



New Financial Services Authority (OJK) & Banking Regulations

The Summary of the New Financial Services Authority (OJK) & Banking Regulations

The following is a list of the new Financial Services Authority (OJK) & banking regulations. All regulations are available in Indonesian.

New Financial Services Authority (OJK) Regulations

1. Regulation: 18/POJK.07/2018 ([Click here 18/POJK.07/2018](#))
Date : 10 September 2018
Regarding : Layanan pengaduan konsumen di sektor jasa keuangan.
(Consumer complaint service in the financial services sector)

Summary:

This regulation obliges operators of financial service businesses to provide a consumer complaint service in every office by establishing a Complaint Service function or unit to receive and resolve complaints submitted by Consumers and/or Consumer Representatives. This is intended as part of providing protection to consumers. The obligation to provide consumer complaint services includes the obligation to receive, handle, and resolve complaints received from consumers, through the steps and principles as further described in detail in this regulation. In addition, this regulation also obliges operators of financial service businesses to prepare and submit reports on Complaint Services quarterly to the Financial Services

Authority, which must be submitted to the Financial Services Authority no later than the 10th of the following month after the quarterly period has ended.

2. Regulation: 19/POJK.03/2018 ([Click here 19/POJK.03/2018](#))
Date : 20 September 2018
Regarding : Perubahan atas peraturan Otoritas Jasa Keuangan nomor 16/POJK.03/2014 tentang penilaian kualitas aset bank umum syariah dan unit usaha syariah. (Amendment of Financial Services Authority regulation number 16/POJK.03/2014 concerning evaluation of the quality of assets of sharia commercial banks and sharia business units)

Summary:

The changes stipulated in this regulation are as follows: First, addition of a new section in Chapter III, i.e. section 11 concerning Export-Oriented Productive Assets. Second, revision of the provisions of Article 47 by adding one new paragraph, i.e. paragraph (3), concerning exemption from the provisions concerning valuation of collateral that will be used as a factor of deduction of provision for write-off of assets for collateral in the form of residential houses. Third, the addition of a new article, i.e. Article 47A concerning valuation of collateral in the form of residential houses that will be used as a factor of deduction from provision for write-off of assets. Fourth, revision of the provisions of Article 61 by adding a new paragraph, i.e. paragraph (7), concerning exemption from the provisions concerning determination of quality of financing after restructuring for export-oriented financing to micro, small and medium enterprises. Finally, the addition of a new article, i.e. Article 61A, concerning criteria that must be met for determination of the quality of financing after restructuring for export-oriented financing to micro, small and medium enterprises in certain amounts as non-current/substandard financing.

3. Regulation: 13/SEOJK.03/2018 ([Click here 13/SEOJK.03/2018](#))
Date : 20 September 2018
Regarding : Perubahan atas surat edaran Otoritas Jasa Keuangan nomor 34/SEOJK.03/2015 tentang perhitungan aset tertimbang menurut risiko untuk risiko kredit dengan menggunakan pendekatan standar bagi bank umum syariah. (Amendment of Financial Services Authority circular number 34/SEOJK.03/2015 concerning calculation of risk-weighted assets for credit risk using standard approach for sharia commercial banks)

Summary:

The changes stipulated in this circular are as follows: First, revision of the provisions of point II.E.1 concerning risk weightings of receivables from the government, which consist of receivables to the Government of the Republic of Indonesia (including receivables to the central government, Bank Indonesia, government agencies and institutions, as well as government-owned financial institutions and those that provide financing for national exports) and receivables to the central governments and central banks of other states adjusted to the international ratings of the states concerned. Second, revision of the provision of point II.E.4 concerning receivables to banks, including the types and weights of risks by deleting the provision of letter a number 3). Third, revision of the provisions of point II.E.5 concerning FTV [financing to value] ratio and risk weightings for Residential-Backed Financing. Fourth, revision of the provision of roman numeral VI by adding one number, number 7, concerning the format and completion instructions for reports on and guidelines for completion of reports on Risk-Weighted Assets Credit Risk-Standard Approach for the category of portfolio of Residential-Backed Financing. Finally, the addition of an Attachment concerning the format

and guidelines for reporting the calculation of Risk-Weighted Assets Credit Risk-Standard Approach for the category of portfolio of Residential-Backed Financing.

New Banking Regulation

1. Regulation: 20/10/PBI/2018 ([Click here 20/10/PBI/2018](#))
Date : 28 September 2018
Regarding : Transaksi Domestik Non-Deliverable Forward.
(Domestic Non-Deliverable Forward Transactions)

Summary

This regulation is stipulated in line with the existence of Domestic Non-Deliverable Forward transactions in the domestic foreign exchange market, with the expectation of providing confidence to market players, both exporters and importers as well as foreign investors that have Rupiah assets, to perform hedging against exchange rate risk. In addition, it is also hoped that this policy will reduce pressure on the spot market. To prioritize prudential principles, all domestic Non Deliverable Forward transactions must have an Underlying Transaction. In addition, banks that conduct these transactions must apply risk management, education to customers, and apply consumer protection. This regulation further stipulates concerning the obligation for all Domestic Non-Deliverable Forward transaction to have Underlying Transactions; the scope of Underlying Transactions; evidence of Underlying Transactions; implementation of Domestic Non-Deliverable Forward transactions; currency for settlement of transactions; Tenor/period of transactions; limits on granting credit in foreign currency and/or in rupiah to Customers and/or Foreign Parties for the interest of DNDF transactions by the bank.

2. Regulation: 20/22/PADG/2018 ([Click here 20/22/PADG/2018](#))
Date : 18 September 2018
Regarding : Rasio loan to value untuk kredit property, rasio financing to value untuk pembiayaan property, dan uang muka untuk kredit atau pembiayaan kendaraan bermotor.
(Loan to value ratio for property credit, financing to value ratio for property financing, and down payment for motor vehicle credit or financing)

Summary

This regulation is the implementing regulation of Bank Indonesia Regulation No. 20/8/PBI/2018 which contains further provisions concerning among other matters: formula for calculation of non-performing credit to financing ratio and non-performing property credit/property financing ratio; sources of data in calculation of non-performing credit to financing ratio and non-performing property credit/property financing ratio ; other reports in the form of report on Property Financing as a source of data in the calculation of the non-performing Property Financing ratio; procedure for submission of Property Financing reports to Bank Indonesia; formula for calculation of non-performing credit/financing ratio and non-performing motor vehicle credit/ motor vehicle financing ratio; source of data in calculation of non-performing credit/financing ratio and non-performing motor vehicle credit/ motor vehicle financing ratio; procedures for evaluation of LTV/FTV policies and down payments; examples of calculation of LTV/FTV ratio and format for Property Financing reports as specified in the attachment to this regulation.

Contact

Clients & Markets Deloitte Indonesia

Email: IDMarcomm@deloitte.com

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