post in Purwakarta, a West Java district, on New Year's Eve in December 2016 (Novianto, Bangka Pos 2016). Some JAD members also joined other pro-IS cells under Bahrun Naim, such as the cells that

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carried out the July 2016 Solo bombing, and the plot on New Year's Eve (Tribun News 2016/16b, Armenia).

The death of Abu Jandal in a suicide bombing mission in Mosul, Iraq, in November 2016 and Aman's isolation following the January 2016 Jakarta attack have disrupted a "direct channel" between IS central and Aman. Abu Jandal's death means Aman has lost an important contact with close connections to the IS leadership in Syria. This would probably eliminate Aman's chances of becoming the *emir* of IS Indonesia in the future. Additionally, Aman does not enjoy good relations with Bahrumsyah, who was appointed by al-Baghdadi as leader of the Southeast Asian IS fighting unit Katibah Nusantara (KN) in Syria and Iraq. Nevertheless, JAD activists have maintained connections with IS central. This was made evident in the Tangerang attack for which IS central has claimed responsibility. They are also well connected with either Bahrun Naim or Abu Jandal (before his demise) (IPAC 2016c; Chan, Purnama 2016; Dewi).

Further evidence of Aman's influence and connection with IS central can be seen in his despatch of Indonesians to Syria. He reportedly vetted Indonesian IS fighters before they departed for the Levant. In some cases, jihadists could not join IS without Aman's recommendations, despite having already reached Iraq (DetikX 2016). At least four men from his pesantren (Islamic boarding school) recently attempted to go to Syria through Singapore; they were deported back in February 2016 (Batam News 2016).

Conclusion

Aman Abdurrahman will complete his nine-year sentence in 2019 but he is likely to be prosecuted again for his alleged involvement in the January 2016 Jakarta attack (Setyawan, Purnama 2016b). Keeping him isolated means Aman is probably no longer 'commanding' JAD. Instead, members of the group conducted attacks on their own or by joining other pro-IS cells. His isolation notwithstanding, Aman will likely remain the ideological leader for many pro-IS Indonesians through his audios and writings that are widely circulated in various pro-IS social media networking applications. The fact that Aman does not have combat experience nor overseas militant training like those of older JI leaders may seem irrelevant to many young IS supporters.

The case of Aman Abdurrahman and his group JAD raises three issues which Indonesian authorities would have to deal with. The first relates to the unhindered propagation of writings, books, articles, videos and audios of radicals and convicted felons who preach violence and extremism. The second is the unrestricted activities and movements of members of militant and terrorist organisations such as JAD. The third concerns the position to take when the prison sentences of jihadist ideologues and militant leaders like Aman Abdurrahman (now 45 years old) expire. These are pressing issues which also concern countries grappling with online jihadi subversion, terrorist networks and cells, and imprisoned ideologues and militants. How they are dealt with and resolved will determine the threat levels in the countries concerned and to some extent the present and future trajectory of terrorism.

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ATTACKS IN EUROPE:
A NEW STRATEGY TO INFLUENCE HIJRA TO IS DISTANT WILAYATS?
MD SAIFUL ALAM SHAH BIN SUDIMAN

2016 saw at least eight attacks inspired or directed by the 'Islamic State' terrorist group that left hundreds dead and injured in Europe. Other than claiming responsibility for these attacks, IS also heightened its rhetoric on hijra (emigration) to its controlled territories and wilayats (provinces). These attacks were intended to deliver two important messages: to draw attention to IS operational capabilities, and to encourage European Muslims to emigrate to IS distant wilayats in the wake of public outrage over IS-claimed off-shore attacks. Given the resultant anti-Muslim backlash, it is imperative that states formulate and review mechanisms to strengthen social cohesion and inter-religious relations.

Background

The December 2016 Berlin Christmas market attack where 12 people died and 56 were injured, was a grim reminder of the July 2016 Bastille Day attack in Nice (France) that killed 86 people and injured over 300. Several major similarities between the two attacks are discernible.

Firstly, targets for both attacks were large-scale celebratory gatherings attended by, in IS' language, "infidels" at public places considered as 'soft' targets. Secondly, heavy vehicles were used as weapons to inflict maximum casualties. Thirdly, the two target countries, France and Germany, are part of the US-led coalition against IS. In addition, both countries have the largest Muslim populations among EU member nations. According to Pew Research, as of 2010 there were 4.8 and 4.7 million Muslims in Germany and France respectively (Pew Research Centre 2016).

Both countries have their elections scheduled for this year and IS, having observed Brexit and Donald Trump's election, might have sensed an opportunity to influence the polls. The objective of the various terror attacks in Europe is evident in light of this background: to provoke strong anti-Muslim backlash in the form of more hate crimes, greater social alienation and the election of right-wing and far-right political parties and politicians with strong anti-Islamist and anti-Muslim immigration agendas. IS' expectations of anti-Muslim reactions are not surprising given past outbreaks of violence in Europe. For instance, police figures following the 2005 London bombings showed a six-fold increase in religious 'hate crimes' from 40 in July 2004 to 269 after the attacks on 7 July 2005 (BBC 2005). The London Metropolitan Police's Assistant Commissioner at the time, Tarique Ghaffur, warned that this worrying trend could push the Muslim community to "completely retreating and not engaging at a time when we want their engagement and support" (BBC 2005). Similar anti-Muslim reactions followed the attacks in Paris in November 2015 and Brussels in March 2016, among others.

The challenging environment may have pushed some alienated Muslims to consider emigration, including *hijra* to IS territories. For example, in April 2015, a Bangladeshi-British family of twelve travelled to Bangladesh before heading to Istanbul a month later to 'cover' their trail of travelling to IS territory. Professor Dalem Chandra Barman from the University of Dhaka noted that the shift to join IS could be due to frustrations these migrant families experienced while struggling to survive in a foreign environment perceived as 'hostile' (Asia Times 2015).

IS Rhetoric on *Hijra*

Hijra or emigration refers to the relocation of an earlier generation of Muslims who left Mecca for Abyssinia and Medina in the 7th century. These emigrations were undertaken to avoid persecution by the pagan Quraish tribe over differences in religious beliefs. IS manipulates these historical precedents to argue that *hijra* to its territories is obligatory for Muslims. It went so far as to claim in its *An-Naba* weekly (no. 49, 2016) that doing so is an act of worship: "Hijra in the cause of Allah is among the best form of worship that places the slave close to his Lord". IS suggests that those who fail to do so are living in sin and disbelief.

IS rhetoric on *hijra* has undergone three phases in respect of destinations. The first was when IS captured control over large swathes of land in Iraq and Syria by the third quarter of 2014. The group called on Muslims to *hijra* to the Levant, and made it the main theme in its propaganda magazine, *Dabiq* (August 2014). The second phase covered the period 2015 to around October 2016 when IS harped on territorial expansion to its *wilayats* outside the Levant. Its weekly *An-Naba* weekly (October 2016) featured an exclusive interview with IS' chief of *Haiat al-Hijra* (Hijra Agency) who asserted the purported obligation of Muslims to live and travel within *Dar ul-Islam* (Islamic lands), specifically IS core territories, provinces and cities; he reiterated the need for Muslims to relocate and live in an Islamic environment offered by IS either in the Levant or any of its *wilayats* (An-Naba 49). The third phase, since late 2016, sees IS promoting its *wilayats* outside the Levant for *hijra* following the significant loss of territories in Iraq and Syria. Its monthly magazine *Rumiyah*, released in December 2016, featured an article on *hijra* offering a total of eighteen *wilayats* encompassing more than twelve countries for potential emigrants to choose from (Rumiyah 4 2016).

Promoting *Hijra* by Wrongful Means

IS attempts to persuade Muslims to undertake *hijra* not only by falsely claiming that *hijra* to the 'Islamic state' is obligatory but also by arguing that its 'Islamic state' meets all the necessary criteria of a genuine Islamic political entity. Putting forth its own definition of what such a state is, IS argues that an Islamic state must be led by a caliph, in this case, Abu Bakr al-Baghdadi, and be governed according to

> " **IS attempts to persuade Muslims to undertake *hijra*… by arguing that its 'Islamic state' meets all the necessary criteria of a genuine Islamic political entity.** "

Shari'ah (Islamic) law instead of man-made laws. The Islamic state should have no political ties or peaceful relationship with *Toghut* governments or states that do not rule according to Shari'ah law. By drawing up these standards, IS hopes to convince global Muslims to make their way to IS-held territories and live in a 'real' Islamic state. This is only the first strategy to persuade Muslims to emigrate.

The second strategy is to create situations that would compel Muslims to undertake the *hijra*. Islamic history has affirmed that *hijra* was first initiated to avoid persecution due to differences over religious practice. Muslims were then advised to relocate to a place where similar dangers or situations were not prevalent. IS has used this rationale for migration to its advantage by creating a climate of fear and uncertainty in Europe and elsewhere to induce Muslims to emigrate to Iraq, Syria and other *wilayats*.

It did so by claiming full responsibility for the Berlin Christmas market attack. IS' Amaq News Agency released a video featuring the perpetrator of the Berlin attack, pledging to IS and vowing to avenge Muslims killed in airstrikes (SITE 2016). The attack was deliberately timed to inflict heavy casualties and to arouse fear, anger and sadness, just as Germans began preparing for the Christmas festivities. Given IS' intolerance for other religious beliefs, the attack was clearly targeted at Christianity and intended to hurt the Christian community the most.

The attack was also targeted at a country, Germany, whose government has been battered by domestic critics and populists for its perceived liberal policy towards refugees. The Christmas attack, coupled with several other crimes and attacks involving refugees and asylum seekers, was a blow to Angela Merkel and her government's policy towards the refugees. The attack was intended to destroy the existing social fabric of the country and create distrust and animosity specifically between Muslims and non-Muslims.

Any attack mounted in the name of Islam begets hate crimes against Muslims (as is already evident in the US, Europe and elsewhere). Since last year, thousands of Germans have taken to the streets to protest Merkel's open-door refugee policy. This contributes to a fertile ground breeding hatred and eventually leading towards Islamophobia, a development IS welcomes as it hopes that the anti-Muslim backlash would drive more Muslims to perform *hijra*.

Looking Ahead

As IS comes under more severe attacks in Iraq and Syria, and deliberate the prospects of losing its caliphate, it is likely to plan and mount more outrageous terror attacks to seek revenge, and demonstrate its operational prowess and viability as a global jihadist movement. Another objective is to create social unrest and discord in targeted countries to induce alienated Muslims to throw their support for IS and work 'behind enemy lines' or migrate to IS *wilayats* to strengthen and expand control and influence. This poses a huge challenge to governments in Europe and elsewhere. With Islamophobia on the rise, considerable efforts are needed to inculcate resilience and forbearance among Europeans.

Three approaches could be considered to mitigate the group's efforts. First, it is necessary to step-up public education to forge better understanding between various ethnic and religious communities. The governments, in this case, should advise mainstream media outlets not to sensationalise terrorist incidents, difficult though this is given the intense 24/7 media rivalry. Second, the states should tap on readily available sources within Muslim communities in these countries. Mosques and Islamic community centres should be encouraged to intensify their efforts to preach authentic Islamic messages of peace, tolerance and co-existence. Muslim community leaders and clerics must

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collaborate to work out strategies to counter misinterpretation of religious texts, particularly on *jihad*, *hijra*, freedom of religion, and the caliphate. In respect of *hijra*, Muslims need to be informed that it is not obligatory at all, certainly not to IS territories or *wilayats*. In the era of information warfare, Muslims should be alert to online misinterpretations and distortions of religious texts. Lastly, more determined efforts are needed by all parties not only to counter IS efforts and propaganda to undermine peace and social stability in Europe and other plural societies, but also to manage the aftermath of a terror attack, especially its impact on social cohesion and inter-religious harmony in order to avoid playing into the hands of the IS terrorist group.

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UYGHUR MILITANCY IN AND BEYOND SOUTHEAST ASIA: AN ASSESSMENT

NODIRBEK SOLIEV

Southeast Asia is witnessing evolving security risks from Chinese Uyghurs' involvement in militant activities in the region. Although this is a relatively new phenomenon, it has transnational security implications for the region. This article assesses the threat of Uyghur militancy in Southeast Asia and beyond.

Background

First reports of Uyghur militants' presence in Southeast Asia emerged in September 2014 when Indonesian police arrested four Uyghurs attempting to link up with Mujahidin Indonesia Timur (MIT or Mujahidin Indonesia Timor), a militant group in Sulawesi that has pledged allegiance to the 'Islamic State' (IS) terrorist group. Since then, six more Uyghurs had been killed among MIT militants (Sangadji 2016). In August 2015, two Uyghurs were found to be among the masterminds and perpetrators of the Bangkok bombing (Vonow 2016) which killed 20 people and injured over 120. On 5 August 2016, Indonesian police arrested five members of a Batam-based terrorist cell known as Katibah GR, which had reportedly received funding from the Turkistan Islamic Party (TIP) (formerly known as the East Turkistan Islamic Movement (ETIM)), an Al Qaeda-linked Uyghur terrorist group fighting in Syria and Afghanistan. Katibah GR was involved in smuggling and harbouring two Uyghurs (The Straits Times 2016), one of them, named Ali, was arrested in December 2015. This article argues that terrorist networks linked to the 'Islamic State' (IS) and Al Qaeda are attempting to build connections with human smuggling networks to recruit Uyghurs coming from Xinjiang. IS and its local affiliates in Southeast Asia are keen to recruit and mobilise disenfranchised and radical-minded Uyghurs for their militant activities in the region. However, Al Qaeda's affiliates, al-Nusra Front (now Jabhat Fateh al-Sham) and TIP in Syria, appear to be mainly interested in safeguarding existing recruitment channels in Southeast Asia to further their fight in the Middle East, rather than expanding their operations in Southeast Asia.

Uyghur Militancy Beyond Xinjiang

The October 2013 car crash attack at Tiananmen Square in Beijing was the first time violence involving Uyghurs occurred in the Chinese capital; 5 people were killed and 38 others injured. In March 2014, a group of ten Uyghurs, including four women, armed with knives and swords attacked passengers and passers-by at the Kunming railway station in China's south-western Yunnan province, killing at least 29 and injuring more than 140. The assailants were reportedly fleeing China through well-established underground routes across the border into Laos without passports but were unsuccessful and carried out the attack in an act of desperation (Radio Free Asia 2014). Unlike such attacks in the past in Xinjiang, where assailants targeted mostly police and security personnel, the assailants in Kunming targeted civilians at a railway station. In a separate online video statement, the TIP praised both attacks (Zenn 2014a/b).

Syria and Afghanistan

Currently, Uyghur militants are fighting on two battlefronts – Syria and Afghanistan. A vast majority of these Uyghur militants are fighting under the banner of TIP, one of the prominent foreign terrorist groups fighting both in Syria and Afghanistan. TIP's Syrian division, known as the TIP in the Levant (TIP-L), was established in 2012 and receives shelter, protection and support from al-Nusra Front, Al Qaeda's former Syrian affiliate. Reciprocally, TIP-L has supplied al-Nusra Front with manpower on the ground and actively participated in militant offensives mounted by al-Nusra Front and its allies against the Syrian government forces in Idlib, Latakia and Aleppo. Based on the videos produced by the TIP-L's media wing known as "Islam Awazi" (The Voice of Islam), several hundred, possibly a thousand Uyghur fighters and their family members have joined TIP-L. The group claimed that it has also participated in military offensives launched by Turkmen brigades and moderate insurgent groups fighting against the Syrian government.

In Afghanistan, however, TIP has become considerably weak since the group was expelled from the tribal areas of Pakistan to Afghanistan in 2015 (Reuters 2015). TIP had approximately 300-500 militants when it was based in Pakistan's Federally Administered Tribal Areas (FATA) (Zenn 2014a). The group is now struggling to survive and find a permanent shelter.

In spite of its growing military strength in Syria, TIP does not appear to have the capabilities to carry out operations beyond the Middle East independently. It is al-Nusra Front's resources, capabilities, and networks that have strengthened TIP's transnational reach. According to Kyrgyz authorities, the suicide car bombing attack on the Chinese embassy in the Kyrgyz capital Bishkek on 30 August 2016 was a joint operation between TIP and Kateeba Tawhid wal Jihad (KTJ), and organised on the order and with the financial support of the emissaries of al-Nusra Front. Based on a comparison of the Bishkek attack and the Erawan Shrine bombing in Bangkok on 17 August 2015, it can be speculated that both attacks might have been the work of a transnational network linked to al-Nusra Front and TIP. Both attacks remain unclaimed, and they directly or indirectly targeted Chinese interests. The masterminds and perpetrators were mainly ethnic Uyghurs and

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Turkic people who arrived from Turkey on fake passports not long before the attacks and managed to return to Turkey undetected after successfully carrying out the strikes.

As of now, al-Nusra Front and TIP seem eager to recruit radical Uyghurs to replenish its fighting contingent in the Middle East, instead of getting involved in operations in Southeast Asia. Based on videos and statements produced by TIP, so far there has been no evidence to suggest that the group has operational presence in Southeast Asia. Additionally, TIP has not demonstrated its intention to expand into Southeast Asia. In recent times, the group's online propaganda has mainly focused on appealing to Uyghur Muslims to travel to Syria and to attack China's global interests.

The IS terrorist group also has a few hundred Uyghur members in Syria and Iraq. Unlike TIP, which unified Uyghur veteran fighters from Afghanistan and new recruits, most of IS' Uyghur fighters appear to be fresh recruits who have not been organised into a separate combat unit.

Southeast Asia: An "alternative jihad" for Xinjiang's Uyghurs?

Since 2013, Southeast Asia has emerged as a major transit route for an influx of illegal Uyghur immigrants fleeing from China's restive Xinjiang province, in a bid to reach Turkey, which is home to a large Uyghur diaspora community. The first phase of the movement of Uyghurs into Southeast Asia took place in 2009 – in the aftermath of the inter-ethnic clashes between local Uyghur and Han communities that left 197 dead and 1,700 injured (The New York Times 2012). The phenomenon of Uyghur militancy in Southeast Asia can be said to be an outcome of a combination of long-standing inter-ethnic tensions between local Uyghur and Han communities in Xinjiang, and the tightening of border controls and security measures in Central Asia, which has forced the Uyghurs to seek alternative routes. In the past, disaffected Uyghurs have also resettled outside of China, particularly in Turkey, Central Asia and Saudi Arabia, when ethnic tensions in Xinjiang were on the rise.

Uyghurs in Southeast Asia

It would be over-simplistic to categorise all Uyghurs coming to Southeast Asia as militants. There has been no evidence to suggest that those Uyghurs implicated in militant activities in Southeast Asia have had militant training or fighting experience prior to their entry into the region.

The majority of Uyghurs coming to Southeast Asia appear to be peaceful asylum seekers, many in search of better economic opportunities (The Straits Times 2016a). Currently, approximately 1,000 Uyghurs are believed to be seeking asylum in Southeast Asian countries (Banlaoi 2016). In March 2014, the Thai government arrested 424 Uyghurs, including more than 60 children, who entered the country illegally and initially claimed to be Turkish citizens in the hopes of being sent to Turkey rather than back to China. They were found in different parts of the country – in Songkhla Province on the border with Malaysia, and Sa Kaeo Province on the border with Cambodia (Kuo and Springer 2014). In March and October 2014, Malaysian authorities arrested about 217 Uyghur asylum-seekers (Daily Sabah 2014/The Straits Times 2014).

> " **Well-established and flourishing human smuggling networks and fake documentation channels operating both in China and Southeast Asia have organised, brokered and facilitated Uyghurs' trips across the region.** "

In September 2013, at least 30 were arrested in Mohan, a small border town in Yunnan (China), near the border with Laos (Radio Free Asia 2013). In December 2010, Laos also returned seven asylum-seekers to China (Radio Free Asia 2010). In 2009, Cambodia, acceding to China's request, forcibly repatriated 20 Uyghurs seeking asylum from persecution related to the unrest in Xinjiang.

Smugglers and Radicals

Uyghurs have exploited existing human smuggling networks to travel around the region undetected. Well-established and flourishing human smuggling networks and fake documentation channels operating both in China and Southeast Asia have organised, brokered and facilitated Uyghurs' trips across the region. For instance, in September 2015, Malaysian police captured four Uyghurs along with four Malays, who were part of a human smuggling syndicate (BenarNews 2015). Malaysian authorities arrested and deported an earlier batch of 11 Uyghurs engaged in human smuggling back to China in August 2011 (Radio Free Asia 2011).

Radical ideologies have gained traction among some vulnerable segments within the Uyghur community. Some radical elements in Xinjiang have been covertly travelling to Syria and Iraq via Southeast Asia masquerading as asylum-seekers. They exploit the same human smuggling and fake documentation networks operating in China and Southeast Asia to obtain false passports that allow them to reach Turkey on their way to Syria. In January 2015, Chinese police in Shanghai arrested a group of ten Turkish nationals and two Chinese citizens for supplying fake Turkish passports to nine Uyghur terrorist suspects from Xinjiang who were planning to leave China illegally for Syria to join jihadist groups (BBC 2015a).

As of now, Southeast Asia does not seem to be a final destination for radicalised Uyghurs coming from China. Only when Uyghurs fail to travel to Turkey due to various reasons would they decide to remain in Southeast Asia instead of going back to China. Indonesia is the 'alternative jihadi ground' for these radical Uyghurs as it appears to be more accessible than other countries. Uyghur recruitment and involvement in terrorist activities in Southeast Asia is taking place along the lines of local groups' links to either Al Qaeda or IS.

Uyghurs with Pro-IS and IS-linked Terrorist Cells in Indonesia

In September 2014, Indonesian police in Poso arrested four Uyghur jihadists who tried to join Mujahidin Indonesia Timor (MIT), the pro-IS Indonesian militant group. The arrestees had entered Indonesia using forged Turkish passports and paid USD 1,000 to a human smuggler in Thailand for each passport and travelled to Indonesia via Malaysia (The Straits Times 2015). According to Indonesian authorities, the four Uyghurs were planning to meet MIT leader Santoso (killed in July 2016), and also to receive militant training that could be used in their fight against China (Abuza 2015). This incident was followed by the killing of six other Uyghurs who joined MIT. These Uyghurs reportedly entered Thailand via Cambodia. After obtaining fake passports in Thailand, they moved to Kuala Lumpur whence they flew on to Makassar, South Sulawesi on their way to Poso (The Jakarta Post 2016). However, it remains unclear how these Uyghurs had linked up with the MIT.

> **" Indonesia is the 'alternative jihadi ground' for these radical Uyghurs as it appears to be more accessible than other countries. "**

In August 2016, Indonesian police arrested five members of Katibah GR, a pro-IS terrorist cell based in Batam, for plotting to launch a rocket attack on Marina Bay, Singapore. The cell reportedly received funding from the TIP and had smuggled and harboured two alleged Uyghur militants identified as Ali and Doni (The Straits Times 2016b). Katibah GR, led by Gigih Rahmat Dewa has had close links to a notorious Indonesian IS fighter Bahrun Naim who is based in the Syrian city of Raqqa.

Ali, whose real name is Nur Muhammet Abdullah, was arrested by Indonesian police along with a local militant named Arif Hidayatullah, alias Abu Musab, in Bekasi near Jakarta in December 2015. Ali and Doni were sheltered by KGR in Batam before Ali was picked up by his friend named Nur Rohman who later blew himself up in a suicide bombing attack on a police station in Solo, Central Java in June 2016. Doni has since been deported (The Straits Times 2016b).

Ali left Xinjiang for Southeast Asia with the purpose of flying over to Syria. He obtained a fake passport in one of the countries in the region and flew to Turkey. However, after being detected in a Turkish airport, Ali was deported back. He decided to travel to Indonesia through Malaysia whence Ali was smuggled by sea into Batam, where he was met by Gigih Rahmat in October 2015. It was Bahrun Naim who had assigned Gigih Rahmat to shelter Ali in Batam (The Straits Times 2016c).

Arif Hidayatullah's cell had close links to Bahrun Naim and planned to use Ali as a suicide bomber in an attack against Shia communities in Indonesia.

On 3 November 2016, Ali was sentenced to six years' imprisonment. Ali's case attests to the fact that Southeast Asia has become "an alternative jihad" for Uyghurs who originally intended to go to the Middle East through the region but fail to do so for various reasons. IS and its local affiliates in Southeast Asia appear to be interested in recruiting and mobilising these Uyghurs for their militant activities in the region.

Breaking the "Violence-Suppression-Violence" Cycle in Xinjiang

Increasing violence involving ethnic Uyghurs has led the Chinese government to respond forcefully. China often describes these incidents as "terrorist attacks" and labels assailants as "terrorists". These labels overlook the impact of the state's ethnic policies in fuelling such episodes of inter-ethnic violence between the ethnic Uyghur minority and the Han Chinese. On 26 May 2015, the Chinese state media reported that law enforcement agencies dismantled 181 "terror groups" in Xinjiang after the launch of the "strike hard" campaign in the region in March 2014 against what China projects as "the three evil forces of separatism, extremism and terrorism" (The Global Times 2016). The campaign that continued throughout the following year was a combination of enhanced cultural restrictions and security efforts (US State Department 2016). The conviction of 712 people in 2014 and another 1,419 in 2015 on terrorism and separatism charges was part of such measures (Reuters 2016). The government launched additional armed patrols and checkpoints; set up community-based methods of terrorism-prevention such as neighbourhood watch and "inspection of households" across Xinjiang; and offered rewards for information leading to the arrests of terrorists (BBC 2015b). According to Xinjiang authorities, 96 percent of terrorist plots in Xinjiang were prevented at the planning stage (The Global Times 2015).

Although Beijing's efforts to ensure security in the region have helped to reduce the number of incidents and the scale of violence, such measures have also contributed to the rise of radical and extremist groups and given them an opportunity to radicalise vulnerable segments within the Uyghur society (Soliev 2013).

> **" The immediate threat of Uyghur militancy in Southeast Asia lies in the possibility that well-organised and battle-hardened militant groups like the TIP may form alliances with militant groups in the region. "**

The government's conflicting approach to Xinjiang is reflected in the ongoing effort to economically develop the region and its policy of ethnic assimilation, which has conflicted with the Uyghurs' desire to preserve their culture, religion and language (Clarke 2016). To break the "violence-suppression-violence" cycle and to achieve long-lasting stability in Xinjiang, there is a need to develop comprehensive counter-radicalisation and community engagement strategies, relying less on hard power and more on winning the "hearts and minds" of its Uyghur minority community in Xinjiang (Lim 2015). An important implication of the worsening ethnic tension in Xinjiang is the movement of Uyghurs into Southeast Asia and the corresponding rise in militancy (Zenn 2014c).

Conclusion

The immediate threat of Uyghur militancy in Southeast Asia lies in the possibility that well-organised and battle-hardened Uyghur militant groups like the TIP may form alliances with militant groups in the region. As of now, however, the threat remains limited as its leadership does not appear to have the intention to bring its operations into Southeast Asia.

IS-linked groups in Southeast Asia, however, require close attention not only because they take directions from IS operatives in Syria but also because of their willingness to bring in radicalised Uyghurs and involve them in terror activities, including using them as suicide bombers.

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TERRORISM FINANCING AND THE RISK OF INTERNET-BASED PAYMENT SERVICES IN INDONESIA

SYLVIA WINDYA LAKSMI

Despite the benefits of modern payment methods for the business and investment sectors, such forms of payment may also be misused by terrorists to channel funds transnationally. New Payment Methods (NPMs) include the use of Internet-Based Payment Services such as E-money, PayPal, and Bitcoin. This article outlines three challenges faced by the Indonesian government with regards to the potential abuse of Internet-Based Payment Services and proposes four practical solutions.

Internet-Based Payment Services

As its name suggests, Internet-Based Payment Services offered by non-bank institutions such as global payment getaway, Pay Pal, and digital currencies are offered exclusively on the Internet (FATF - GAFI 2006). Such online payment services are increasingly popular in Indonesia for four reasons. First, it provides users with access to 'prefunded accounts' to transfer funds or electronic value to other persons or entities from the same account provider (FATF 2015). Second, users can convert the account's value by cashing the funds through a transfer mechanism to a bank account, prepaid card or credit card. Third, users can also preload money or recharge their PayPal accounts by using a bank transfer mechanism, payment card account or any other funding source (FATF 2013). Lastly, PayPal users can also perform transactions for online auctions websites, buy or trade assets and services, and make or receive donations (PayPal 2016).

In 2012, the Financial Action Task Force (FATF) issued Recommendation No. 15 to regulate the application of NPMs and to establish standards for the country's risk mitigation policies. In addition, it requires governments to recognise and review terrorist financing risks that may occur due to improvements to financial technology products and practices. Under the Recommendation, a risk assessment should be applied before the launch of a new business service related to NPM technology (FATF 2012). This recommendation obliges all governments to establish comprehensive regulations on NPMs, including those pertaining to Internet-Based Payment Services (FATF 2015).

Preventing Abuse by Terrorists

With regards to the application of Internet-Based Payment Services in Indonesia, providers argue that the services' features have a positive impact on the domestic financial market, particularly in view of the increasing ubiquity of online shopping. However, such benefits bring with it security risks related to the potential abuse of the payment system by criminals and terrorists. This section discusses three major challenges faced by the Indonesian government in applying regulatory and risk mitigation policies in compliance with the FATF's recommendation.

Government Oversight and Regulation

The first challenge has to do with the lack of policies to effectively regulate the application of Internet-Based Payment Services. As described in FATF Recommendation No. 15, countries should set a comprehensive regulation of Internet-Based Payment Services. Based on the 2008 Asia Pacific Group on Money Laundering and Terrorism Financing (APG) Mutual Evaluation Process (a review order to assess a

country's compliance with FATF recommendations) the Indonesian Government was found to be in partial compliance as it had already established regulations for the application of NPMs. However, there are still a number of obstacles in the process of implementing the regulations. Bank Indonesia **(BI),** the country's central bank, has spearheaded three efforts in the regulatory framework of NPMs. The first is to establish a national standard of 'Know Your Customer Principles **(KYC)**' to standardise the customer identification and verification processes. Regulation Number 3/10/PBI/2001 and Bapepam Rule Number V.D.3 are rules issued by the Indonesian Capital Market Supervisory Agency (Bapepam) to regulate internal control provisions and bookkeeping by both private and state-owned security companies (Bapepam 2016).

The second is to regulate the operation of card-based payment services by setting up the Regulation No. 14/2/PBI/2012 and 18/9/PBI/2016. They regulate the types, characteristics, standard application and the controlling mechanisms for electronic payment instruments. The third is to harmonise such regulations with aspects such as technology security and agents' management (Bank Indonesia 2016). Based on these assessments, the central bank focused on the standard application of NPMs with 'face-to-face and non-face-to-face customer relations' characteristics. However, the regulation only covers card-based payment services provided by banking, securities, financing institutions, insurance companies, and pension fund sectors. The government should also play an active role in regulating the use of Internet-Based Payment Services as part of NPMs. The next FATF mutual evaluation is scheduled for the end of 2017.

Risk Mitigation Strategy on Internet-Based Payment Services

The second challenge is the lack of government policies focused on mitigating the risks in this sector. As mandated by FATF's Recommendation, the Indonesian Government should provide risk mitigation policies on Internet-Based Payment Services. The policies would guide the government in preventing the use of payment instruments by criminals and terrorists for money laundering and/or terrorism financing crimes.

Previously, Indonesia's Central Bank enacted Regulation No.5/8/PBI/2003 concerning Risk

> **" Internet-Based Payment Services offered by non-bank institutions such as global payment getaway, Pay Pal, and digital currencies… are increasingly popular in Indonesia. "**

Management, but a 2008 Indonesian Mutual Evaluation Report revealed three limitations in the compliance level of risk mitigation policies. The first limitation is the low level of internal control and employee profiling procedures across the financial industries. The second is a lack of a 'Know Your Customer' **(KYC)** risk-based approach in security companies. Finally, APG also found a limitation on the regulator's supervision of particular industries (APG 2008). These limitations would heighten the risk of terrorism financing. Evidence of the continued misuse of internet-based payment services for terrorism purposes suggests this weakness remains.

Addressing Terrorist Financing Risks

The third challenge lies in identifying government capabilities to combat terrorist financing risks. The following analyses of two cases of terrorist financing involve the abuse of PayPal for supporting violent actions.

In the first case, six Bosnian immigrants were indicted in the United States for funding the 'Islamic State' **(IS)** terrorist group. The money was channelled through Pay Pal and used specifically to buy army gear and shipped to IS (Duhaime 2015). In the second case, a popular journalist named Brian Krebs had his PayPal account hacked twice by an unknown attacker wanting to siphon money from his account to a deceased IS member's account.

Krebs asserted that PayPal did not have 'modern authentication systems', and was unable to avoid any 'social engineering tricks' (Cimpanu 2015).

The two cases demonstrate that PayPal itself has been unable to address five risk points; open Internet system network, non-face-to-face customer relationships, anonymous digital transactions, cross-border business model, and wide segmentation of services (FATF 2013). The first two risk areas are the most vulnerable features of PayPal. People could create and verify their PayPal accounts online and link them to their credit or debit card accounts. Transactions over PayPal accounts are generally difficult to monitor due to issues of information accuracy and anonymity. The risk indicators, anonymous digital transactions and Pay Pal's cross-border business model, span a wide range of services (money transfer, online trading and online auction/bargaining) that could surreptitiously be used for transnational terrorist financing. The risks are particularly high due to the decentralised structure of Pay Pal's service providers, which are located in several jurisdictions (FATF 2013). These five risks areas can be used to assess the sufficiency of national strategies in mitigating risks. Pay Pal is an increasingly popular form of payment used by many Indonesians.

In Indonesia, the government has recognised the importance of regulating and monitoring, but both BI and Indonesia's Financial Service Authority **(FSA)** have yet to establish regulations. There is a lack of political willingness and government measures to overcome the risks related to the use of Internet-Based Payment Services in Indonesia (Laksmi 2016).

In November 2016, the Central Bank of Indonesia published regulation no. 18/40/PBI/2016 concerning Payment Transaction Providers. The regulation covers financial providers which conduct payment transactions using card, electronic wallet and advanced technology. However, some of financial technology companies/providers still do not comply with this regulation, because foreign internet based payment companies still provide the services throughout Indonesia without official service permit. Moreover, the regulation does not prohibit the use of virtual currencies in Indonesia for business and private purposes.

" **Six Bosnian immigrants were indicted in the United States for funding the so-called Islamic State terrorist group… a popular journalist… had his PayPal account hacked twice by an unknown attacker wanting to siphon money to a deceased IS member's account.** "

Mitigating the Risk of Misuse of Internet-Based Payment Services by Criminals and Terrorists

The author of this article proposes four viable solutions to regulate the application of Internet-Based Payment Services and also mitigate the terrorist financing risk in Indonesia. First, a robust regulation concerning the application of Internet-Based Payment Services should be established in Indonesia. This regulation should address the risks associated with open Internet system networks, non-face-to-face customer relationships and anonymous digital transactions. Furthermore, the policies should also measure the mechanism of customer identification and verification process, and cover controlling and reporting systems all of which could be useful for identifying suspicious transactions and reporting them to Financial Intelligence Unit (FATF 2013).

Second, there is a need to devise policies to address the problems raised by the risks of anonymity and the cross-border nature of these businesses. These characteristics have increased the risk of identity fraud and may potentially facilitate illegal activities (FATF 2013). Furthermore, to prevent hacking of accounts, the Government should also ensure the strict enforcement of counter-measures by the service providers to protect the customer's information.

Third, a comprehensive risk mitigation strategy must be in place to reduce the risks from a wide segmentation of services. This strategy could include guidelines on the mechanisms of usage limits, funding methods, cash access and anonymous digital transactions. Such a strategy could come about by launching a guideline of Internet-Based Payment Services' business requirement (to expand the network to conduct in -depth customer's identification process) (FATF 2013); developing centralised services (to enable the company to monitor the cross-border transactions and assist the regulators to evaluate the procedures); and establishing a mechanism for account loading and funding systems (to regulate the amount limits on person-to-person transactions).

Lastly, there is a need to establish strong collaboration with law enforcement agencies, regulators, and industries through regular exchanges at coordination meetings to amongst other things, update stakeholders on innovations in financial technology and their attendant security challenges. Such collaboration would further reinforce existing law enforcement efforts in preventing and eradicating crime and terrorist activities in this sector.

Conclusion

Internet-Based Payment Services form a key part of New Payment Methods (**NPMs**) used by the business and investment sectors. The benefits of Internet-Based Payment Services include the ease of access to anonymous digital transactions, a wide network of international commercial websites and an extensive segmentation of services.

Notwithstanding NPMs' tangible benefits, the current Indonesian government faces three challenges regarding the application of Internet-Based Payment Services in Indonesia: the inadequate regulation of Internet-Based Payment Services, the absence of a robust risk mitigation strategy, and identifying government capacity and resources that could be channelled to

> **" The current Indonesia government faces three challenges… inadequate regulation of Internet-Based Payment Services… absence of a robust risk mitigation strategy, and identifying government capacity and resources… to address the risks of terrorism financing."**

address the risks of terrorism financing.

Proposed solutions to overcome those challenges include, the establishment of an Internet-Based Payment Services' Application Regulation (for controlling the business and security procedures of using payment instruments); an Authentication System Standard for Internet-Based Payment Service Providers (for supervising the frequency of transactions and monitoring for any potentially fraudulent activity); Risk Mitigation Procedures for crime prevention schemes; and cooperation and collaboration across the various law enforcement agencies, central banks, financial service authorities, as well as bank and non-bank institutions. These recommendations have been proposed to enhance the Indonesian government's ability to prevent and combat the potential abuse of Internet-Based Payment Services by criminals and terrorists alike.

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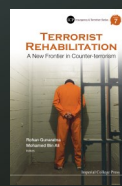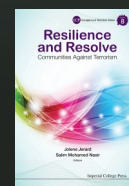
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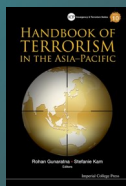
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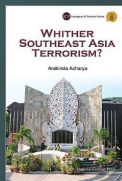(Imperial College Press, 2016)
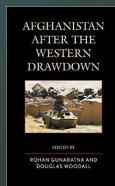
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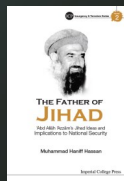(Rowman & Littlefield Publishers, 2015)

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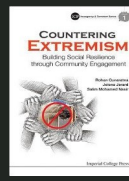(Imperial College Press, 2015)

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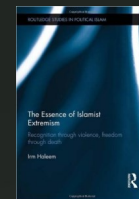(Imperial College Press, 2015)

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