



Financial Services Authority (OJK) & Banking Regulations Update

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 : [POJK 26/2023](#)
Date : 22 December 2023
Title (Indonesian) : Pengguna Standar Akuntansi Keuangan Internasional di Pasar Modal
Title (English) : Users of International Financial Accounting Standards in Capital Markets

Summary

Financial Services Authority (OJK) Regulation No 26 of 2023 simplifies the submission of financial reporting with general purpose to the OJK and provides legal certainty for public companies registered in more than 1 (one) country in preparing financial reports. It is necessary to provide guidelines for preparing financial reports for companies that choose to use international financial accounting standards in preparing financial reports. The points contained in this regulation include:

- General provisions regarding the definition of terms used in this regulation.
- Provisions regarding the preparation of financial reports which include accounting provisions that serve as a reference for public companies listed in more than 1 country and the obligation to prepare financial reports in accordance with accounting provisions for Listed Public Companies in more than 1 (one) country.
- Setting the option to prepare financial reports in accordance with International Financial Accounting Standard (SAK) and excluding related OJK regulations, prohibitions on International SAK Users from preparing general purpose financial reports based on accounting provisions for Listed Public Companies in more than 1 (one) country.
- Provisions regarding effective date of application of International SAK for International SAK Users, as well as disclosure requirements that must be met when choosing the option to use International SAK as a reference for preparing financial reports.
- Obligations for International SAK User in the consistent application of International SAK and transitional provisions when the International SAK User is no longer a Listed Public Company in more than 1 country.
- Administrative sanctions provisions and closing provisions.

2. Regulation : [POJK 25/2023](#)
Date : 22 December 2023
Title (Indonesian) : Penyelenggaraan Usaha Perusahaan Modal Ventura dan Perusahaan Modal Ventura Syariah
Title (English) : Business Administration of Venture Capital Companies and Sharia Venture Capital Companies

Summary

The Financial Services Authority Regulation concerning the Conduct of Venture Capital Companies and Sharia Venture Capital Companies is designed to support industrial development and legal requirements for the conduct of venture capital businesses. In this POJK, there are regulations regarding the types of business activities of venture capital companies and sharia venture capital companies; company category; companies in the form of venture capital corporations; venture fund management; companies in the form of venture debt corporations; financing cooperation; application of the precautionary principle; sources of funding; assessment of health level; risk management; determining status and monitoring follow-up; minimum equity; information systems and information technology; prohibitions on carrying out business activities; implementation of anti-money laundering programs, prevention of terrorism financing, and prevention of funding for the proliferation of weapons of mass destruction, implementation of anti-fraud strategies, and consumer protection; and reporting.

3. Regulation : [POJK 24/2023](#)
- Date : 22 December 2023
- Title (Indonesian) : Perizinan Usaha dan Kelembagaan Perusahaan Pialang Asuransi, Perusahaan Pialang Reasuransi, dan Perusahaan Penilai Kerugian
- Title (English) : Business and Institutional Licensing of Insurance Broker Companies, Reinsurance Broker Companies, and Loss Assessment Companies

Summary

It is necessary to strengthen institutions in the insurance broker, reinsurance broker and insurance loss assessor industries, including by increasing capital, limiting multiple positions for main parties, and adding provisions regarding mergers and consolidations. The main regulations that can be found in this POJK include, among others, reporting mechanisms and identification of foreign ownership, increasing paid-in capital requirements at the time of establishment, mechanisms for licensing applications, approvals and reporting by companies, organizational structure, foreign workers, experts, insurance brokers, reinsurance brokers, and insurance loss adjusters, offices outside the head office, insurance agents, changes of ownership, reporting, mergers and consolidations, e-licensing, and sanctions. In addition, the criteria for foreign ownership in Insurance Brokerage Companies, Reinsurance Brokerage Companies, and Insurance Loss Appraisal Companies by Foreign Legal Entities (BHA) through direct investment in the Company are that it is a company that has a similar business or is a holding company that is one of its subsidiaries. the company is engaged in a similar insurance business; and have equity of at least 5 (five) times the amount of direct participation in the Company at the time of establishment and at the time of change in ownership of the Company.

4. Regulation : [POJK 23/2023](#)
- Date : 22 December 2023
- Title (Indonesian) : Perizinan Usaha Dan Kelembagaan Perusahaan Asuransi, Perusahaan Asuransi Syariah, Perusahaan Reasuransi, Dan Perusahaan Reasuransi Syariah
- Title (English) : Business and Institutional Licensing for Insurance Companies, Sharia Insurance Companies, Reinsurance Companies, and Sharia Reinsurance Companies

Summary

Financial Services Authority Regulation no. 23 of 2023 aims to strengthen the capacity of the insurance industry and in order to adapt to developments in the insurance industry, it is necessary to improve provisions that support institutional strengthening in the insurance industry and provide legal certainty in a more efficient and practical licensing process mechanism to simplify business processes. The essence contained in this regulation includes:

- Strengthening the capital, institutional and operational aspects of industrial business management.
- Strengthening capital is carried out by adjusting the provisions for minimum paid-up capital for new business actors (new entry) as well as increasing minimum equity for business actors who have obtained business permits (existing).
- Strengthening the institutional aspect is carried out by adjusting the provisions regarding requirements and control criteria, requirements and criteria for the use of foreign workers, experts and company actuaries, adding the substance of regulations related to executive officers and internal auditors, as well as adjusting regulations regarding concurrent positions of the main party.
- Strengthening the operational aspects of industrial business management is carried out by establishing new policies regarding the synergy of cooperation under one ownership (sharing function in one group).

5. Regulation : [POJK 22/2023](#)
- Date : 22 December 2023
- Title (Indonesian) : Pelindungan Konsumen dan Masyarakat di Sektor Jasa Keuangan
- Title (English) : Consumer and Community Protection in the Financial Services Sector

Summary

Due to the increasingly complex and dynamic development of the financial services industry, as well as the increasingly rapid development of digitalization of products and/or services in the financial services sector, it is necessary to support increased aspects of consumer protection in order to realize a financial system that grows sustainably, is stable and is able to protect consumer interests. and society. This Financial Services Authority Regulation is an umbrella provision that harmonizes various provisions governing PUJK behavior in product and/or service design, provision of product and/or service information, delivery of product and/or service information, marketing of products and/or services, preparation of agreements. related to products and/or services, providing services for the use of products and/or services, and handling complaints and resolving disputes regarding products and/or services. In addition, this regulation provides strengthening and adjustment to aspects of consumer and community protection that have been regulated in other POJK. This Financial Services Authority Regulation regulates consumer and public protection, such as limiting the terms used in its regulations; coverage of Financial Services Business Actors (PUJK); consumer protection principles; basic PUJK behavior; stages of PUJK activities; consumer and community protection infrastructure; g. rights and obligations of prospective Consumers and Consumers; implementation of consumer and community services in the financial services sector by OJK; legal defense by OJK for consumer and public protection; supervision of PUJK behavior by OJK; coaching by OJK; and imposition of sanctions and filing objections.

6. Regulation : [POJK 21/2023](#)
- Date : 22 December 2023
- Title (Indonesian) : Layanan Digital oleh Bank Umum
- Title (English) : Digital Services by Commercial Bank

Summary

This regulation updates POJK 12/POJK.03/2018 due to changes in public expectations regarding bank services and developments in digital-based services encouraging banks to continue to develop and innovate in providing digital services. Space for innovation is needed so that banks can provide comprehensive services to customers, but still pay attention to aspects of risk management, customer data security and consumer protection.

Some of the things regulated in this POJK include:

- Banks that provide Digital Services must have IT infrastructure and IT infrastructure management that is capable of supporting the implementation of Digital Services optimally;
- Banks are required to implement at least two factor authentication to verify financial transactions, and are required to provide education to customers to implement adequate authentication factors;
- Determination of Digital Services related to payment systems whose licensing is fully regulated by the payment system authority in Indonesia to become basic Bank products;
- In providing Digital Services with partners, Banks are required to have policies and procedures for determining Bank partners, as well as a written cooperation agreement with the Bank's mantra. Banks can open access to customer and/or prospective customer data and information to Bank partners based on approval and in the interests of customers and/or prospective customers;
- Obligation to establish a unit or function tasked with handling the implementation of Digital Services;
- The Bank adopts IT in providing Digital Services responsibly, by paying attention to at least cyber resilience and security, transparency, interoperability, ability to carry out audits, equality and privacy;

- The Bank's obligation to implement the principles of protecting personal data, obtain customer and/or prospective customer consent in processing personal data, and provide partner access rights management features that can be carried out by customers independently;
- Provisions regarding obligations and reporting mechanisms, namely the submission of a list of Bank partners, realization reports and evaluation reports in the implementation of Digital Services.

7. Regulation : [POJK 20/2023](#)

Date : 13 December 2023

Title (Indonesian) : Produk Asuransi yang Dikaitkan dengan Kredit atau Pembiayaan Syariah dan Produk Suretyship atau Suretyship Syariah

Title (English) : Insurance Products Linked to Sharia Credit or Financing and Suretyship or Sharia Suretyship Products

Summary

In order to maintain the level of risk exposure of insurance products linked to sharia credit or financing and suretyship or sharia suretyship products to be managed carefully and to provide better protection to concerned parties, it is necessary to regulate insurance products linked to sharia credit or financing and suretyship or sharia suretyship products. The main regulatory points regulated in this regulation include Insurance products linked to Credit by General Insurance Companies and Insurance products linked to Sharia Financing by Sharia General Insurance Companies; Credit Life Insurance by the Life Insurance Company and Sharia Financing Life Insurance by the Sharia Life Insurance Company; Suretyship and Sharia Suretyship; and Premiums or Contributions, Underwriting, and Claims. This regulation applies to General Insurance Companies, Sharia General Insurance Companies, Life Insurance Companies, and Sharia Life Insurance Companies. General Insurance Companies and Sharia General Insurance Companies are required to determine the risk borne by Creditors at a minimum of 25% (twenty five percent) of the value of the Credit or Sharia Financing balance at the time the borne risk occurs. Risk sharing with Creditors includes Credit Insurance and Sharia Financing Insurance products for trade transactions.

8. Regulation : [24/SEOJK.03/2023](#)

Date : 14 December 2023

Title (Indonesian) : Penilaian Tingkat Maturitas Digital Bank Umum

Title (English) : Digital Maturity Level Assessment of Commercial Bank

Summary

With the enactment of Financial Services Authority Regulation Number 11/POJK.03/2022 concerning the Implementation of Information Technology by Commercial Banks (POJK PTI), it is necessary to regulate further implementation provisions in the Financial Services Authority Circular Letter. One of the further provisions of POJK PTI is SEOJK regarding the assessment of the digital maturity level of commercial banks. The digital maturity level is a condition that reflects the fulfillment of all aspects of IT implementation in accordance with POJK PTI as well as the Bank's readiness to support digital transformation. The digital maturity level assessment is a guide for determining, assessing and evaluating the level of digitalization of the Bank, so that the condition of the Bank's digitalization can be known. The Bank carries out its own assessment of the Bank's digital maturity level periodically, at least 1 (one) time in 1 (one) year by considering changes in the Bank's internal and external conditions. The assessment of the Bank's digital maturity level includes an assessment of the following aspects: IT governance; IT architecture; IT risk management; cyber resilience and security; technology; data; collaboration; and consumer protection. The Bank submits a report on the results of its self-assessment of the Bank's digital maturity level as part of the report on the current condition of the Bank's IT implementation as referred to in POJK PTI.

9. Regulation : [23/SEOJK.05/2023](#)
- Date : 12 December 2023
- Title (Indonesian) : Penilaian Kemampuan dan Kepatutan bagi Pihak Utama Perusahaan Perasuransian, Lembaga Penjamin, dan Dana Pensiun
- Title (English) : Fit and Proper Test for Main Parties of Insurance Companies, Guarantee Institutions and Pension Funds

Summary

The foundation of this regulation was motivated by the need for a legal basis regarding the implementation of presentations or presentations and clarifications in the fit and proper test process for prospective main parties in Insurance Companies, Guarantee Institutions and Pension Funds, which previously could only be done face to face, so it can also be carried out using video media conference. The scope of the previous regulation only handled Nonbank Financial Services Institutions, while this regulation now oversees Insurance Companies, Guarantee Institutions and Pension Funds. Prospective Main Parties regulated in this SEOJK include: Controlling Shareholders for Guarantee Institutions; Insurance Company Controller; PPDP Directors; PPDP Board of Commissioners; PPDP Sharia Supervisory Board; Insurance Company Internal Auditor; and Company Actuary at insurance companies, sharia insurance companies, reinsurance companies, and sharia reinsurance companies. Implementation of presentations or explanations and clarifications in the fit and proper test process for prospective Main Party Insurance Companies, Guarantee Institutions and Pension Funds is carried out face to face using video conference media. Under certain conditions, presentations or presentations and clarifications can be carried out face to face at the Financial Services Authority office or other places determined by the Financial Services Authority.

10. Regulation : [21/SEOJK.05/2023](#)
- Date : 29 December 2023
- Title (Indonesian) : Perubahan Atas SEOJK Nomor 25/SEOJK.05/2020 Tentang Bentuk Dan Susunan Laporan Berkala Perusahaan Pialang Asuransi, Perusahaan Pialang Reasuransi, Dan Perusahaan Penilai Kerugian Asuransi.
- Title (English) : Amendments to SEOJK Number 25/SEOJK.05/2020 concerning the Form and Structure of Periodic Reports of Insurance Broker Companies, Reinsurance Broker Companies, and Insurance Loss Appraisal Companies

Summary

To encourage OJK supervision of Insurance Broker Companies, Reinsurance Broker Companies and Insurance Loss Appraisal Companies, as well as to adjust regulations and the format of company periodic reports so that they are in line with the inspection process at current financial services institutions. This Financial Services Authority Circular regulates changes to the form and structure of periodic reports of insurance broker companies, reinsurance broker companies and insurance loss appraisal companies, types of periodic reports, procedures for submitting company periodic reports. Periodic reports of insurance brokerage companies and reinsurance brokers include Quarterly Reports; Annual report; And. Annual financial reports that have been audited by a public accountant. When submitting reports online via the OJK's data communication network system, technical problems or experiencing force majeure, periodic reports are submitted offline, then the report is submitted offline accompanied by a written notification along with supporting documents in the form of a report using media in the form of a compact disk (CD) or other electronic data storage media, and sent to the Financial Services Authority.

New Banking Regulation

1. Regulation : [PBI 15/2023](#)
Date : 16 November 2023
Title (Indonesian) : Perubahan Ketiga atas Peraturan Bank Indonesia Nomor 22/14/PBI/2020 tentang Operasi Moneter
Title (English) : Third Amendment to Bank Indonesia Regulation Number 22/14/PBI/2020 concerning Monetary Operations

Summary

Bank Indonesia published the third amendment to the Bank Indonesia Regulation on Monetary Operations in the context of adjusting the name of the Bank Indonesia policy interest rate from the previous Bank Indonesia 7-day (Reverse) Repo Rate to the BI Rate. This change was made to strengthen monetary policy communication and support policy effectiveness. In this regulation, it is explained that the name of Bank Indonesia's policy interest rate, which was previously Bank Indonesia 7-day (Reverse) Repo Rate, has been adjusted to BI Rate; and BI Rate is Bank Indonesia's policy interest rate which is reflected in the reverse repo transaction interest rate between OPT participants and Bank Indonesia with a period of 7 (seven) days.

2. Regulation : [PADG 20/2023](#)
Date : 14 December 2023
Title (Indonesian) : Tata Cara Pelaksanaan Pelindungan Konsumen Bank Indonesia
Title (English) : Procedures for Implementing Bank Indonesia Consumer Protection

Summary

To raise awareness among business actors regarding the importance of consumer protection, increase consumer empowerment so that consumers are able to protect themselves, reduce the imbalance of position between business actors and consumers, eliminate the transmission of misinformation, abuse of authority and fraud, and encourage the development of responsible financial product and service innovation. responsible and efficient. In connection with this, Bank Indonesia needs to issue technical regulations to support the implementation of Consumer Protection principles by Operators regarding procedures for implementing Bank Indonesia Consumer Protection. Some of the main points of improvement contained in this Regulation for Members of the Board of Governors include, among others, regulations regarding the mechanism for compensation for losses; regulations regarding dispute resolution by alternative financial sector dispute resolution institutions; as well as provisions for the imposition of administrative sanctions.



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