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Recovery of State Losses from Corruption Proceeds

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ABSTRACT
Corruption cases in Indonesia have become a focal point of public concern, involving individuals from diverse professional backgrounds, including judges, prosecutors, police officers, legislators, and businesspeople. These crimes result in significant financial losses for the state. The urgency of establishing an effective mechanism to recover state losses from corruption has become increasingly apparent. This study aims to explore the mechanisms and strategies necessary for the recovery of state losses resulting from corruption, whether committed by individuals or corporations. Utilizing a qualitative research method with a focus on legal and economic analysis, the study examines current practices and their effectiveness in recovering state assets. The findings indicate that existing mechanisms only recover 10-15 percent of the total corrupted funds, highlighting significant inefficiencies in the system. The study concludes that comprehensive reforms, including the strengthening of legal frameworks, enhanced inter-agency collaboration, and public awareness, are imperative to improve recovery rates and deter corruption. Addressing these issues is essential to safeguarding public funds and restoring trust in the legal system.

Keywords: *Anti-Corruption Strategies, Asset Recovery, Corruption, Legal Reform, State Losses*

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INTRODUCTION

In various parts of the world, corruption has always received more attention than other criminal offenses (Ren et al., 2021).This phenomenon is understandable given the negative impact caused by this crime (Fan et al., 2021).The impact can touch various areas of life (Huang & Yuan, 2021). Corruption is a serious problem (Boateng et al., 2021). It can jeopardize the stability and security of society (Adomako et al., 2021), jeopardize socio-economic and political development (Asteriou et al., 2021), and can damage democratic values and morality as it gradually becomes a culture (Adam & Fazekas, 2021).

Etymologically (Fan et al., 2021), criminal offense is a juridical technical term derived from the *Dutch strafbaar feit* (Volobuieva et al., 2023). The word feit contains two word-forming elements, namely *strafbaar and feit* (Dummigan & Schönnenbeck, 2021). The word *feit* in Dutch means part of reality, while *strafbaar* means punishable (Jha et al., 2021), so that literally the word *strafbaar feit* means part of reality that can be punished (Van der Merwe, 2022). Terminologically (Zeeshan et al., 2022), corruption comes from the Latin *corruptie* or *corruptus* (Khan et al., 2021). From this Latin language, it descends to various languages in Europe (Xue et al., 2022), such as English, corruption, corrupt, French, corruption, and Dutch *corruptie* (*Korruptie*) (Sarker et al., 2021).

According to the Big Indonesian Dictionary, corruption comes from the word korup (Spyromitros & Panagiotidis, 2022), which means bad, damaged, rotten, like to use goods (money) entrusted to him; can be bribed (using his power for personal gain) (Song et al., 2021). Corruption according to terminology is the misappropriation or misuse of state money (companies, organizations, foundations and so on) for personal gain or other people (Arayankalam et al., 2021). The definition of corruption according to Law No. 20 of 2001 on the Amendment to Law No. 31 of 1999 on the Eradication of Corruption (Law No. 20 of 2001) is: "any person who unlawfully commits an act of enriching himself or herself or another person or a corporation that may harm the State's finances or the State's economy" (Fijnaut & Huberts, 2000). The application of restitution and fines is one of the efforts to restore state financial losses (Saha & Sen, 2021). When viewed from the existing corruption laws (Keneck-Massil et al., 2021), all apply restitution (Hossain et al., 2021). The regulation of restitution in Law No. 3 of 1971 stipulates that the amount of restitution is equal to the amount of money that was corrupted (Zhou & Li, 2021).

Based on the explanation above, the research problem formulation can be stated: What is the concept of recovering state losses arising from acts of corruption and what are the obstacles faced in recovering state losses from acts of corruption (Mahmood et al., 2021).

RESEARCH METHODOLOGY

The research used in writing is normative juridical (Eka Aditya et al., 2023). The sources of legal materials used in this research are primary legal materials and secondary legal materials (Becker et al., 2024). Primary materials used are legal science books (Broemmel et al., 2021). The types of approaches used in this research are legislative approaches, comparative legal research approaches, cases and legal analysis approaches (Rasoolimanesh et al., 2021). The data processing method used is the analysis method which is then outlined in descriptive analysis writing (Boklund et al., 2021).

RESULT AND DISCUSSION

Corruption has become an extra ordinary crime, and has also become an international crime. The crime of corruption has a correlation with other forms of crime, especially organized crimes and economic crimes, including money laundering.

Corruption has also become a systematic and deep-rooted behavior. The impact of corruption itself has hampered the country's development process towards a better direction, namely improving the welfare and alleviating poverty of the people. In addition, powerlessness before the law in terms of financial terms, positions or closeness to officials plus the lack of commitment from the government elite are factors that cause corruption to still flourish in Indonesia. All of this is because the law is not the same as justice, the law comes from the human brain of the ruler, while justice comes from the heart of the people (Sovacool, 2021).

The development of international law shows that the confiscation and forfeiture of criminal proceeds and instruments is an important part of efforts to reduce the level of crime. In addition to uncovering criminal acts and finding the perpetrators, confiscation and seizure of criminal proceeds and instruments are a major part of criminal investigations, investigations, and prosecutions (Kar et al., 2022).

Realizing the complexity of the problem of corruption in the midst of a multi-dimensional crisis and the real threat that is certain to occur, the criminal act of corruption can be considered a national problem that must be faced seriously through firm and clear steps involving all potentials in society, especially the government and disciplinary enforcement officials (Tauda et al., 2023).

When we review the current status quo of the Indonesian state, the level of corruption offenses has fluctuated in the last 5 years. According to data reported by the Anti-Corruption Clearing House in 2018, the KPK handled corruption crimes as follows: 164 cases of investigation, 199 cases of investigation, 151 cases of prosecution, 106 cases of inkracht, and 113 cases of execution. (KPK, 2022). According to Indonesia Corruption Watch, in 2019 there were 580 suspects in 271 corruption cases that resulted in losses to the state worth 8.41 trillion rupiah. However, according to the 2018 KPK Achievement and Performance Report published on the KPK's official website, the amount of state losses saved by the KPK was IDR 500 billion. The number of losses saved by the Indonesian National Police was much higher at IDR 2.3 trillion, while the Attorney General's Office managed to save IDR 326 billion. The high number of corruption cases and the amount of state losses estimated must have a negative impact on the stability of state finances and the integrity of government performance. 271 criminal cases of corruption have been recorded (Sumartias et al., 2023).

Currently, law enforcement has not been able to optimally carry out asset recovery due to the absence of a mechanism that can handle current urgent needs. If this situation continues, it can have a long-term impact on the increase in corruption cases that are detrimental to the welfare of the Indonesian people. The development of international law shows that the confiscation and forfeiture of criminal proceeds and instruments is an important part of efforts to reduce the level of crime. In addition to uncovering criminal acts and finding the perpetrators, confiscation and seizure of criminal proceeds and instruments are a major part of the investigation, investigation and prosecution of criminal acts (Lehtinen et al., 2022).

Such light sanctions do not make the perpetrators of corruption feel deterrent, even after being released from prison they can enjoy the billions they have corrupted. The development of criminal acts has led to a new breakthrough echoed in the United Nations Convention Against Corruption in 2003, namely asset forfeiture without conviction (non-conviction-based asset forfeiture), hereinafter referred to as NCB, which is a legal mechanism in which state-owned assets that have been taken by criminals are possible to be reclaimed. This concept is part of the United Nations Convention Against Corruption, 2003 which Indonesia has ratified (Bismuth et al., 2021).

In the Indonesian legal system, asset forfeiture is part of additional punishment in the form of forfeiture of certain goods resulting from criminal acts. The consequence of additional punishment is that additional punishment cannot stand alone and always follows the main case, additional punishment can only be imposed together with the main punishment. Forfeiture of assets resulting from crime can only be carried out if the main case is examined and the defendant is found guilty. Then the goods obtained from the proceeds of crime, by a court decision can be determined to be confiscated by the state to be destroyed or other actions are taken so that the goods or assets can be used for the benefit of the state by granting them or conducting auctions of assets resulting from criminal acts (Nicholson-Crotty et al., 2021).

As complex as the problem of corruption is, Indonesia already has several regulations on the eradication of corruption and regulations related to corruption crimes, such as Law No. 28 of 1999 on Clean and Free State Administration from Corruption, Collusion, and Nepotism, Law No. 31 of 1999 which was later amended by Law No. 20 of 2001, Law No. 30 of 2002 on the Corruption Eradication Commission, Law No. 7 of 2006, Law No. 15 of 2002 jo. Law No. 15 of 2003 on Money Laundering, Presidential Instruction No. 5 of 2004 on the Acceleration of Corruption Eradication, and Presidential Decree No. 11 of 2005 on the Corruption Eradication Coordination Team.

Corruption is a type of economic crime that often endangers society. Corruption in all its forms inevitably causes suffering for all Indonesian citizens. The loss of State money due to corruption certainly makes the rights of the people regulated by the basic constitution of Indonesia, namely the 1945 Constitution of the Republic of Indonesia (UUD 1945) become neglected. People's rights to welfare such as education, health, clothing, food, shelter, transportation facilities, access to technology become difficult. The bottom line is that corruption causes a lot of disappointment for many people. Corruption is basically diverting the state budget that should be for the benefit of the people into personal or group benefits (Sosa-Duque & Tauber, 2021).

Corruption causes losses to state finances. The allocation of funds given by the government for the welfare or interests of the people becomes ineffective because it is misused by unscrupulous and irresponsible individuals. One of the elements in corruption cases is the loss of state finances. To address this loss of State finances, the Government has made laws on corruption. This includes Law No. In 1971, Law No. 3 of 1971 was enacted, and also a new law, namely Law No. 31 of 1999 jo. Law No. 20 of 2001

emphasizes that perpetrators of corruption are obliged to return or compensate state financial losses (Tauda et al., 2023).

State losses due to acts of corruption are losses to state finances or the state economy. According to Law Number 31 Year 2004, an expenditure executor is any official or employee who is authorized to carry out expenditures on money or goods belonging to the State. According to Law Number 31 Year 2004, state or regional losses are "Lack of money, securities and goods that are real and certain in amount as a result of unlawful acts either intentionally or negligently."

Based on this definition, the elements of state loss are:

1. State losses are a decrease in state finances in the form of money and assets belonging to the state that should exist.
2. Deficiencies in state finances must be clear and certain in amount, or in other words, the loss has actually occurred with an amount that can be determined with certainty. Thus, state losses are only indications or potential losses.
3. Losses resulting from unlawful acts, whether intentional or negligent, must be carefully proven.

The government has been making efforts to eradicate corrupt practices for a long time. Before Susilo Bambang Yudhoyono became President, many independent commissions were established by the government to fight and eradicate corruption. In addition, many laws and regulations on corruption have been enacted. In order, some of the following laws:

1. Law Number 24 of 1960 concerning Investigation, Prosecution and Examination of Corruption;
2. Law No. 1971 on the Eradication of Corruption;
3. Law No. 31 Year 1999 which was later amended by Law No. 20 Year 2001.
4. Law No. 30/2002 on the Corruption Eradication Commission.

Various laws and regulations were made in order to protect the country's finances or economy from corruption. When viewed from the material of the existing corruption eradication laws in Indonesia, the jihad to fight against corruption has been more than enough.

Further provisions regarding confiscation are contained in Article 39 of the Criminal Procedure Code. The article regulates the provisions of goods that can be subject to confiscation. These items are objects or bills of the suspect or defendant that are wholly or partly suspected of being obtained from a criminal offense or partly the proceeds of a criminal offense; objects that have been used directly to commit a criminal offense or to prepare for it; objects used to obstruct the investigation of a criminal offense; objects specifically made or intended to commit a criminal offense; other objects that have a direct relationship with the criminal offense committed (Potts, 2022).

When the case in question has been decided by the judge, the object subject to confiscation is returned to the person or party named in the decision, unless according to the judge's decision, the object is confiscated to the state, either to be destroyed or to be damaged until it can no longer be used, or auctioned for the benefit of the state treasury and can also be used for evidentiary purposes in other cases.

Using the existing mechanisms in the Criminal Procedure Code, the practice of seizing assets resulting from criminal acts takes a very long time, because the time needed for a case to obtain a binding court decision can take months or even years.

The length of time required, makes it easier for the defendant to hide the assets he obtained and used in the criminal offense so that the initial purpose of asset forfeiture, namely to seize the proceeds of crime so that the perpetrator cannot enjoy wealth that is not his right, is not achieved because the perpetrator has made efforts to escape these assets.

The asset forfeiture mechanism as stipulated in the Criminal Procedure Code emphasizes the disclosure of criminal acts, which involves the identification of perpetrators and their detention, while asset forfeiture only as an additional punishment has not been effective in reducing the crime rate. Without making asset forfeiture the main focus of corruption law enforcement, perpetrators of criminal acts are allowed to continue to control the proceeds of their crimes, and can even commit more crimes with more sophisticated modus operandi.

The existence of a subsidiary mechanism (replacement) for the obligation to pay for assets resulting from criminal acts also causes efforts to seize assets resulting from criminal acts to be less effective. This is because most convicts will prefer to declare their inability to return the assets resulting from the criminal offense, they have committed so that their inability will be rewarded with body confinement as a substitute.

The existence of a subsidiary mechanism that does not exceed the threat of the main criminal penalty in exchange for the amount of assets that must be paid to the state is certainly a very promising alternative for convicts, compared to having to return assets generated from criminal offenses.

In addition to the provisions in the Criminal Code and Criminal Procedure Code, the Indonesian legal system currently contains provisions on asset forfeiture in the Anti-Corruption Law. Asset forfeiture of proceeds of corruption is a preventive measure to protect and prevent assets suspected of originating from acts of corruption from being transferred or transferred ownership. In general, the Anti-Corruption Law uses two mechanisms in conducting asset forfeiture, namely the criminal mechanism and the civil mechanism.

The application of restitution and fines is one of the efforts to restore state financial losses. When viewed from the existing corruption laws, all of them apply restitution. The regulation of restitution in Law No. 3 of 1971 stipulates that the amount of restitution is equal to the amount of money corrupted. The weakness is that the law does not explicitly determine when the restitution must be paid, and what the sanctions are if the payment is not made. Only in the elucidation section of the law is it mentioned that if the payment of restitution cannot be fulfilled, the provisions on the payment of fines apply (Olujobi & Irumekhai, 2024).

The legal weaknesses contained in Law No. 3 of 1971 were later corrected in Law No. 31 of 1999. In both laws, the provisions regarding restitution are more stringent, namely if not paid within 1 (one) month, the convicted person is immediately executed by

putting him in prison. The prison sentence has been determined in the judge's decision, the length of which does not exceed the maximum threat of the principal punishment.

Basically, there are 2 (two) loading models that have been applied by judges who decide corruption cases to return state assets that have been corrupted. The burdening model consists of: (1) Liability (joint and several liability), which is better known in the realm of civil law, is a way of creating an obligation with a large number of subjects. In the context of civil law, there are 2 (two) forms of responsibility, namely active and passive. Responsibility can be said to be active if the number of parties owed (creditors) is more than one, and vice versa, passive responsibility occurs if the number of parties owed (debtors) is more than one.

With the responsibility model, the panel of judges in its decision only stated that the defendants were burdened with a certain amount of restitution within a certain period of time. The panel of judges (the state) did not care at all about how the defendants collected the amount of restitution, whether it was borne by one of the defendants or a certain portion. In accordance with the spirit behind the concept of restitution punishment, the state only cares about how the state money that has been corrupted can be returned. (2) Proportional imposition Proportional imposition is the imposition of restitution where the panel of judges in its ruling definitively determines the amount of each defendant's burden. The determination of the amount of restitution is based on the judge's interpretation of the contribution of each defendant in the related corruption crime (Karpacheva & Hock, 2024).

In practice, the two models mentioned above are applied randomly depending on the judge's interpretation. This lack of uniformity is most likely due to the lack of clarity in the existing rules. Based on the nature of each model, the proportional model has the least potential problems that will arise.

Unlike the proportional model, the responsibility model has the potential to create problems. First, the application of this model could lead to civil disputes between the defendants. This is very likely to happen because by not assigning the burden of restitution to each defendant, the panel of judges has thrown a "hot ball". Each defendant may point the finger at the other and claim how much of the burden should be borne. In fact, it is possible that this dispute will end up back in court, if one or both parties file a civil suit. As a result, the execution of the restitution is likely to be protracted under the pretext of waiting for a court decision on a civil lawsuit filed by one of the convicts.

The execution of restitution does not require a separate lawsuit. Restitution is an integral part of the criminal verdict imposed by the panel of judges. The authority to execute every criminal verdict lies with the public prosecutor, including restitution. If the execution of restitution uses a separate lawsuit, it will conflict with the implementation of punishment. In handling corruption cases starting from investigations, prosecutions, legal remedies, which then when they have permanent legal force, the prosecutor's office as stated in Article 270 of the Criminal Procedure Code implements court decisions that have permanent legal force, namely the principal punishment of imprisonment and additional punishment in the form of payment of fines and compensation money, the collection of

which is the responsibility of the prosecutor's office as the executor of judicial decisions (executor).

This condition is considered by the prosecutor's office as an effort to control the demand for imprisonment as a substitute for the obligation to pay restitution. As for the control of additional criminal charges, the prosecutor's prosecution guidelines are based on the Circular Letter of the Attorney General of the Republic of Indonesia Number: 003/A/AJ/2010 concerning Guidelines for Criminal Charges for Corruption Crimes, in the attachment it is stated that the defendant is charged with imprisonment as a substitute punishment is at least half of the main criminal charges in the form of imprisonment demanded by the public prosecutor.

If the convicted person does not pay the restitution, there must be evidence that the convicted person has served the restitution. This must be proven by the official report of the implementation of the substitute punishment (BA-8). If the convicted person is serving a sentence or has served a criminal sentence even though the minutes of the implementation of the substitute sentence has not been made, then the Kejari must order the Section Head of Pidsus or the Public Prosecutor to coordinate with the Correctional Institution to obtain a certificate that the convicted person has served a substitute sentence. The certificate must be attached to the case file. If payment cannot be made at once by the convict, then it is more likely to lead to non-litigation settlement through negotiation. The convicted person can pay in instalments in accordance with the agreement until the full payment of the restitution.

In the new Law on the Eradication of Corruption, in cases that are decided, there is already a time limit for payment for one month, if the person does not pay the restitution, the property can be confiscated by the prosecutor and the confiscated property can be auctioned to cover the restitution, the amount of which is in accordance with the court's verdict that has been legally binding, and if the convicted person does not have sufficient property to pay the restitution, the convicted person will be sentenced to imprisonment, the length of which does not exceed the principal punishment. Law No. 31 Year 1999 through Article 18 paragraph (2) does set a very short period of time, namely 1 (one) month for convicts to pay off the restitution. Still in the same paragraph, Law No. 31/1999 also provides a criminal "reserve" in the form of confiscation of the convict's property which will then be auctioned to fulfill the restitution.

Subsidiary punishment or substitute imprisonment is highly avoided in order to replace restitution punishment for defendants of corruption cases who have been proven and convinced of committing corruption crimes, because basically defendants who are proven to have committed corruption are obliged to return the proceeds of corruption as a way to recover state losses. Subsidiary imprisonment can close the opportunity for the State to recover losses due to corruption. The Supreme Court (MA) of the Republic of Indonesia, for example, in many decisions only imposes a verdict of restitution without additional imprisonment as a way to force the defendant to return state money. Subsidiary imprisonment can be imposed for corruption with a small amount of state loss, or due to

certain circumstances the defendant is unlikely to pay. If due to legal provisions there must be a subsidiary imprisonment, then the substitute imprisonment must be aggravated.

Criminal assets that can be confiscated are assets obtained or suspected of being obtained from criminal acts, namely: a) Assets obtained directly or indirectly from criminal offenses including those that have been donated or converted into personal, other person, or corporate assets in the form of capital, income, and other economic benefits obtained from such assets; b) Assets that are strongly suspected of being used or have been used to commit criminal offenses; c) Other assets that are legal as a substitute for criminal assets; or d) Assets that are found items suspected of originating from criminal offenses.

Asset forfeiture actions in the provisions of criminal asset forfeiture are carried out against: a) The suspect or defendant dies, flees, is permanently ill, or his whereabouts are unknown; b) The defendant is acquitted of all charges; c) Assets whose criminal cases cannot be tried; or d) Assets whose criminal cases have been convicted by a court with permanent legal force, and at a later date it is found that there are assets from criminal acts that have not been declared forfeited.

The act of asset forfeiture as stated above does not eliminate the authority to prosecute the perpetrators of criminal acts. In addition, the provisions on asset forfeiture of criminal offenses state that if the assets of a criminal offense have been confiscated based on an asset forfeiture decision, the assets of the criminal offense cannot be requested to be confiscated in the verdict against the perpetrator of the criminal offense (Dimyanti, 2021).

The legal construction that Indonesia needs is a construction that is able to facilitate the return of state losses, as a result of corruption that is often ignored. The foundation of the Non-Conviction Based Asset Forfeiture mechanism already contained in the Criminal Asset Forfeiture Bill is a good step in developing the legal system in Indonesia, which in this case can be related to corruption crimes. Unfortunately, the government's legal reform efforts have yet to be enacted and may allow many perpetrators of corruption to escape their obligation to return the public money they have looted. Criminals and hide the proceeds of these criminal acts with easier methods. This must then be overcome by the existence of legal provisions that are in accordance with current and future circumstances so that asset forfeiture efforts can achieve maximum results so that it is necessary to update the existing mechanisms both criminal and civil mechanisms so that efforts can be realized.

Effective asset forfeiture in the Indonesian legal system can be manifested through the Non-Conviction Based Asset Forfeiture mechanism which has been regulated in the United Nations Convention Against Corruption. Based on the normative analysis that has been carried out, Non-Conviction Based Asset Forfeiture has good potential, which can be utilized to assist legal instruments in Indonesia in recovering state losses due to corruption crimes. As one of the countries that ratified the convention, Indonesia should follow up on the national legislative process of the Draft Law on Criminal Asset Forfeiture .

Civil lawsuits in the context of confiscating assets from corruption proceeds have a specific character, which can only be carried out when criminal efforts are no longer

possible to be used in an effort to recover state losses to the state treasury. Circumstances in which the crime can no longer be used include insufficient evidence; death of the suspect, defendant, convict; the defendant is acquitted; there are allegations that there are proceeds of corruption that have not been confiscated to the state even though the court decision has been legally binding. With the regulation of civil lawsuits for asset forfeiture in the Anti-Corruption Law in Articles 32, 33, 34, 38C, the Anti-Corruption Law, it can be concluded that without this regulation, the forfeiture of assets from corruption using civil mechanisms cannot be carried out.

As with the current legal system in Indonesia, the method used in law enforcement of criminal acts by finding the perpetrator and placing the perpetrator in prison (follow the suspect) as contained in the Criminal Procedure Code and the Corruption Law does not have a deterrent effect and is not effective enough to reduce the crime rate because the procedure is only emphasized on punishing the perpetrator by placing the perpetrator in prison while confiscation and asset forfeiture are only carried out as additional punishment.

Meanwhile, confiscating and seizing the proceeds and instruments of criminal acts from the perpetrators of criminal acts not only transfers a certain amount of wealth from the perpetrators of crimes to society but will also increase the possibility of society to achieve the common goal of the establishment of justice and welfare for all members of society. In addition, the development of types of crimes with economic motives also requires an adequate mechanism in the sense that it can be used in accordance with the current circumstances to increase asset forfeiture efforts in Indonesia.

This has encouraged the Government of Indonesia to issue policies related to the effectiveness of asset forfeiture from economic crimes. One of the Government of Indonesia's policy priorities is to create legal instruments that can take over all assets obtained from crimes as well as all means used in committing crimes, especially crimes with economic motives. This policy is part of the criminal law policy proposed by Mulder, namely the actions that must be taken to prevent criminal acts. In this paper, the actions that must be taken are translated as steps taken by the Government of Indonesia to streamline asset forfeiture efforts in the Indonesian legal system by establishing the Draft Law on Asset Forfeiture.

CONCLUSION

The recovery of state losses is a complex and important legal process in combating corruption. This concept aims to restore state assets that have been stolen or unlawfully diverted by the perpetrators of corruption. Through this process, the state seeks to recover state finances that have suffered losses due to the unlawful act. The recovery of state losses is based on Law No. 31/1999 on the Eradication of Corruption. Despite various challenges, efforts to recover lost state assets must continue so that the state can carry out its functions optimally and provide welfare for the community.

Recovering state losses due to corruption is a complex and multidimensional endeavor. The obstacles faced in this process vary, ranging from legal and technical

aspects to social and political factors. The main obstacles often include difficulties in tracing hidden assets, the complexity of calculating state losses, lack of coordination between institutions, and political pressure that can hinder law enforcement. To overcome these obstacles, comprehensive and sustainable efforts are needed, such as strengthening the judicial system, increasing the capacity of human resources, and improving regulations that support the recovery of state losses. Solid collaboration between law enforcement agencies is essential to tackle corruption and improve state finances.

Recovering state losses due to corruption is a complex issue that requires a comprehensive solution. In this context, your journal can make a significant contribution by presenting concrete recommendations to overcome the existing problems by strengthening legal and institutional systems such as: Improving regulations, increasing inter-agency coordination, strengthening the judiciary, and establishing special units in law enforcement agencies that focus on returning assets from corruption.

The process of paying compensation for state financial losses must be carried out as effectively as possible to cover losses due to corruption experienced by the state. The substitution of subsidiary punishment or imprisonment should be avoided as a substitute for monetary punishment for corruption defendants who are proven to have committed a criminal offense, because defendants who commit corruption must return the corruption money to recover state losses. Subsidiary imprisonment can reduce the state's opportunity to recover losses due to corruption. In addition, a separate legal regulation is needed from the implementation of the auction of assets owned by convicts because it is still subject to the mechanism of the Civil Procedure Law which seems slow.

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