



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 : [8/POJK.04/2021](#)
Date : 19 March 2021
Title (Indonesian) : Waran Terstruktur
Title (English) : Structured Warrants

Summary

This regulation is published in order to provide a legal basis for the issuance, trading, and supervision of structured warrants. This regulation regulates several provisions, namely the issuance of mandatory Structured Warrants through a Public Offering with the criteria that the minimum value for each series of Structured Warrants is Rp 5,000,000,000 (five billion rupiah); Structured Warrants issued by the Issuer are Structured Warrants with Collateral, traded on the Stock Exchange and kept in collective custody at the Depository and Settlement Institution. Securities that can become Underlying Structured Warrants are equity Securities in the form of Listed Company shares or other Securities as determined by the Financial Services Authority. A party that can become a structured warrants issuer is a securities company that is a member of the stock exchange. Provisions regarding trading on Structured Warrants. Reporting Obligations for Structured Warrant Issuers, namely reports of changes in information in the Prospectus and Term Sheet, Issuer's semi-annual and annual financial reports and reports on calculation of adjustments to conversion ratios and exercise price in accordance with the adjustment policies that have been determined at the time of issuance of Structured Warrants.

2. Regulation : [7/POJK.04/2021](#)
Date : 19 March 2021
Title (Indonesian) : Kebijakan dalam Menjaga Kinerja dan Stabilitas Pasar Modal Akibat Penyebaran Corona Virus Disease 2019
Title (English) : Policies in Maintaining Capital Market Performance and Stability Due to the Spread of Corona Virus Disease 2019

Summary

This regulation was issued in order to respond to pressure on the performance of capital market industry players, capital market stability and Indonesia's economic growth related to the COVID-19 pandemic which aims to reduce pressure and maintain Capital Market stability, provide relaxation to industry players in the Capital Market sector and simplify the process application for license, registration, and/or approval as well as submission of reports and information. This regulation regulates several provisions, namely policies stipulated by the Chief Executive of Capital Market Supervisory OJK, forms of policies that can be established in the Capital Market sector, implementation of policies still taking into account the application of the principles of transparency, prudence, risk management, good corporate governance and in accordance with the capital market's latest condition, OJK's authority to request additional documents and/or information and the policy's validity period is until 31 March 2022.

3. Regulation : [6/POJK.04/2021](#)
- Date : 17 March 2021
- Title (Indonesian) : Penerapan Manajemen Risiko bagi Perusahaan Efek yang Melakukan Kegiatan Usaha Sebagai Penjamin Emisi Efek dan Perantara Pedagang Efek yang Merupakan Anggota Bursa Efek
- Title (English) : Implementation of Risk Management for Securities Companies Conducting Business Activities as Underwriters and Broker-Dealers who are Members of the Stock Exchange

Summary

Seeing the increasing complexity of risks for Securities Companies, it needs to be balanced with the application of risk management which includes identification, measurement, monitoring and risk control, it is necessary to stipulate further regulations regarding this matter. This regulation regulates several provisions, namely Securities companies are required to implement risk management, which at least includes active supervision of the Board of Directors and Board of Commissioners of Securities Companies, Adequacy of policies, procedures and determination of risk limits, Adequacy of the process of identification, measurement, monitoring and risk control as well as management information systems and a comprehensive internal control system. The implementation of risk management in Securities Companies must be adjusted to the objectives, business policies, business size and complexity, as well as the capabilities of the Securities Company and must be applied by Securities Companies for Operational, Credit, Market, Liquidity, Compliance, Legal, Reputation and Strategic Risks. In addition, there are regulations in the aspect of active supervision of the Board of Directors and the Board of Commissioners regarding the powers and responsibilities of the Board of Directors and the Board of Commissioners, risk management policies and procedures and determination of risk limits, the process of identification, measurement, monitoring and risk control as well as risk management information systems, comprehensive internal system refers to the related POJK, risk management organization and function, regulations regarding risk management for other activities as well as an assessment of risk management implementation and the responsibilities of the person in charge of the risk management work unit.

4. Regulation : [5/POJK.04/2021](#)
- Date : 17 March 2021
- Title (Indonesian) : Ahli Syariah Pasar Modal
- Title (English) : Sharia Capital Market Specialist

Summary

In order to create a more effective and efficient supervisory mechanism for capital market sharia specialists (ASPM) and to anticipate the dynamics of the development of the sharia capital market industry, it is necessary to replace the regulations of the Financial Services Authority (OJK) regarding capital market sharia specialists. This regulation regulates several provisions, namely ASPM must meet integrity and competency requirements, ASPM has a validity period of 5 (five) years and can be extended, the obligation to participate in recertification held by LSPs registered with the Financial Services Authority (OJK), the obligation to submit reports to the OJK, which consists of data change reports and annual activity reports. In addition, as a Sharia Supervisory Board (DPS), ASPM is required to submit an annual supervisory report to parties conducting Sharia Activities in the Capital Market. Next, ASPM can apply for temporary inactivity to the OJK by stating the period of temporary inactivity along with the reasons for it and finally the provisions regarding concurrent ASPM positions.

5. Regulation : [4/POJK.05/2021](#)
- Date : 17 March 2021
- Title (Indonesian) : Penerapan Manajemen Risiko dalam Penggunaan Teknologi Informasi oleh Lembaga Jasa Keuangan Nonbank
- Title (English) : Implementation of Risk Management in the Use of Information Technology by Nonbank Financial Services Institutions

Summary

In order to integrate the regulations regarding information technology risk management applicable to non-bank financial services institutions (LJNKB), this regulation has been issued, which regulates the following provisions. LJNKBs are required to implement risk management effectively in the use of Information technology that is tailored to the objectives, business policies, size and complexity of LJNKBs' business. LJNKBs with total assets of more than Rp1,000,000,000,000.00 (one trillion rupiah) are required to have an Information technology steering committee. LJNKBs are required to have policies and procedures for the use of Information technology, disaster recovery plans. The operation of information technology by LJNKBs can be carried out independently and/or using information technology service providers. LJNKBs with total assets of up to Rp. 500,000,000,000.00 (five hundred billion rupiah) are required to back up activity data processed using information technology, which is carried out periodically. This also applies to LJNKBs with total assets of more than Rp. 500,000,000,000.00 (five hundred billion rupiah) to Rp. 1,000,000,000,000.00 (one trillion rupiah) plus the obligation to have a data center. Meanwhile, LJNKBs with total assets of more than Rp1,000,000,000,000.00 (one trillion rupiah) and/or the majority of their business operations are carried out using information technology, are required to have a data center and a disaster recovery center. LJNKBs that have data centers and/or disaster recovery centers are required to place their systems in the territory of Indonesia.

6. Regulation : [13/SEOJK.03/2021](#)
- Date : 12 April 2021
- Title (Indonesian) : Penerapan Manajemen Risiko bagi Perusahaan Pialang Asuransi, Perusahaan Pialang Reasuransi, dan Perusahaan Penilai Kerugian Asuransi
- Title (English) : Implementation of Risk Management for Insurance Brokerage Companies, Reinsurance Brokerage Companies, and Insurance Loss Appraisal Companies

Summary

This regulation is an implementing regulation from the provisions of Article 25 of the Financial Services Authority Regulation Number 44/POJK.05/2020 concerning the Implementation of Risk Management for Non-Bank Financial Services Institutions which further regulates the implementation of risk management, the organizational structure of the risk management committee, the organizational structure of risk management functions, the relationship between business and operational functions with risk management functions, and risk management for developing or expanding business activities for insurance brokerage companies, reinsurance brokerage companies, and insurance loss appraisal companies. In this regulation, the implementation of risk management must be adjusted to the objectives, business policies, size and complexity of the company's business by taking into account the development of conditions and potential problems that are faced. In addition, the Risk Management strategy, policy and procedure must be prepared in writing which is outlined in the form of Internal Insurance Supporting Risk Management guideline.

7. Regulation : [12/SEOJK.03/2021](#)
Date : 31 March 2021
Title (Indonesian) : Rencana Bisnis Bank Umum
Title (English) : Commercial Bank Business Plan

Summary

This regulation is an improvement to the implementing regulations of the Financial Services Authority Regulation Number 5/POJK.03/2016 concerning Bank Business Plans which were previously regulated through the Financial Services Authority Circular Letter Number 25/SEOJK.03/2016 concerning Commercial Bank Business Plans. This regulation improves several provisions, namely the submission of Business Plans, Business Plan Realization Reports, and Business Plan Supervision Reports online through the Financial Services Authority (OJK) reporting system (APOLO), adjustments to the financial report projection format to refer to Integrated Commercial Bank Reports, format adjustments based on the latest supervision needs, among others, changes in ratios and types of business activities that are the focus of the credit extension plan (focusing on certain sectors and/or products) and adjustments to the format of plans for issuing new products and/or implementing new strategic activities.

8. Regulation : [11/SEOJK.05/2021](#)
Date : 23 March 2021
Title (Indonesian) : Pedoman Penerapan Program Anti Pencucian Uang dan Pencegahan Pendanaan Terorisme Bagi Lembaga Keuangan Mikro
Title (English) : Guidelines for the Implementation of Anti-Money Laundering Program and Prevention of Terrorism Funding for Microfinance Institutions

Summary

This regulation is an implementing regulation mandated by the provisions of Article 68 of the Financial Services Authority Regulation Number 12/POJK.01/2017 concerning the Implementation of the Anti Money Laundering Program (APU) and the Prevention of Terrorism Funding (PPT) in the Financial Services Sector which further regulates the implementation of anti-money laundering program and prevention of terrorism funding for microfinance institutions. This regulation regulates several provisions, namely provisions regarding the implementation of risk-based APU and PPT programs, active supervision of the board of directors and board of commissioners, policies and procedures, internal control, management information systems, human resources and training and finally on reporting the implementation of APU and PPT programs to OJK. and PPATK (Financial Transaction Reports and Analysis Center).

New Banking Regulation

1. Regulation : [PP 61/2021](#)
Date : 14 April 2021
Title (Indonesian) : Perubahan atas Peraturan Pemerintah Nomor 43 Tahun 2015 tentang pihak pelapor dalam pencegahan dan pemberantasan tindak pidana pencucian uang
Title (English) : Amendment to Government Regulation Number 43 of 2015 concerning reporting parties in the prevention and eradication of crimes of money laundering

Summary

Considering the growing development of information technology-based financial services that have the potential to be used as a means by criminal offenders to carry out money laundering resulting from criminal acts and to protect information technology-based financial service providers from the risk of money laundering, it is necessary to adjust the relevant provisions. This regulation adapts several provisions, namely relating to reporting parties, implementing the principle of recognizing Service Users and submitting reports to PPAATK (Financial Transaction Reports and Analysis Centre) in the event of Suspicious Financial Transactions from their customers in the context of mitigating the risk of money laundering and terrorism funding.

2. Regulation : [23/4/PBI/2021](#)
Date : 5 April 2021
Title (Indonesian) : Perubahan Keempat atas Peraturan Bank Indonesia Nomor 15/17/PBI/2013 tentang Transaksi Swap Lindung Nilai kepada Bank Indonesia
Title (English) : Fourth amendment of Bank Indonesia Regulation number 15/17/PBI/2013 concerning hedge swap transactions with Bank Indonesia

Summary

This regulation is issued in order to increase the effectiveness of the implementation of hedge swap transactions to Bank Indonesia by adjusting the use of the reference rate. This regulation adjusts the provisions for the spot rate used in Hedge Swap Transactions to Bank Indonesia, which is the previous working day of Jakarta Interbank Spot Dollar Rate (JISDOR), for transactions in United States dollars against rupiah and the cross rate calculated based on the JISDOR exchange rate on the previous working day, for transactions in foreign currencies other than United States dollar against rupiah. Banks that violate the provisions related to fulfilling the requirements in the Hedge Swap Transactions to Bank Indonesia are subject to a penalty of obligation to pay 0.1% of the value of the Hedging Swap Transactions to Bank Indonesia which is paid in rupiah denominations using the JISDOR exchange rate on the working day prior to the transaction date, for transactions in United States dollars against rupiah and the cross rate calculated based on the JISDOR exchange rate on the working day prior to the transaction date, for transactions in foreign currencies other than US dollars against rupiah.

3. Regulation : [23/3/PBI/2021](#)
- Date : 25 March 2021
- Title (Indonesian) : Perubahan Ketiga atas Peraturan Bank Indonesia Nomor 20/10/PBI/2018 tentang Transaksi Domestic Non-Deliverable Forward
- Title (English) : Third amendment of amendment of regulation of Bank Indonesia number 20/10/PBI/2018 concerning Domestic Non-Deliverable Forward Transactions

Summary

In order to improve risk management and credibility of market players in domestic non-deliverable forward (DNDF) transactions, through this regulation Bank Indonesia encourages the use of standard contracts for Contract market players in DNDF transactions to use standard contracts. This regulation adjusts several provisions, namely the expansion of the underlying transactions by adding the underlying in the form of ownership of deposits in foreign currencies that have been placed for at least 1 (one) month, specifically for DNDF Transactions selling foreign currencies against rupiah, allowing the extension of transactions (rollovers) for DNDF Transactions and rollover made between the Bank and the Customer and/or Foreign Party does not exceed the nominal and period of the Underlying Transaction.

4. Regulation : [23/6/PADG/2021](#)
- Date : 5 April 2021
- Title (Indonesian) : Perubahan Kedua atas Peraturan Anggota Dewan Gubernur Nomor 21/25/PADG/2019 tentang Rasio Loan to Value untuk Kredit Properti, Rasio Financing to Value untuk Pembiayaan Properti, dan Uang Muka untuk Kredit atau Pembiayaan Kendaraan Bermotor (PADG Perubahan Kedua LTV/FTV dan Uang Muka)
- Title (English) : Second amendment of Regulation of the Members of the Board of Governors number 21/25/PADG/2019 concerning loan to value ratio for property credit, financing ratio to value for property financing and down payment for credit or motor vehicle financing

Summary

With the issuance of changes in regulations regarding the Loan to Value Ratio (LTV) for Property Loans (KP), the Financing to Value Ratio (FTV) for Property Financing (PP), and Advances for Credit or Motor Vehicle Financing (KKB/PKB), adjustments are required for implementing regulations that govern technical matters regarding the implementation mechanism of these provisions. This regulation adjusts several provisions, namely For Banks that meet the requirements for the ratio of Non-Performing Loan (NPL)/Non-Performing Financing (NPF), the LTV/FTV ratio limit for KP/PP is 100% maximum for all types and types of property intended for the first KP/PP facility and so on. Meanwhile, for Banks that do not meet the requirements for the NPL/NPF ratio, the limit of the LTV/FTV ratio of KP/PP For KP/PP on Landed Houses and KP/PP for Flats type > 70, 95% maximum for the first facility and 90% highest for the second facility and so on; type > 21-70, 95% maximum for the first facility and so on; and type ≤ 21, a maximum of 100% for the first facility and a maximum of 95% for the second facility and so on. For KP/PP for Ruko Rukan (Shop House), a maximum of 95% for the first facility and a maximum of 90% for the second facility and so on. In addition, for Banks that meet the requirements for the NPL/NPF ratio, the Down Payment limit for KKB/PKB is at least 0% for all types of vehicles, both those intended for productive and non-productive activities. Meanwhile, for Banks that do not meet the requirements for the NPL/NPF ratio, the limit of Down Payment for KKB/PKB for two-wheeled vehicles is at least 10%; tricycle or more (nonproductive) to be at least 10%; and three or more (productive) wheels to be at least 5%.

5. Regulation : [23/5/PADG/2021](#)
- Date : 31 March 2021
- Title (Indonesian) : Perubahan atas Peraturan Anggota Dewan Gubernur Nomor 21/23/PADG/2019 tentang Laporan Bank Umum Terintegrasi
- Title (English) : Amendment of Regulation of the Members of the Board of Governors number 21/23/PADG/2019 concerning Integrated reports of commercial banks

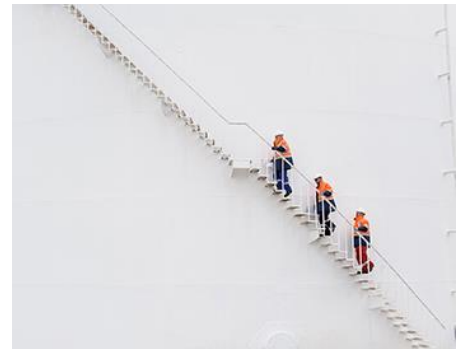
Summary

With the issuance of amendment to Bank Indonesia Regulation concerning integrated commercial bank reports, it is necessary to support it with adjustments on implementing regulations regarding the implementation mechanism and technical matters concerning these matters. This regulation adjusts several provisions, namely adjustments to correspondence address for applications on opening and closing bank codes to be addressed to Bank Indonesia c.q. Report Management and Compliance Department, Menara Sjafruddin Prawiranegara, Jalan M.H. Thamrin Number 2, Jakarta 10350. Adjustment of the regulations regarding the implementation time for the Integrated Commercial Bank Report (LBUT), namely the LBUT submission period consisting of parallel run submission of reports and/or report corrections from the end of December 2019 data to the end of June 2021, Full Implementation: submission of reports and/or report corrections since July 2021 data, written Notifications are given to banks that are late and do not submit reports and/or report corrections from the end of March 2021 data to the end of June 2021 and the adjustment on the implementation time of the LBUT is retroactive since September 2020 data. Adjustments to details of underlying document corrections for contracts other than tod which can be submitted no later than 16.00 WIB on the value date are adjusted from the original only to the underlying document type to the underlying document other than the Transaction Reference Number and Underlying Transaction.

6. Regulation : [23/4/PADG/2021](#)
- Date : 5 April 2021
- Title (Indonesian) : Perubahan atas Peraturan Anggota Dewan Gubernur Nomor 20/18/PADG/2018 tentang Transaksi Swap Lindung Nilai kepada Bank Indonesia
- Title (English) : Amendment of Regulation of the Members of the Board of Governors Number 20/10/PBI/2018 concerning hedge swap transactions with Bank Indonesia

Summary

In order to increase the effectiveness of the implementation of hedge swap transactions at Bank Indonesia, it is necessary to adjust the use of the reference rate through this regulation. This regulation adjusts several provisions, namely the spot rate used in the Hedge Swap Transaction to Bank Indonesia is the previous working day's JISDOR rate (Jakarta Interbank Spot Dollar Rate), for transactions in United States dollars against rupiah and the cross rate calculated based on previous working day of JISDOR exchange rate, for transactions in foreign currencies other than United States dollar against rupiah. Information on the spot rate used in the Hedge Swap Transaction to Bank Indonesia is stated in the transaction announcement, the confirmation process by the bank for transaction submission, and the confirmation process by the bank for the application for an extension of the Hedge Swap Transaction to Bank Indonesia. The first leg settlement value of Swap Hedging Transactions to Bank Indonesia is calculated at the nominal value of the proposed foreign currency multiplied by the spot rate stated in the announcement of Hedge Swap Transactions to Bank Indonesia on the transaction date. In addition, a Bank that violates the provisions related to the fulfillment of the requirements in the Hedge Swap Transaction to Bank Indonesia is subject to a penalty of obligation to pay 0.1% of the value of the Hedge Swap Transaction to Bank Indonesia.



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