

2021 IMN Survey of National/Regional Progress in the Implementation of G20/FSB Recommendations

Jurisdiction
Indonesia

I1: Hedge funds - Registration, appropriate disclosures and oversight of hedge funds

G20/FSB Recommendations

We also firmly recommitted to work in an internationally consistent and non-discriminatory manner to strengthen regulation and supervision on hedge funds. (Seoul)

Hedge funds or their managers will be registered and will be required to disclose appropriate information on an ongoing basis to supervisors or regulators, including on their leverage, necessary for assessment of the systemic risks they pose individually or collectively. Where appropriate registration should be subject to a minimum size. They will be subject to oversight to ensure that they have adequate risk management. (London)

Implementation of this recommendation was reported to be completed by all FSB jurisdictions in the 2016 IMN survey. Given this, the reporting of progress with respect to this recommendation will not be collected in the 2021 survey.

I2: Hedge funds - Establishment of international information sharing framework

G20/FSB Recommendations

We ask the FSB to develop mechanisms for cooperation and information sharing between relevant authorities in order to ensure effective oversight is maintained when a fund is located in a different jurisdiction from the manager. We will, cooperating through the FSB, develop measures that implement these principles by the end of 2009. (London)

Remarks

Jurisdictions should indicate the progress made in implementing recommendation 6 in IOSCO's [Report on Hedge Fund Oversight \(Jun 2009\)](#) on sharing information to facilitate the oversight of globally active fund managers.

In addition, jurisdictions should state whether they are:

- Signatory to the IOSCO MMoU in relation to cooperation in enforcement
- Signatory to bilateral agreements for supervisory cooperation that cover hedge funds and are aligned to the 2010 IOSCO [Principles Regarding Cross-border Supervisory Cooperation](#).

Jurisdictions can also refer to Principle 28 of the 2017 IOSCO Objectives and Principles of Securities Regulation, and take into account the outcomes of any recent FSAP/ROSC assessment against those Principles.

Progress to date:
Not applicable

Progress to date: If you have selected "Not applicable" or "Applicable but no action envisaged at the moment" - please provide a brief justification
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This recommendation is not applicable for Indonesia because currently there is no hedge funds managed in Indonesia. OJK became one of the signatory countries of the IOSCO MoU on cooperation and exchange of information among securities regulators, effective from January 2014.

In addition, OJK has entered into several bilateral MoUs with foreign financial regulators/supervisors both i) that have been carried over from Indonesia Capital Market and Financial Institution Supervisory Agency (formerly Bapepam-LK), former supervisory and regulatory authority of capital market and Non-Banking Financial Institutions (NBFIs) before its mandate was transferred to OJK on December 31st, 2012, and ii) from Bank Indonesia, before its mandate was transferred to OJK on December 31st, 2012; and iii) that OJK has entered into after it became an independent institution

Progress to date: please provide a date for your "implementation ongoing" status

Progress to date: If you have selected "Implementation completed" - please provide date of implementation

Progress to date: issue is being addressed through
Primary / Secondary legislation - No
Regulation / Guidelines - No
Other actions (such as supervisory actions) - No

Progress to date: short description of the content of the legislation/regulation/guideline/other actions

Progress to date: if this recommendation has not yet been fully implemented, please provide reasons for delayed implementation

Update and next steps: highlight main developments since 2019 survey

Update and next steps: planned actions (if any) and expected commencement date
Relevant web-links: please provide web-links to relevant documents

I3: Hedge funds - Enhancing counterparty risk management

G20/FSB Recommendations

Supervisors should require that institutions which have hedge funds as their counterparties have effective risk management, including mechanisms to monitor the funds' leverage and set limits for single counterparty exposures. (London)

Supervisors will strengthen their existing guidance on the management of exposures to leveraged counterparties. (Rec. II.17, FSF 2008)

Implementation of this recommendation was reported to be completed by all FSB jurisdictions in the 2018 IMN survey. Given this, the reporting of progress with respect to this recommendation will not be collected in the 2021 survey.

II4: Securitisation - Strengthening of regulatory and capital framework for monolines

G20/FSB Recommendations

Insurance supervisors should strengthen the regulatory and capital framework for monoline insurers in relation to structured credit. (Rec II.8, FSF 2008)

Implementation of this recommendation was reported to be completed by all FSB jurisdictions in the 2016 IMN survey. Given this, the reporting of progress with respect to this recommendation will not be collected in the 2021 survey.

II5: Securitisation -Strengthening supervisory, best practices for investment in structured products

G20/FSB Recommendations

Regulators of institutional investors should strengthen the requirements or best practices for firms' processes for investment in structured products. (Rec II.18, FSF 2008)

Remarks

Jurisdictions should indicate the due diligence policies, procedures and practices applicable for investment managers when investing in structured finance instruments and other policy measures taken for strengthening best practices for investment in structured finance products.

Jurisdictions may reference IOSCO's report on [Good Practices in Relation to Investment Managers' Due Diligence When Investing in Structured Finance Instruments \(Jul 2009\)](#).

Jurisdictions may also refer to the Joint Forum report on [Credit Risk Transfer- Developments from 2005-2007 \(Jul 2008\)](#).

Progress to date:
Implementation completed

Progress to date: If you have selected "Not applicable" or "Applicable but no action envisaged at the moment" - please provide a brief justification

Progress to date: please provide a date for your "implementation ongoing" status

Progress to date: If you have selected "Implementation completed" - please provide date of implementation

Progress to date: issue is being addressed through
 Primary / Secondary legislation - No
 Regulation / Guidelines - Yes
 Other actions (such as supervisory actions) - No

Progress to date: short description of the content of the legislation/regulation/guideline/other actions

To strengthen best practices for investment managers when investing in structured finance instruments, OJK has issued Regulation No. 23/POJK.04/2016 (effective on June 19, 2016) concerning Investment Fund in the Form of Collective Investment Contract.

Under this regulation, Investment Managers are required to determine the mutual funds of the securities portfolios. Investment managers are also prohibited from engaging in activities that may cause KIK Mutual funds, inter alia, to invest in securities traded on foreign stock exchanges where their information cannot be accessed from Indonesia through mass media or the internet, as well as to invest in equity securities issued by a publicly listed company on the Indonesian stock exchange which has more than 5% of the paid in capital.

In addition, Bapepam Rule No. IV.B.1 prohibits hedging transactions on the purchase of securities traded in a foreign stock exchange that is greater than the value of securities purchased.

Furthermore, OJK Regulation Number 48/POJK.04/2015 (effective on December 29, 2015) jo. Bapepam Rule No. IV.C.4 concerning Guidelines for the Management of Protected, Guaranteed, and Index Fund stipulates that an investment manager may invest in derivative securities without any obligation to own the securities that become the underlying asset of such derivative, provided that the basis for protection value is an investment in debt securities.

This regulation also stipulates that when an investment manager invests in derivatives securities, the investment manager must provide additional disclosure information concerning such investments and explains the criteria used for selecting the securities to investors. For the purpose of improving best practices for investment in structured products, banks are only allowed to invest in structured products that meet the requirements on the foreign exchange and interest rate derivatives transactions.

In addition, before investing in certain products, banks are also required to consider requirements on assets quality regulation. The asset quality regulation governs that if a bank invests in derivative products/structured products, the bank should provide information to supervisors regarding the underlying of the product, rating, issuer, etc. Such information would assist supervisors to determine and categorize the risk of the product.

Furthermore, if a bank plans to issue structured products, they have to follow OJK Regulation No. 7/POJK.03/2016 concerning Prudential Principles in the Implementation of Structured Products Activities for Commercial Banks as lastly amended by OJK Regulation No 6/POJK.03/2018 which requires the bank to understand the nature and risks of the products.

The bank will also be required to, among others, formulate/set up a business plan, perform risk management in an effective manner, determine the classification of customers, disclose product information, and submit a report to the supervisors. These requirements shall be supported by a timely, informative, and accurate management information system. Under this regulation, only banks which are BUKU 3 and BUKU 4 can issue structured products within the scope of treasury activities after obtaining approval from OJK.

Moreover, if the bank failed to meet the requirements, the bank will be subject to the following sanctions: i) administrative warning/reprimand; ii) assign a lower rating to the bank; iii) prohibition to participate in clearing activities; iv) suspension and revocation of approval for certain business activities, both for a specific branch office and for the Bank as a whole; v) termination of the Banks management and subsequent appointment of a temporary management replacement; and/or vi) place members of the banks management, employees or, shareholders in a blacklist.

The prevailing regulation is considered adequately conservative to govern structured products activities in Indonesia. If banks invest in structured products, banks are also required to comply with the Legal Lending Limit regulation that governs the maximum limit for each individual or connected counterparty, including exposures related to investment in structured products.

In addition, the regulation concerning Business Activities and Office Networks Based on Bank Core Capital for Commercial banks govern that banks will be permitted to issue structured products if banks hold tier 1 capital above IDR 5 trillion.

In April 2018, OJK has issued OJK Regulation No 6/POJK.03/2018 which revised OJK Regulation No. 7/POJK.03/2016 on Prudential Principles in the Implementation of Structured Products Activities for Commercial Banks.

The new regulation has revised several provisions concerning prudential measures by banks in selling structured products. Under the new regulation, the requirement to provide the 10% cash collateral of a notional value of the transaction is exempted for Certain Customers and Certain Structured Product Transactions.

Certain customers include banks, the Government of Indonesia, Bank Indonesia, or foreign central banks as well as development banks or multilateral development agencies. The new revision is aimed to boost structured products transactions in Indonesia.

Progress to date: if this recommendation has not yet been fully implemented, please provide reasons for delayed implementation

Update and next steps: highlight main developments since 2019 survey

Update and next steps: planned actions (if any) and expected commencement date

Relevant web-links: please provide web-links to relevant documents

Regulation concerning mutual fund:
 • <http://www.ojk.go.id/en/kanal/pasar-modal/regulasi/klasifikasi-bapepam/reksa-dana/Default.aspx>

Regulation concerning the structured product for banks:
 • <http://www.ojk.go.id/id/kanal/perbankan/regulasi/peraturan-ojk/Documents/Pages/pojk-prinsip-kehati-hatian-dalam-melaksanakan-kegiatan-structured-product-bagi-bank-umum/SALINAN-POJK%20.7%20Structured%20Product.pdf>
 • <https://www.ojk.go.id/id/regulasi/Documents/Pages/Perubahan-POJK-7-POJK.03-2016-tentang-Prinsip-Kehati-Hatian-dalam-Melaksanakan-Kegiatan-Structured-Product-bagi-Bank-Umum/POJK%206-2018.pdf>

II6: Securitisation - Enhanced disclosure of securitised products

G20/FSB Recommendations

Securities market regulators should work with market participants to expand information on securitised products and their underlying assets. (Rec. III.10-III.13, FSF 2008)

Remarks

Jurisdictions should indicate the policy measures and other initiatives taken in relation to enhancing disclosure of securitised products, including working with industry and other authorities to continue to standardise disclosure templates and considering measures to improve the type of information that investors receive.

See, for reference, IOSCO's [Report on Principles for Ongoing Disclosure for Asset-Backed Securities \(Nov 2012\)](#), [Disclosure Principles for Public Offerings and Listings of Asset-Backed Securities \(Apr 2010\)](#) and [report on Global Developments in Securitisation Regulations \(November 2012\)](#), in particular recommendations 4 and 5.

Progress to date:
Implementation completed

Progress to date: If you have selected "Not applicable" or "Applicable but no action envisaged at the moment" - please provide a brief justification

Progress to date: please provide a date for your "implementation ongoing" status

Progress to date: If you have selected "Implementation completed" - please provide date of implementation
05/14/2008 and 11/11/2014

Progress to date: issue is being addressed through
 Primary / Secondary legislation - No
 Regulation / Guidelines - Yes
 Other actions (such as supervisory actions) - No

<p>Progress to date: short description of the content of the legislation/regulation/guideline/other actions</p> <p>To ensure that investors receive adequate information on securities products and their underlying assets, OJK has issued Regulation No. 65/POJK.04/2017 on Issuance and Reporting of Asset-Backed Securities in the form of Collective Investment Contract. This regulation requires Investment Manager to inter alia:</p> <ul style="list-style-type: none"> • Provide a Prospectus which contains detailed information and material facts on Asset-Backed Securities (ABS); • Submit Registration Statement for a Public Offering of ABS to OJK; • Submit monthly reports to investors of their investment which include, inter alia, financial statement of the Asset-Backed Securities, material information related to portfolio composition of Collective Investment Contract R ABS (CIC-ABS), and number of ABS owned by the investor; and • Submit monthly reports and financial statements to OJK. Such monthly report includes, among other things, general information on CIC-ABS, information on invoices, information on CIC-ABS income. <p>In addition, OJK has also issued Regulation No. 23/POJK.04/2014 regarding Guidelines on Issuance and Reporting of Asset-Backed Securities in the form of Participation Unit for Secondary Housing Financing (started effectively on November 19, 2014) which requires:</p> <ul style="list-style-type: none"> • Issuer to submit a monthly report to OJK regarding their activities on ABS. • Custodian to provide a report to Unit Holders. In the process of issuing these regulations (and any other OJK Regulations in general), OJK is required to conduct public consultation where OJK received inputs from any related parties such as affected businesses/industries and other government agencies. In addition, execution and implementation of the Corporate Governance Framework on Insurance Companies are regulated in the OJK Regulation No. 73/POJK.05/2016. Under Article 81, Insurance companies which listed as a public company is also subjected to the laws and regulations of the capital market. <p>Furthermore, in most NBF1 regulations, there is a clause that suggests publicly listed financial institutions are required to comply with capital market regulations.</p> <p>In December 2017, OJK has issued OJK Regulation No. 65/POJK.04/2017 on Issuance and Reporting of ABS Securities in the form of Collective Investment Contract (OJK Reg No. 65 of 2017). The issuance of this regulation provides a more comprehensive and unified regulation/guidelines on Collective Investment Contract-ABS. Prior to the issuance of this regulation, issuance and reporting requirements of ABS are regulated in separate regulations, namely: Bapepam Rule Number VI.A.2 concerning Custodian Banks Function Related to Asset-Backed Securities; Bapepam Rule Number IX.C.9 concerning Registration Statement For a Public Offering of Asset-Backed Securities; Bapepam Rule Number IX.C.10 concerning Guidelines for the Form and Contents of a Prospectus For Asset-Backed Securities; Bapepam Rule Number IX.K.1 concerning Guidelines for Collective Investment Contract-ABS; Bapepam Rule Number V.G.5 concerning Investment Manager Functions on Asset-Backed Securities; and OJK Regulation Number 15/POJK.04/2014 concerning Monthly Report of Collective Investment Contract of Asset-Backed Securities (OJK Reg 15/2014). Through the issuance of the OJK Reg No. 65 of 2017, the regulations stated above are repealed and declared null and void.</p>
<p>Progress to date: if this recommendation has not yet been fully implemented, please provide reasons for delayed implementation</p>
<p>Update and next steps: highlight main developments since 2019 survey</p>
<p>Update and next steps: planned actions (if any) and expected commencement date</p>
<p>Relevant web-links: please provide web-links to relevant documents</p> <p>Regulation concerning investment manager functions relating to asset-backed securities: http://www.ojk.go.id/Files/regulation/capital-market/bap-rules/sc-scr-etc/5/VG5.pdf</p> <p>Regulation concerning registration statement and public offering: http://www.ojk.go.id/en/kanal/pasar-modal/regulasi/klasifikasi-bapepam/emiten-dan-perusahaan-publik/Pages/content-of-a-registration-statement-and-a-public-offering.aspx</p> <p>Guidelines for the form and contents of a prospectus for asset-backed securities: http://www.ojk.go.id/Files/regulation/capital-market/bap-rules/is-pc/1/IXC10.pdf</p> <p>Regulation concerning Guidelines on Issuance and Reporting of Asset-Backed Securities in the form of Participation Unit for Secondary Housing Financing: http://www.ojk.go.id/id/regulasi/otoritas-jasa-keuangan/peraturan-ojk/Documents/POJK23PedomanPenerbitandanPelaporanEBA_1417049142.pdf</p> <p>Regulation concerning Issuance and Reporting of Asset-Backed Securities in the form of Collective Investment Contract: https://www.ojk.go.id/id/regulasi/Documents/Pages/Pedoman-Penerbitan-dan-Pelaporan-Efek-Beragun-Aset-Berbentuk-Kontrak-Investasi-Kolektif/SAL%20POJK%2065%20-%20EBA.pdf</p>

III7: Enhancing supervision - Consistent, consolidated supervision and regulation of SIFIs

G20/FSB Recommendations

All firms whose failure could pose a risk to financial stability must be subject to consistent, consolidated supervision and regulation with high standards. (Pittsburgh)

Remarks

Jurisdictions should indicate: (1) whether they have identified domestic SIFIs and, if so, in which sectors (banks, insurers, other etc.); (2) whether the names of the identified SIFIs have been publicly disclosed; and (3) the types of policy measures taken for implementing consistent, consolidated supervision and regulation of the identified SIFIs.

Jurisdictions should not provide details on policy measures that pertain to higher loss absorbency requirements for G/D-SIBs, since these are [monitored separately](#) by the BCBS.

See, for reference, the following documents:

BCBS

- [Framework for G-SIBs \(Jul 2018\)](#)
- [Framework for D-SIBs \(Oct 2012\)](#)

IAIS

- [Holistic Framework for the Assessment and Mitigation of Systemic Risk in the Insurance Sector \(Nov 2019\)](#)
- [Application Paper on Liquidity Risk Management \(Jun 2020\)](#)
- [Draft Application Paper on Macroprudential Supervision \(Mar 2021\)](#)

FSB

- [Evaluation of the effects of too-big-to-fail reforms \(Mar 2021\)](#)
- [Framework for addressing SIFIs \(Nov 2011\)](#)

Progress to date:
Implementation completed
Progress to date: If you have selected "Not applicable" or "Applicable but no action envisaged at the moment" - please provide a brief justification
Progress to date: please provide a date for your "implementation ongoing" status
Progress to date: If you have selected "Implementation completed" - please provide date of implementation
01.01.2016
Progress to date: issue is being addressed through
Primary / Secondary legislation - No
Regulation / Guidelines - Yes
Other actions (such as supervisory actions) - No

Progress to date: short description of the content of the legislation/regulation/guideline/other actions
<p>Currently, the existence of domestic SIFIs in Indonesia is limited to the banking industry only which is called Systemic Bank or Systemically Important Bank. Although routine assessment is being performed to determine which banks qualify as SIFIs (Systemic Bank), however, the names of the designated systemic banks are not publicly disclosed. In addition, for banks that are considered posing systemic impacts, Indonesian authorities, OJK (as a micro-prudential supervisory authority) and Bank Indonesia (as a macro-prudential authority), have applied more intensive supervision towards large banks that are considered as systemically important in Indonesia.</p> <p>The authorities also have specific measures and tools in place to deal with the possible failures of these banks since the Indonesian authorities differentiate resolution measures applied for systemic and non-systemic banks. Regulation on D-SIB framework and application of capital surcharge requirements as stipulated in the Basel III capital regulation was issued at the end of 2015 under OJK Regulation Number 46/POJK.03/2015 as lastly amended by OJK Regulation No. 2/POJK.03/2018. The designation of D-SIB (or the so-called “Systemic Banks” and imposition of its capital surcharge have started effectively since the beginning of 2016.</p> <p>In March 2018, OJK has issued OJK Regulation No. 2/POJK.03/2018 which repeals and declares null and void OJK Regulation No. 46/POJK.03/2015 on Systematically Important Bank and Capital Surcharge. The new regulation provides that a bank that is designated as Systemic Bank shall form a Capital Surcharge. A bank can be classified as a Systemic Bank based on a methodology which consists of several indicators: (a) size of the banks; (b) complexity of the business; and (c) Interconnectedness with the financial system.</p> <p>In addition to the arrangements mentioned above, supervision of Systemic Banks is also regulated in the provisions regarding the Exit Policy and the provisions regarding the Recovery Plan as follows:</p> <ul style="list-style-type: none"> • <input type="checkbox"/> OJK Regulation No. 15 /POJK.03/2017 concerning Status Determination and Follow-Up Supervision of Commercial Banks, stipulates measures to prevent and to handle Systemic Banks (SBs) problems in the event SBs experience a deteriorating status, such as: SB should implement the recovery plan and submit the Bank’s action plan to comply with the prudential provisions. Moreover, it regulates coordination arrangements for OJK with Indonesia Deposit Insurance (LPS) and OJK with Financial System Stability Committee (KSSK) in the event that the status of SBs under special supervision meets predetermined criteria. • <input type="checkbox"/> In addition, OJK also stipulates OJK Regulation No. 14/POJK.03/2017 concerning Recovery Plans for Systemic Banks. This POJK regulates obligations to SB as well as obligations to the Board of Directors and Board of Commissioners. SB must prepare and submit Recovery Plan (RP), have bail-in-able, and carry out the implementation, evaluation, and stress testing. Furthermore, the SB determines the indicators used in the RP, representing and identifying the key vulnerabilities related to financial problems faced by the Bank including recovery options, namely in the aspects of capital, liquidity, profitability, and asset quality. In addition, the SB also determines the trigger level and when the RP begins to be implemented.
Progress to date: if this recommendation has not yet been fully implemented, please provide reasons for delayed implementation

Update and next steps: highlight main developments since 2019 survey

A. Supervision & Regulation of Systemic Banks during Pandemic

The COVID-19 pandemic has resulted in a decline in economic performance which has an impact on the financial stability system. To maintain the financial system stability and the productive capacity of the economy, OJK allows banks/finance companies to implement early loan/ financing restructuring with loan quality directly to be classified as current (OJK Regulation No. 11/2020 & No. 14/2020). This policy measure was effectively implemented and OJK has extended the regulatory relief measure until the end of March 2022.

In addition to mitigating these negative impacts, Law No. 2/2020 (formerly Government Regulation in Lieu of Law / Perppu No.1 of 2020) was issued, which among other things regulates policies related to handling problems with financial institutions (including Systemic Banks) that threaten financial stability. Under the Law No. 2/2020:

a) BI has been authorized to provide Special Liquidity Loans (PLK) to Systemic Banks (SBs) experiencing liquidity difficulties. Regarding BIs function as lender of the last resort, the provision of Short-Term Liquidity Loans (PLJP) by BI has been regulated in Law Number 2/2020. OJK conducts an assessment of the fulfillment of the requirements/ adequacy of solvency and the soundness of the SBs to be granted PLJP. In addition, BI and OJK will conduct an assessment regarding the fulfillment of collateral adequacy and an estimate of the ability of the SBs to return the PLJP.

Furthermore, in the event that an SB having received a short-term liquidity loan (PLJP) continue to experience liquidity difficulties, the SB may apply for a Special Liquidity Loan (PLK) to BI. KSSK discusses and decides on the provision of PLK, among others, by considering the OJK assessment which contains at least information on the latest financial condition of the SB.

b) The coordination between OJK and LPS strengthened in terms of conduct preparations and increase the intensity of joint preparations for handling problems with both SB and Bank Others Than Systemic Bank (Non-SB), where LPS can conduct an early intervention.

As a follow up of Law No. 2/2020, the Government has issued Government Regulation (PP) No. 33 of 2020 concerning the Implementation of the Authority of the LPS in the Framework of Implementing Measures for Handling Financial System Stability Problems. Under PP 33/2020, the coordination of preparation for handling banks with solvency problems between OJK and LPS is strengthened. LPS is allowed to carry out inspections with banks through intensive supervision. In addition, the submission of the determination of Bank status to special supervision from OJK to LPS is also shortened, which specifically for SB must be submitted no later than 1 working day.

B. Improving Supervision of NBFI

To improve the supervision of NBFI, OJK has identified the Predominant NBFI (in insurance, pension fund, financing companies) which has a significant impact on the non-bank industry. As stipulated in OJK's internal guideline in 2019, NBFI is categorized as predominant determined by its size, complexity, or interconnectedness with the financial system.

Update and next steps: planned actions (if any) and expected commencement date

Relevant web-links: please provide web-links to relevant documents

Regulation concerning Systematically Important Bank and Capital Surcharge:
<https://www.ojk.go.id/id/regulasi/Documents/Pages/Penetapan-Bank-Sistemik-dan-Capital-Surcharge/POJK%202-2018.pdf>

Regulation concerning Status Determination and Follow-Up Supervision of Commercial Banks, stipulates measures to prevent and to handle Systemic Banks:
<https://www.ojk.go.id/id/regulasi/Documents/Pages/Penetapan-Status-dan-Tindak-Lanjut-Pengawasan-Bank-Umum-/SAL%20POJK%2015%20Exit%20Policy%20Bank%20%20%20%20Umum.pdf>

Regulation concerning Recovery Plans for Systemic Banks:
[https://www.ojk.go.id/id/kanal/perbankan/regulasi/peraturan-ojk/Documents/Pages/POJK-tentang-Rencana-Aksi-\(Recovery-Plan\)-bagi-Bank-Sistemik/SAL%20POJK%2014%20Recovery%20Plan.pdf](https://www.ojk.go.id/id/kanal/perbankan/regulasi/peraturan-ojk/Documents/Pages/POJK-tentang-Rencana-Aksi-(Recovery-Plan)-bagi-Bank-Sistemik/SAL%20POJK%2014%20Recovery%20Plan.pdf)

Law No. 2 of 2020:
<https://peraturan.bpk.go.id/Home/Details/137323/uu-no-2-tahun-2020>

Regulation on Status Determination and Supervision of NBFI:
<https://www.ojk.go.id/id/regulasi/Pages/Penetapan-Status-dan-Tindak-Lanjut-Pengawasan-Lembaga-Jasa-Kuangan-Nonbank.aspx>

Government Regulation (PP) No. 33 of 2020 concerning Implementation of the Authority of the LPS in the Framework of Implementing Measures for Handling Financial System Stability Problems:
https://www.lps.go.id/peraturan-pemerintah/-/asset_publisher/vo6G/content/peraturan-pemerintah-republik-indonesia-nomor-33-tahun-2020-tentang-pelaksanaan-kewenangan-lembaga-penjamin-simpanan-dalam-rangka-melaksanakan-langkah

III8: Enhancing supervision - Establishing supervisory colleges and conducting risk assessments

G20/FSB Recommendations

To establish the remaining supervisory colleges for significant cross-border firms by June 2009.
(London)

We agreed to conduct rigorous risk assessment on these firms [G-SIFIs] through international supervisory colleges. (Seoul)

Implementation of this recommendation was reported to be completed by all FSB jurisdictions in the 2017 IMN survey. The BCBS and IAIS will be monitoring implementation progress in this area with respect to banks and insurers respectively.
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III9: Enhancing supervision - Supervisory exchange of information and coordination

G20/FSB Recommendations

To quicken supervisory responsiveness to developments that have a common effect across a number of institutions, supervisory exchange of information and coordination in the development of best practice benchmarks should be improved at both national and international levels. (Rec V.7 , FSF 2008)

Enhance the effectiveness of core supervisory colleges. (FSB 2012)

Remarks

Jurisdictions should include any feedback received from recent FSAPs/ROSC assessments on the [September 2012](#) BCP 3 (Cooperation and collaboration) and BCP 14 (Home-host relationships). Jurisdictions should also indicate any steps taken since the last assessment in this area, particularly in response to relevant FSAP/ROSC recommendations.

Jurisdictions should describe any recent or planned regulatory, supervisory or legislative changes that contribute to the sharing of supervisory information (e.g. within supervisory colleges or via bilateral or multilateral MoUs).

Progress to date:
Implementation completed

Progress to date: If you have selected "Not applicable" or "Applicable but no action envisaged at the moment" - please provide a brief justification

Progress to date: please provide a date for your "implementation ongoing" status

Progress to date: If you have selected "Implementation completed" - please provide date of implementation
01.06.2015

Progress to date: issue is being addressed through
Primary / Secondary legislation - No
Regulation / Guidelines - No
Other actions (such as supervisory actions) - Yes

Progress to date: short description of the content of the legislation/regulation/guideline/other actions

Based on the 2017 FSAP report, OJK has been graded "implemented" for establishing regular contacts with domestic and foreign supervisors to strengthen consolidated supervision and home-host cooperation relating to information exchange relationships. In addition, OJK is recommended to improve cooperation between BI and the LPS as the current status is graded "partially implemented". In line with BCP 3, OJK as a member of the Financial System Stability Committee (KSSK) has maintained regular contacts with other members of KSSK namely the Ministry of Finance, Bank Indonesia, and the Deposit Insurance Corporation (LPS).

The forum was established through the issuance of Law No. 9 of 2016 on the Prevention and Mitigation of Financial System Crisis (Law on Prevention and Mitigation of Financial System Crisis). In addition, OJK has also entered into a number of bilateral MoUs with other relevant national agencies as well as foreign supervisory agencies.

Among others, MoUs between OJK and other national agencies include bilateral MoUs between OJK and BI, OJK and Indonesian Financial Transaction Reports and Analysis Center (INTRAC/PPATK), OJK, and the Directorate General of Tax, OJK, and the Attorney General, National Police, etc.

At the international level, in line with BCP 13, OJK has also entered into MoUs with several foreign supervisory authorities on the supervisory exchange of information and coordination. In 2015 OJK has signed several MOUs with foreign financial services authorities namely Japan Financial Services Agency, Dubai Financial Services Agency, Korea Financial Services Commission, Korea Financial Supervisory Service, and China Banking Regulatory Commission.

OJK is also the signatory of the IOSCO MoU on cooperation and exchange of information among securities regulators which has effectively started in January 2014.

Since its establishment, OJK has been striving to provide the information requested by foreign financial services authorities regardless of whether there is a formal cooperation. Accordingly, OJK may be able to provide the requested information so long as it falls under OJK mandate and in accordance with applicable law.

To further support the implementation and improve the mechanism for the exchange of information between financial supervisors, OJK issued an internal guideline in form of a Circular Letter of the Board of Commissioners of OJK No. 4/SEDK.01/2020 concerning Information Exchange Guidelines with Supervisory Authority of Foreign Financial Services Institutions. The Circular Letter serves as a guideline for units within the OJK when exchanging information with foreign financial supervisory authorities. The purpose of the guideline is to provide a more systematic and measurable information exchange mechanism in OJK. The procedure includes provisions such as OJK may, on behalf of other domestic ministries/agencies, facilitate the exchange information process with foreign (financial institutions) FIs' supervisory authority.

The Circular Letter also complements the Exchange of Letters between OJK and the Human Rights and Law Ministry that enables OJK to access information on closed corporations (non-listed companies), that fall outside the scope of OJK's jurisdiction.

Another testament to OJK's commitment to the international standards of exchange of information is demonstrated by joining the Organisation for Economic Co-operation and Development (OECD) and The Network for Greening the Financial System (NGFS) in 2020, which places OJK among financial regulators that are highly committed to promoting the implementation of sustainable finance principles in Indonesia's financial industry.

Furthermore, OJK's commitment to promoting good corporate governance practices in Indonesia can be seen through OJK's initiative to join the OECDs Good Corporate Governance Committee as an associate member since 2020. The membership is in line with OJKs commitment to enhance GCG practices in the financial sector in Indonesia, and in turn, will contribute to financial stability in the country.

Progress to date: if this recommendation has not yet been fully implemented, please provide reasons for delayed implementation

Update and next steps: highlight main developments since 2019 survey

Update and next steps: planned actions (if any) and expected commencement date

Relevant web-links: please provide web-links to relevant documents

Law No. 9 of 2016 regarding Prevention and Mitigation of Financial System Crisis:
https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&cad=rja&uact=8&ved=2ahUKewjQk4vbsMjyAhWI63MBHS_-DYwQFnoECAIQAQ&url=https%3A%2F%2Fwww.kemenkeu.go.id%2Fmedia%2F6727%2Faw-of-the-republic-of-indonesia-number-9-of-2016.pdf&usg=AOvVaw3R48qicNx6ssKsdeVeqGRJ

III10: Enhancing supervision - Strengthening resources and effective supervision

G20/FSB Recommendations

We agreed that supervisors should have strong and unambiguous mandates, sufficient independence to act, appropriate resources, and a full suite of tools and powers to proactively identify and address risks, including regular stress testing and early intervention. (Seoul)

Supervisors should see that they have the requisite resources and expertise to oversee the risks associated with financial innovation and to ensure that firms they supervise have the capacity to understand and manage the risks. (FSF 2008)

Supervisory authorities should continually re-assess their resource needs; for example, interacting with and assessing Boards require particular skills, experience and adequate level of seniority. (Rec. 3, FSB 2012)

Remarks

Jurisdictions should indicate any steps taken on recommendations 1, 2, 3, 4 and 7 (i.e. supervisory strategy, engagement with banks, improvements in banks' IT and MIS, data requests, and talent management strategy respectively) in the FSB [thematic peer review report on supervisory frameworks and approaches to SIBs \(May 2015\)](#).

Progress to date:
Implementation completed
Progress to date: If you have selected "Not applicable" or "Applicable but no action envisaged at the moment" - please provide a brief justification
Progress to date: please provide a date for your "implementation ongoing" status
Progress to date: If you have selected "Implementation completed" - please provide date of implementation
01.12.2016
Progress to date: issue is being addressed through
Primary / Secondary legislation - No
Regulation / Guidelines - Yes
Other actions (such as supervisory actions) - No

Progress to date: short description of the content of the legislation/regulation/guideline/other actions

In line with Recommendation 1-Supervision Strategy, OJK has issued Regulation No. 8/POJK.03/2016 on the Implementation of Risk Management for Commercial Banks. This Regulation stipulates risk-based supervision as a supervision strategy. Risk-based Rating Tools which as a Risk-Based Supervision technique is set to assess the banks condition on 4 (four) aspects: (i) Risk Profile, (ii) Good Corporate Governance (GCG), (iii) Rent-ability, and (iv) capital.

In conducting an assessment of bank Risk Profile, OJK assesses the quality of Risk Management implementation taking into consideration 4 (four) interrelated aspects, which are: (i) Risk Governance; (ii) Risk Management Framework; (iii) Risk Management process, human resources, and management information systems; and (iv) Risk Control Systems to cover Credit Risk, Market Risk, Liquidity Risk, Operational Risk, Legal Risk, Strategic Risk, Compliance Risk, and Reputation Risk. Assessment of 4 implementation aspects of Risk Management includes:

A. "Risk Governance" includes the evaluation of: (i) decision process to determine level risk appetite and risk tolerance; and (ii) the adequacy level of active supervision by the Board of Commissioners and Board of Directors, including the implementation of its authorities and responsibilities.

B. "Risk Management Framework" which includes the evaluation of: (i) Risk Management strategy, which is in line with the level of risk appetite and risk tolerance; (ii) the adequacy level of organizational support to implement effective risk management, including the clarity of authority and responsibility; and (iii) the adequacy level of policies, procedures, and limits.

C. "Risk Management Process, Human Resource and Management Information Systems" which includes the evaluation of: (i) the process of identification, measurement, monitoring, and risk controlling; (ii) the adequacy level of management information systems risk; and (iii) the adequacy level of the quantity and quality of human resources in supporting effective risk management process.

D. "Risk Control Systems" includes evaluation of: (i) the adequacy level of the Internal Control System and (ii) the adequacy level of the independent review Bank, either by the Risk Management Unit or by the Internal Audit Unit.

Based on the assessment of the aforementioned aspects, OJK supervisors monitor the risks associated with banks and financial innovation to ensure that the bank has the capacity to understand and manage the risks.

Bank supervisors also periodically review banks condition and performance through the mechanism of Risk-Based Bank Rating assessment every semester based on bank reports, and other information obtained by supervisors through the examination as well as prudential meetings with the BOC, BOD, and/or senior officer.

In the NBF sector, OJK has issued Regulation No. 44/POJK.05/2020 concerning the Implementation of Risk Management for Non-Bank Financial Services Institutions, which improves Regulation No. 1/POJK.05/2015. In these provisions, the following regulatory points are regulated:

- The regulatory objects include insurance companies and sharia insurance companies, sharia pension funds and pension funds, and sharia finance companies and finance companies;
- NBFIs are required to implement effective risk management, including (i) active supervision of the Board of Directors, Board of Commissioners, and Sharia Supervisory Board; (ii) the adequacy of Risk Management policies and procedures as well as the determination of Risk limits; (iii) the adequacy of the Risk identification, measurement, control, and monitoring process, as well as the Risk Management information system; and (iv) a comprehensive internal control system.
- The application of risk management in NBFIs must be adjusted to the objectives, business policies, size, and complexity of the NBF business;
- The implementation of NBF risk management must be applied to the risks referred to in the Regulations, including strategic, operational, insurance, credit, market, liquidity, legal, reputation, and compliance risks.

Furthermore, as a part of the supervisory strategy, OJK has issued Regulation Number 77/POJK.01/2016 concerning Fintech Peer-to-Peer Lending which adopts a regulatory sandbox approach. Such regulation was issued to protect the interest of consumers, as well as providing room for Indonesias fintech industry to grow and help foster economic growth.

The fintech P2P lenders are expected to extend financing to domestic businesses, especially SMEs and start-ups. The scopes of the regulation include registration, licensing, loan limit, risk management, and data security, among others.

Furthermore, OJK has issued Regulation Number 13/POJK.02/2018 concerning Digital Financial Innovation in Financial Services Sector to create a robust, safe, and efficient digital financial ecosystem. In line with Recommendation 2-Engagement with Banks, OJK always ensures to intensely engage with banks at the board level and senior management. For Systemically Important Banks, OJK always conducts regular meetings with related departments/management of such banks. OJK also informs such banks of any supervisory concerns and risk assessment and taking it as a main consideration in constructing their supervision strategy.

In line with Recommendation 3-Improvement of Banks IT, OJK ensures that banks have sufficient Information and Technology (IT) system and management through the issuance of the OJK Circular Letter No. 21/SEOJK.03/2017 on Implementation of risk management in the use of Information and Technology by Commercial Banks. This regulation requires banks to apply policies, standards, and procedure of IT which covers the management, development, operational of IT as well as a communication network of the banks. In line with Recommendation 4, in practice, OJK always evaluates the purpose and intent of an outgoing data request both to domestic and foreign authorities. Such purpose shall be targeted to support the effectiveness of the supervision.

In line with Recommendation 7, to enhance the capabilities and competencies of OJK employees, OJK provides training programs, capacity buildings, and certification for OJK employees to strengthen their skills and capabilities, including supervisory skills.

In line with recommendation 7 (i.e. supervisory strategy, engagement with banks, improvements in banks' IT and MIS, data requests, and talent management strategy respectively):

- To meet the adequacy level of the number of human resources particularly those of supervisors, OJK fills the gap in human resources needs on a gradual basis.

- To enhance capabilities and competencies of OJK employees, OJK (i) encourages its employees to obtain higher education such as master's and doctoral degrees, (ii) provides training programs, capacity buildings, and professional certifications for OJK employees to strengthen their skills and capabilities, including supervisory skills.

As the regulator of the payment system, Bank Indonesia has issued payment system regulations in order to ensure that payment system performance is safe, smooth, efficient, and reliable. The regulations are: 1. BI Regulation No.19/7/PBI/2017 as amended by BI Regulation No. 20/2/PBI/2018 on carrying paper banknotes into and outside of Indonesian Customs Area, paper banknotes outside and into Indonesian customs area in the minimum amount equal to Rp1,000,000,000 (one billion rupiahs) may only be carried by permitted bodies, which have obtained permits and approval of Bank Indonesia.

2. BI Regulation No.19/10/PBI/2017 on Application of Anti-Money Laundering and Counter-Terrorism Financing (AML-CFT) for Non-Bank Payment System Service Providers and Money Changers, the regulation is improved in order to respond to different challenges in supporting AML-CFT, which emerges among others from the advancements in information system technology.

3. BI Regulation No.19/12/PBI/2017 on Financial Technology, the regulation aims to regulate the implementation of financial technology to foster innovation, ensure consumer protection, and manage risk in order to maintain monetary and financial system stability, as well as an efficient, safe and reliable payment system. A Financial Technology Operator in the payment system must register with Bank Indonesia. Financial Technology Implementation is further implemented in Regulation of Members of Board of Governors No. 19/14/PADG/2017 on Regulatory Sandbox for Financial Technology. To boost the development of innovations in financial technology, Bank Indonesia will determine the products, services, technology, and/or business models of registered Financial Technology Operators to be tested in the Regulatory Sandbox.

4. BI Regulation No.19/8/PBI/2017 on National Payment Gateway is published to promote the interconnection and interoperability of processing the domestic retail payment transactions. Through the policy, it is expected that infrastructure sharing will be created and reduce the complexity of connections from bilateral between parties to centralize in NPG. Furthermore, people are introduced to ATM/debit cards with a national logo used for domestic transactions and accepted in all payment terminals of domestic merchants.

5. BI Regulation No.20/6/PBI/2018 on Electronic Money, Bank Indonesia strengthens electronic money implementation through institutional aspects such as capital, share ownership (at least 51% must be domestic), consumer protection aspects through restructuring cost and accountable floating fund management, as well as security and acceptance aspects through the obligation to improve transaction security standards and domestic transaction processing.

Progress to date: if this recommendation has not yet been fully implemented, please provide reasons for delayed implementation

Update and next steps: highlight main developments since 2019 survey

Bank Indonesia issued Indonesia Payment Systems Blueprint 2025 in 2019 to navigate payment system industry development in the era of the digital economy and finance. The initiative marked payment system reforms complemented by the enactment of Bank Indonesia Regulation No. 22/23/PBI/2020 dated 30th December 2020 concerning Payment System as a legal foundation for the implementation of BSPI 2025. The regulation was followed by another two regulations No. 23/6/PBI/2021 on Payment Service Provider (PJP) and 23/7/PBI/2021 on Payment Infrastructure Operator (PIP) to strengthen the end-to-end payment system ecosystem in Indonesia. The regulatory reform on the payment systems is conducted by striking an optimal balance between optimizing innovation while maintaining stability and national interest.

These reforms have initiated a new approach and focus on the payment system supervision, especially strengthening the risk-based & compliance-based supervision in the payment system area.

Several focuses arising on the payment system supervision post-regulatory reform, namely:

1. Compliance on the institutional aspects of providers, such as capital adequacy based on classification, ownership arrangement, and control of the entity.
2. Enhance the governance and risk management, and information system security aspect;
3. Promote the interconnection and interoperability within the payment system;
4. Implementation of integrated supervision for the PJP and PIP, and their conglomeration such as parent company, subsidiary, and other affiliates, and
5. promote the supervisory technology (suptech) development and utilization for a more effective and efficient supervisory process.

Update and next steps: planned actions (if any) and expected commencement date

Relevant web-links: please provide web-links to relevant documents
<p>OJK Regulation concerning the assessment of banks soundness (commercial and sharia):</p> <ul style="list-style-type: none"> - http://www.ojk.go.id/id/kanal/perbankan/regulasi/peraturan-ojk/Documents/Pages/pojk-tentang-penilaian-tingkat-kesehatan-bank-umum/SALINAN-POJK%204%20Penilaian.pdf - http://www.ojk.go.id/id/regulasi/otoritas-jasa-keuangan/peraturan-ojk/Documents/POJK_1404381860.pdf <p>OJK Regulation concerning Fintech Peer-to-Peer Lending: http://www.ojk.go.id/id/regulasi/otoritas-jasa-keuangan/peraturan-ojk/Documents/Pages/POJK-Nomor-77-POJK.01-2016/SAL%20-%20POJK%20Fintech.pdf</p> <p>Payment system related regulations:</p> <ul style="list-style-type: none"> - https://www.bi.go.id/en/publikasi/peraturan/Documents/PBI_190717.pdf - https://www.bi.go.id/en/publikasi/peraturan/Documents/PBI_200218.pdf - https://www.bi.go.id/en/publikasi/peraturan/Documents/pbi_191017.pdf - https://www.bi.go.id/en/publikasi/peraturan/Documents/PBI_191217.pdf - https://www.bi.go.id/id/publikasi/peraturan/Pages/PADG_191417.aspx - https://www.bi.go.id/en/publikasi/peraturan/Documents/pbi_190817.pdf - https://www.bi.go.id/en/publikasi/peraturan/Documents/PBI_200618_en.pdf - https://www.bi.go.id/en/publikasi/kajian/Documents/Indonesia-Payment-Systems-Blueprint-2025.pdf - https://www.bi.go.id/id/publikasi/peraturan/Documents/PBI_222320.pdf - https://www.bi.go.id/id/publikasi/peraturan/Documents/PBI_230621.pdf - https://www.bi.go.id/id/publikasi/peraturan/Documents/PBI_230721.pdf

IV11: Macroprudential frameworks and tools - Establishing oversight regulatory framework

G20/FSB Recommendations

Amend our regulatory systems to ensure authorities are able to identify and take account of macro-prudential risks across the financial system including in the case of regulated banks, shadow banks and private pools of capital to limit the build up of systemic risk. (London)

Ensure that national regulators possess the powers for gathering relevant information on all material financial institutions, markets and instruments in order to assess the potential for failure or severe stress to contribute to systemic risk. This will be done in close coordination at international level in order to achieve as much consistency as possible across jurisdictions. (London)

Remarks

Please describe major changes in the institutional arrangements for macroprudential policy (structures, mandates, powers, reporting etc.) that have taken place in your jurisdiction since the global financial crisis.

Please indicate whether an assessment has been conducted with respect to the adequacy of powers to collect and share relevant information among national authorities on financial institutions, markets and instruments to assess the potential for systemic risk. If so, please describe identified gaps in the powers to collect information, and whether any follow-up actions have been taken.

Progress to date:
Implementation completed
Progress to date: If you have selected "Not applicable" or "Applicable but no action envisaged at the moment" - please provide a brief justification
Progress to date: please provide a date for your "implementation ongoing" status
Progress to date: If you have selected "Implementation completed" - please provide date of implementation
01.12.2013

Progress to date: issue is being addressed through
Primary / Secondary legislation - Yes
Regulation / Guidelines - Yes
Other actions (such as supervisory actions) - No

Progress to date: short description of the content of the legislation/regulation/guideline/other actions

Following the transfer of banking supervisory functions to OJK on 31 December 2013, BI assumes the responsibility as the macroprudential authority to conduct macroprudential surveillance and issue macro-prudential regulations. The mandate and powers are stipulated in the OJK Law. Following the enactment of Law No. 9 of 2016 concerning Prevention and Resolution of Financial System Crisis (PPKSK Law) on 15 April 2016, the Financial System Stability Committee (KSSK) was established to replace the former forum (FKSSK).

The members of the KSSK high-level forum are the Chairs of financial sector authorities, which consist of the Minister of Finance, Governor of Central Bank, Chair of Indonesian FSA (OJK), and Chair of Indonesian Deposit Insurance Corporation (IDIC). The mandate of this financial system stability forum is improved according to this Law, not only to conduct coordination in undertaking surveillance and maintaining financial system stability, but also to mitigate financial system crisis and to handle systemic bank problems during normal and crisis conditions.

In general, the enactment of the PPKSK Law has strengthened the functions and authorities of the financial stability institutions in safeguarding financial system stability which helps to improve the effectiveness of macroprudential policies.

In terms of macroprudential surveillance, with regard to the power to collect data/information, the OJK Law provides OJK with the authority to require banks, NBFIs, and capital markets to report information and data, both on a regular and on an ad-hoc basis. The data/information can be shared with relevant authorities, including BI. Information sharing between BI and OJK will be conducted in accordance with a protocol mechanism under MoU between BI and OJK. As a macroprudential authority, BI has continuously utilized the information and data to assess the potential failure or severe stress of financial institutions that will contribute to systemic risk in conducting macroprudential surveillance.

KSSK convene meetings periodically (quarterly) or at any time upon request from a KSSK member. During the meeting, each respective member shall provide inputs/recommendations and exchange data/information based on their crisis management protocols and surveillance reports.

Financial stability conditions are evaluated and if necessary, members shall conclude on an appropriate coordinated measure to prevent financial crisis. Decision-making is based on deliberation for consensus, and when conclusions cannot be reached, it will be based on a majority vote. In this case, each member has a voting right, except the chairman of LPS, who only has the right to express an opinion.

Conclusions made in the meeting are communicated to the public right after the meeting ends. KSSK conducts annual crisis simulation in order to improve the crisis preparedness as well as strengthen a solid coordination among the KSSK members which involve leaders of 4 Institutions (BI, MoF, FSA, and IDIC), and also attended by observers from IMF, World Bank, and AIPEG. Crisis simulation in 2016 focused mainly on these subjects: (1) Examined the effectiveness and reliability of KSSK Crisis Management Protocol (CMP) and CMP of each institution; (2) Examined the coordination among KSSK members and effectiveness of KSSK decision-making process.

Crisis simulation in 2017 focused mainly on these subjects: (1) Examined the coordination, preparation, and implementation of Banking resolution among KSSK members; (2) Examined the regulations of each KSSK member on Banking resolution related to liquidity and solvency problems (including the implementation of BI regulations on PLJP and the Purchase of Government Securities from the Deposit Insurance Corporation (LPS) to Bank Indonesia.

Crisis simulation in 2018 mainly focused on: (1) Examination of the banking resolution framework particularly for resolving non-domestic systemically important banks (D-SIB) liquidity and solvency problems; and (2) Examination of inter-agency coordination in order to resolve non-DSIB liquidity and solvability problems, and improve policy makers understanding of Crisis Management Protocol.

In order to enhance the competence of BI, MoF, OJK & LPS officers in financial system stability fields, KSSK has signed an agreement on the Cooperation of Employee's Competency Development Program.

The authorities have been strengthening their cooperation through the attachment/secondment program in other authorities and the collaboration of training programs for their officers since 2017.

In addition to the multilateral agreement, several bilateral coordination arrangements in a form of MOUs have also taken place between KSSK member authorities to facilitate data sharing and supervisory collaboration.

For example, a new MoU between BI and LPS was established in 2017, which covers: (i) the resolution of a non-systemic failed-banks in the case of license's revocation; (ii) liquidity funding support of banks' solvability problem in form of selling the Securities owned by LPS to BI; (iii) data/information exchange; (iv) officer competency development program; (v) research, study and/or joint survey; (vi) socialization and/or joint education; (vii) Employee attachment program; (viii) Operationalization of the Bridge Bank Establishment; and (ix) Purchasing of Government Bonds held by LPS.

The regular bilateral meeting was also conducted, especially with OJK to address the cross regulatory issues, stance on current strategic issues such as integrated reporting. BI Ex-Officio on the Board of Commissioners either in OJK and LPS attend BoC meetings regularly in order to communicate BI policy in the monetary, payment system, and macroprudential policy, as well as to maintain the coordination on the higher level.

KSSK Secretariat has been established to provide assistance for KSSK members in conducting a more thorough financial system analysis. By this means, the KSSK secretariat helps to provide a more comprehensive analysis of the financial system development which supports better perseverance to financial system stability. Furthermore, KSSK Secretariat also facilitates the regular and irregular KSSK meetings as well as other coordination mechanisms among KSSK members.

Progress to date: if this recommendation has not yet been fully implemented, please provide reasons for delayed implementation

Update and next steps: highlight main developments since 2019 survey

As its mandate, KSSK conducted crisis simulations annually to assess the resiliency of the financial system to shock. In 2019, the crisis simulation focused primarily on the financial crisis prevention policy, shifted from prior simulation where the bank's liquidity and solvability policy framework is the main focus. Furthermore, the crisis simulation was intended to test the effectiveness of the crisis management protocol at the KSSK level. The scope of the simulation encompasses i) evaluation of recommendation and follow-up on crisis simulation test results of 2016-2018, and ii) evaluation of key issues based on the 2019 crisis simulation scenario.

In 2020, the simulation was intended to i) test the preparedness of the implementation of law Number 2 of 2020; and ii) identify the gaps and test the effectiveness of the coordination mechanism among KSSK members in the scenario of providing short-term liquidity loans (PLJP) to banks, LPSs fund placement to banks, and government bonds repo to the central bank.

In 2021, the simulation was intended to i) discuss the development of bank supervisory status and ii) early termination of banks repo.

In response to the Covid-19 impacts, the Law Number 2 of 2020 concerning State Financial Policy and Financial System Stability for Handling Covid-19 Pandemic was issued. The Law allows governments and authorities to take necessary extraordinary steps to save the economy, including fiscal expansion policies, loosen monetary policy, lowering Central Bank interest rates, providing liquidity or quantitative easing measures, as well as relaxing regulations in the financial sector. Amongst the strengthening roles of BI within the purview of the Law and closely linked to the BI's role of the Lender of the Last Resort, BI is authorized not only to provide short term liquidity loans to systemic banks or non-systemic banks but also to provide special liquidity loans to systemic banks guaranteed by the Government and provided based on the KSSK decision. In addition, BI can also buy/repo government bonds owned by LPS for the cost of managing the solvency problems of systemic banks and non-systemic banks.

Update and next steps: planned actions (if any) and expected commencement date

Relevant web-links: please provide web-links to relevant documents

Law Number 9 of 2016:
<https://www.ojk.go.id/id/regulasi/otoritas-jasa-keuangan/undang-undang/Documents/Pages/uu-pencegahan-dan-penanganan-krisis-sistem-keuangan-/UU%20Nomor%209%20Tahun%202016.pdf>

Law Number 21 of 2011:
[https://www.ojk.go.id/en/regulasi/otoritas-jasa-keuangan/undang-undang/Documents/Pages/Law-of-the-Republic-of-Indonesia-Number-21-of-2011-on-Financial-Services-Authority/LAW%20NUMBER%2021%20OF%202011%20ON%20FINANCIAL%20SERVICES%20AUTHORITY%20\(OFFICIAL\).pdf](https://www.ojk.go.id/en/regulasi/otoritas-jasa-keuangan/undang-undang/Documents/Pages/Law-of-the-Republic-of-Indonesia-Number-21-of-2011-on-Financial-Services-Authority/LAW%20NUMBER%2021%20OF%202011%20ON%20FINANCIAL%20SERVICES%20AUTHORITY%20(OFFICIAL).pdf)

BI regulation on macroprudential supervisory:
https://www.bi.go.id/id/publikasi/peraturan/Pages/PBI_161114.aspx

Law Number 2 of 2020:
<https://peraturan.bpk.go.id/Home/Details/137323/uu-no-2-tahun-2020>

IV13: Macroprudential frameworks and tools - Enhancing monitoring and use of macroprudential instruments

G20/FSB Recommendations

Authorities should use quantitative indicators and/or constraints on leverage and margins as macro-prudential tools for supervisory purposes. Authorities should use quantitative indicators of leverage as guides for policy, both at the institution-specific and at the macro-prudential (system-wide) level. (Rec. 3.1, FSF 2009)

We are developing macro-prudential policy frameworks and tools to limit the build-up of risks in the financial sector, building on the ongoing work of the FSB-BIS-IMF on this subject. (Cannes)

Authorities should monitor substantial changes in asset prices and their implications for the macro economy and the financial system. (Washington)

Remarks

Please describe at a high level (including by making reference to financial stability or other reports, where available) the types of methodologies, indicators and tools used to assess systemic risks.

Please indicate the use of tools for macroprudential purposes over the past year, including: the objective for their use; the process to select, calibrate and apply them; and the approaches used to assess their effectiveness.

See, for reference, the following documents:

- FSB-IMF-BIS progress report to the G20 on [Macroprudential policy tools and frameworks \(Oct 2011\)](#)
- CGFS report on [Operationalising the selection and application of macroprudential instruments \(Dec 2012\)](#)
- IMF staff papers on [Macroprudential policy, an organizing framework \(Mar 2011\)](#), [Key Aspects of Macroprudential policy \(Jun 2013\)](#), and [Staff Guidance on Macroprudential Policy \(Dec 2014\)](#)
- IMF-FSB-BIS paper on [Elements of Effective Macroprudential Policies: Lessons from International Experience \(Aug 2016\)](#)
- CGFS report on [Experiences with the ex ante appraisal of macroprudential instruments \(Jul 2016\)](#)
- CGFS report on [Objective-setting and communication of macroprudential policies \(Nov 2016\)](#)
- IMF [Macroprudential Policy Survey database](#)

Progress to date:
Implementation completed
Progress to date: If you have selected "Not applicable" or "Applicable but no action envisaged at the moment" - please provide a brief justification
Progress to date: please provide a date for your "implementation ongoing" status
Progress to date: If you have selected "Implementation completed" - please provide date of implementation
01.06.2015

Progress to date: issue is being addressed through

Primary / Secondary legislation - No

Regulation / Guidelines - Yes

Other actions (such as supervisory actions) - No

Progress to date: short description of the content of the legislation/regulation/guideline/other actions

Bank Indonesia has established a framework for monitoring systemic risk as part of its macro-prudential framework. In identifying systemic risks, BI monitors risk indicators, events, and/or behaviors that may present potential risks in the financial system. The monitoring process aims to detect and provide signals of imbalances and vulnerabilities that may pose systemic impacts. BI considers various indicators both endogenous and exogenous indicators. For endogenous indicators, BI consider various indicators within financial markets, financial institutions, and payment system. For exogenous indicators, BI will consider domestic macroeconomic indicators, real sector, global, and event risks. The formulation of macroprudential policy is initiated by the identification of a balanced set of prioritized risks through internal assessment, survey, and focus group discussions. BI monitors the build-up of risks through regular assessment of the financial system using specific tools and methodology including stress testing. Following the identification of gaps, research is conducted to formulate the relevant policy response. To ensure harmony with other policies (monetary and payment system), the assessment and policy recommendation is regularly communicated in a joint monetary, financial system, and payment system committee meeting before the Board of Governor Meeting. To support assessment and surveillance of systemic risks, BI conducts on-site examinations together with OJK as the micro-prudential authority (focusing more on Individual Bank Performance and compliance). If needed, BI may also conduct a thematic on-site examination to ensure bank compliance on Bank Indonesia Regulation such as LTV, FX Regulation, etc Bank Indonesia has implemented a broad range of macroprudential instruments including capital-related tools such as Counter-Cyclical Capital Buffer as well as asset-side tools and liquidity-related tools. Asset-side tools include certain loan restrictions, such as LTV caps and to boost credit have put in place incentives and disincentives in the form of reserve requirements linked to loan to funding ratios that is now enhanced into a Macroprudential Intermediation Ratio (MIR). Bank Indonesia has also issued Macroprudential Liquidity Buffer (MLB) as a liquidity-related tool with a purpose to mitigate systemic liquidity risk. . Since 2016, BI has issued new macroprudential policies in response to the need for further countercyclical measures, to support banking intermediation and incentivize the demand side of the economy, while also maintaining prudential principles and consumer protection. Following a further LTV relaxation, 0% CCB, and adjustments to the RR-LFR ceiling in 2016, BI has introduced Macroprudential Intermediation Ratio (MIR) and Macroprudential Liquidity Buffer (MLB) that are enhancements to the RR-LFR and the secondary reserve requirement. Macroprudential Intermediation Ratio (MIR) allows corporate securities (MTN, FRN, bonds except for subordinated bonds) to be included in the Fund to Financing Ratio (FFR). This provides banks with alternative means to increase loan provision by purchasing corporate securities. MIR is applicable to both conventional and sharia banks and aims to manage pro-cyclical behavior that can potentially disrupt intermediation function in the financial system. The MLB is a conversion of the secondary reserve requirement policy that was applied only for conventional commercial banks. MLB now applies to sharia commercial banks as well. In short, MLB requires banks to maintain their ownership of certain types of securities at 4% of rupiah deposits. This policy is intended to support banks liquidity management and provide flexibility in a tight market liquidity condition. The policy allows a certain percentage of the buffer (currently is set at the amount of 2% of the deposit) to be used as collateral in a repurchase agreement (Repo) to Bank Indonesia under certain conditions to fulfill banks liquidity needs. Both of these macroprudential instruments have countercyclical qualities that are subject to adjustments in line with the economic and financial cycle.

Progress to date: if this recommendation has not yet been fully implemented, please provide reasons for delayed implementation

Update and next steps: highlight main developments since 2019 survey

In response to the Covid-19 pandemic, BI has implemented a policy mix to maintain macro and financial stability, support economic recovery, and accelerate economic reforms through digital economy and finance. Macroprudential policies were embedded in the policy mix to encourage the use of banking sector liquidity to finance export-import businesses, MSMEs, and priority sectors. BI has deployed accommodative but also prudent measures to complement quantitative easing to stimulate bank lending to the real economy. The measures encompass:

- Removal of additional reserve requirements required in the fulfillment of the Macroprudential Intermediation Ratio (MIR/Sharia MIR) effective for one year from May 1, 2020. Then starting from May 1, 2021, strengthening the MIR/Sharia MIR policy through the inclusion of export L/C as a financing component and reactivation of additional reserve requirements to stimulate bank lending to the corporate sector and export-oriented businesses.
- Increasing the Macroprudential Liquidity Buffer ratio from 4% to 6%, which equals to the reduction in Rupiah reserve requirement of 200 bps, so that banks can support economic financing through government bond purchases.
- Removal of the minimum down payment of green automotive loans/financing from 5-10% to 0% for banks that meet certain prudential criteria, effective from 1 October 2020.
- Loosening the loan/financing to value (LTV/FTV) of property loans to 100% and reducing down payment of all automotive loans to 0% for banks that meet certain prudential criteria, effective from 1 March 2021 to 31 December 2021.
- Publishing the "Assessment of Policy Rate Transmission to Prime Lending Rates in the Banking Industry" to accelerate monetary and macroprudential policy transmission and expand the dissemination of information to corporate and individual consumers in order to enhance governance, market discipline, and competition in the credit market.
- Maintaining countercyclical capital buffers (CCyB) at 0%, the Macroprudential Liquidity Buffer (MPLB) at 6% with repo flexibility at 6%, as well as the Sharia MPLB at 4,5% with repo flexibility also at 4,5%.

Update and next steps: planned actions (if any) and expected commencement date
Refining the MSME credit ratio into the Macroprudential Inclusive Financing Ratio (RPIM) by expanding the scope of bank partners to disburse inclusive financing as well as through inclusive financing securitization and other business models, amongst others. BI will issue the RPIM policy, effective from 1 September 2021.
Relevant web-links: please provide web-links to relevant documents
https://www.bi.go.id/en/fungsi-utama/stabilitas-sistem-keuangan/instrumen-makroprudensial/default.aspx

V13: Improving credit rating agencies (CRAs) oversight- Enhancing regulation and supervision of CRAs

G20/FSB Recommendations

All CRAs whose ratings are used for regulatory purposes should be subject to a regulatory oversight regime that includes registration. The regulatory oversight regime should be established by end 2009 and should be consistent with the IOSCO Code of Conduct Fundamentals. (London)

National authorities will enforce compliance and require changes to a rating agency’s practices and procedures for managing conflicts of interest and assuring the transparency and quality of the rating process.

CRAs should differentiate ratings for structured products and provide full disclosure of their ratings track record and the information and assumptions that underpin the ratings process.

The oversight framework should be consistent across jurisdictions with appropriate sharing of information between national authorities, including through IOSCO. (London)

Regulators should work together towards appropriate, globally compatible solutions (to conflicting compliance obligations for CRAs) as early as possible in 2010. (FSB 2009)

We encourage further steps to enhance transparency and competition among credit rating agencies. (St Petersburg)

Implementation of this recommendation was reported to be completed by all FSB jurisdictions in the 2018 IMN survey. Given this, the reporting of progress with respect to this recommendation will not be collected in the 2019 survey.

V14: Improving credit rating agencies (CRAs) oversight - Reducing the reliance on ratings

G20/FSB Recommendations

We also endorsed the FSB's principles on reducing reliance on external credit ratings. Standard setters, market participants, supervisors and central banks should not rely mechanistically on external credit ratings. (Seoul)

Authorities should check that the roles that they have assigned to ratings in regulations and supervisory rules are consistent with the objectives of having investors make independent judgment of risks and perform their own due diligence, and that they do not induce uncritical reliance on credit ratings as a substitute for that independent evaluation. (Rec IV. 8, FSF 2008)

We reaffirm our commitment to reduce authorities' and financial institutions' reliance on external credit ratings, and call on standard setters, market participants, supervisors and central banks to implement the agreed FSB principles and end practices that rely mechanistically on these ratings. (Cannes)

We call for accelerated progress by national authorities and standard setting bodies in ending the mechanistic reliance on credit ratings and encourage steps that would enhance transparency of and competition among credit rating agencies. (Los Cabos)

We call on national authorities and standard setting bodies to accelerate progress in reducing reliance on credit rating agencies, in accordance with the FSB roadmap. (St Petersburg)

Remarks

Jurisdictions should indicate the steps they are taking to address the recommendations of the [May 2014 FSB thematic peer review report on the implementation of the FSB Principles for Reducing Reliance on Credit Ratings](#), including by implementing their [agreed action plans](#). Any revised action plans should be sent to the FSB Secretariat so that it can be posted on the FSB website.

Jurisdictions may refer to the following documents:

- FSB [Principles for Reducing Reliance on CRA Ratings \(Oct 2010\)](#)
- FSB [Roadmap for Reducing Reliance on CRA Ratings \(Nov 2012\)](#)
- BCBS [Basel III: Finalising post-crisis reforms \(Dec 2017\)](#)
- IAIS [ICP guidance](#) 16.9 and 17.8.25
- IOSCO [Good Practices on Reducing Reliance on CRAs in Asset Management \(Jun 2015\)](#)
- IOSCO [Sound Practices at Large Intermediaries Relating to the Assessment of Creditworthiness and the Use of External Credit Ratings \(Dec 2015\)](#).

Progress to date:
Implementation completed
Progress to date: If you have selected "Not applicable" or "Applicable but no action envisaged at the moment" - please provide a brief justification
Progress to date: please provide a date for your "implementation ongoing" status
Progress to date: If you have selected "Implementation completed" - please provide date of implementation
22.12.2012 and 19.11.2014 (Capital Market)

Progress to date: issue is being addressed through
Primary / Secondary legislation - No
Regulation / Guidelines - Yes
Other actions (such as supervisory actions) - No

Progress to date: short description of the content of the legislation/regulation/guideline/other actions
<p>To reduce the authorities and financial institutions reliance on CRA ratings, OJK has issued OJK Regulation No. 24/POJK.04/2014 regarding Guidelines for the Functions of Investment Managers (effective 19 November 2014) which amended Bapepam-LK (OJK) Rule No. V.D.11 stipulates that investment managers shall have an Investment Committee and Investment management team, and investment and research functions responsible for: i) making the best investment decision; ii) maintaining record and/or working papers for investment decision making; iii) performing periodic analysis on the performance of investment products; iv) ensuring investment decision in line with investment strategy and policy as stipulated in investment agreement and as decided by investment committee; v) ensuring that each investment decision is made based upon rational consideration and supported by adequate research, and vi) implementing prudential principles and risk management related to arising investment risks.</p> <p>This regulation ensures that investment managers do not solely depend on ratings by CRAs, but instead making their reliable judgments from the results of their own research.</p> <p>For NBFIs, CRA will be utilized as one of the references for the purpose of valuation insurance risk-based capital investment instruments for financial statements. Meanwhile, insurance companies must have investment strategies and policies, investment committees, and investment experts to ensure sound investment practices and regularly evaluate investment strategies and policies.</p> <p>Moreover, CRA will be utilized for the purpose of foreign reinsurance selection. (Indonesia insurance company could choose to put their risk in foreign insurance company which has a minimum rating of BBB).</p> <p>In addition, considering that most of the credit exposures are unrated, several safeguards that have been required by the existing regulation (such as minimum requirements to CRA to be recognized by the Indonesian authority as eligible CRAs for regulatory purposes) and the supervisory approach to assess the adequacy of the banks own credit assessment processes are currently sufficient to address the concern on our existing regulations with regard to external CRA ratings.</p> <p>For reserve management purposes, CRA rating is used as an input along with other parameters. With regard to the reference to CRA rating to determine the eligibility of non-government securities as collateral, BI has required that the non-government securities should also be actively traded in a liquid market. To this date, the majority of securities held by our banks are securities issued by the Government of Indonesia and BI.</p>

Progress to date: if this recommendation has not yet been fully implemented, please provide reasons for delayed implementation

Update and next steps: highlight main developments since 2019 survey

Update and next steps: planned actions (if any) and expected commencement date

Relevant web-links: please provide web-links to relevant documents
<p>OJK regulation concerning Guidelines for the Functions of Investment Managers</p> <p>http://www.ojk.go.id/id/regulasi/otoritas-jasa-keuangan/peraturan-ojk/Pages/peraturan-otoritas-jasa-keuangan-tentang-pedoman-pelaksanaan-fungsi-fungsi-manajer-investasi.aspx</p>

VI15: Enhancing accounting standards - Consistent application of high-quality accounting standards

G20/FSB Recommendations

Regulators, supervisors, and accounting standard setters, as appropriate, should work with each other and the private sector on an ongoing basis to ensure consistent application and enforcement of high-quality accounting standards. (Washington)

Remarks

Jurisdictions should indicate the accounting standards that they follow and whether (and on what basis) they are of a high and internationally acceptable quality (e.g. equivalent to IFRSs as published by the IASB), and provide accurate and relevant information on financial position and performance. They should also explain the system they have for enforcement of consistent application of those standards.

Jurisdictions may want to refer to their jurisdictional profile prepared by the IFRS Foundation, which can be accessed at: <https://www.ifrs.org/use-around-the-world/use-of-ifrs-standards-by-jurisdiction/>.

As part of their response on this recommendation, jurisdictions should indicate the policy measures taken for appropriate application of recognition, fair value measurement and disclosure requirements.

In addition, jurisdictions should set out any steps they intend to take (if appropriate) to foster transparent and consistent implementation of the new accounting requirements for the measurement of expected credit losses on financial assets that are being introduced by the IASB and FASB.

See, for reference, the following BCBS documents:

- [Supervisory guidance for assessing banks' financial instrument fair value practices \(Apr 2009\)](#)
- [Guidance on credit risk and accounting for expected credit losses \(Dec 2015\)](#)
- [Regulatory treatment of accounting provisions - interim approach and transitional arrangements \(March 2017\)](#)

Progress to date:
Implementation completed
Progress to date: If you have selected "Not applicable" or "Applicable but no action envisaged at the moment" - please provide a brief justification
Progress to date: please provide a date for your "implementation ongoing" status
Progress to date: If you have selected "Implementation completed" - please provide date of implementation
01.01.2015
Progress to date: issue is being addressed through
Primary / Secondary legislation - No
Regulation / Guidelines - Yes
Other actions (such as supervisory actions) - No

Progress to date: short description of the content of the legislation/regulation/guideline/other actions

Under the Indonesia Financial Services Authority (OJK) regulation regarding the Transparency and Publication of Commercial Banks Report, banks are required to apply the Indonesian Accounting Standard (PSAK) in preparing financial statements. The PSAK is the convergence of IFRS issued by the Board of Indonesia Accounting Standard (DSAK) as the national accounting standard setter. OJK continuously coordinates with DSAK in ensuring consistent application and enforcement of high-quality accounting standards in the banking industry.

For example, for the implementation of IFRS 9, since 2014 OJK and DSAK have established a working group consisting of banks and audit firms to analyze the quantitative and qualitative impact of IFRS 9.

Based on the discussion in the working group and further input from the industries, as of July 26th, 2017, DSAK issued PSAK 71: Financial Instruments (i.e. the convergence of IFRS 9) which will be effective starting from 1 January 2020 (2 year-gap with IFRS 9 implementation), with early adoption permitted.

The 2 year-gap is appropriate in order to provide more time for regulators and the banking industry in preparing the implementation of the standard. Furthermore, to ensure timely implementation of the standard in 2020, in September 2017, OJK in collaboration with DSAK has issued a roadmap on PSAK 71 implementation.

By the third quarter of 2019, banks are expected to be completing the development of the supporting infrastructure stage, which includes the establishment of a management information system, standard operating procedure, and other related internal policies, and starting the parallel run phase.

The Indonesian authority has adopted a plan to converge the Indonesian Generally Accepted Accounting Principles with IFRS in December 2008. The first phase of the convergence program, which was to align Indonesian accounting standards (PSAK) to IFRS as of 1 January 2009, was largely achieved in 2012. The second phase was intended to reduce the lag in adoption of IFRS to one year, resulted in the convergence of PSAK with IFRS (as they stood on 1 January 2014) as of 1 January 2015. The implementation of the Indonesia Accounting standard is aligned with IFRS that has effectively established in 2015 (with a 1 (one) year lag). Although the compliance of Indonesian banks to IFRSs, i.e. by the adoption of PSAKs, will be assessed by their external auditors, the banking authority also enforces the implementation of the Indonesian accounting standards. For example, under the regulation on the Transparency and Publication of Commercial Banks Report, sanctions will be imposed on banks if the Quarterly Published Financial Report and Annual Report of the Banks do not conform to the financial accounting standards. Regulations for banks that are related to the implementation of PSAKs are continuously being revised in order to align the regulations requirements with the PSAKs requirements. The issuance of the regulation on the Transparency and Publication of Commercial Banks Report in March 2015 is also intended to align the regulations requirements with the adjustment on financial reporting required under PSAK 1 which has been aligned with IFRS. The regulation has been effectively implemented starting on 1 April 2015.

In addition, "Pedoman Akuntansi Perbankan Indonesia"/ PAPI has also been established in order to support the banking industry in implementing Indonesia Standard Accounting (PSAK). Moreover, in September 2016, the Financial Accounting Standards Board, Indonesian Institute of Accountants has released an Exposures draft on Financial Standards Statement 71 on Financial Instruments which adopted the IFRS 9 on Financial Instruments. Considering all inputs and comments from stakeholders on accounting issues related to financial instruments including the effective date of application, DSAK-IAI decided to extend the first implementation date of PSAK 71 into January 1st, 2020 with the earlier application is permitted.

Furthermore, OJK and the Institute of Indonesia Chartered Accountants will work together in other to introduce this SAK to SMEs. Regarding assess banks financial instrument using fair value practices, OJK already issued a regulation that covers financial instruments, e.g. repo transaction and calculation of Disclosed Reserve emanating from income/losses during the current period.

Progress to date: if this recommendation has not yet been fully implemented, please provide reasons for delayed implementation

Update and next steps: highlight main developments since 2019 survey

Update and next steps: planned actions (if any) and expected commencement date

Regulations for banks that are related to the implementation of PSAKs are continuously being revised in order to align the regulations requirements with the PSAKs requirements. OJK is in the process of revising the regulation on the Transparency and Publication of Commercial Banks Report. The amended regulation is intended, among others, to align the mandatory format of the published financial reports with the requirements under PSAK 71 and PSAK 73. The amended regulation is expected to be effective in mid-2020.

As a response to the revision of IAS 1, IAS 16, and IAS 38, the Board of Indonesia Accounting Standard (DSAK) has revised PSAK 16 regarding Fixed Asset, which effectively implemented since 1 January 2018. Meanwhile, PSAK 19 regarding intangible assets is still under revision process. Board of Indonesia Accounting Standard (DSAK) has issued SAK for Small and Medium Enterprises (SMEs), which effectively implemented since January 1st, 2018. The standard will be applied in the NBFi industry.

Extension of the first implementation date of PSAK 71 (adoption of IFRS 9 on Financial Instruments) into January 1st, 2020 with the earlier application is permitted.

For the insurance industry, PSAK 74 (adoption of IFRS 17) will be implemented in 2025.

Relevant web-links: please provide web-links to relevant documents
<p>Implementation roadmap of PSAK 71: - https://www.ojk.go.id/id/kanal/perbankan/Documents/Pages/Pedoman-Akuntansi-Perbankan-Indonesia-%28PAPI%29/ROADMAP%20PERSIAPAN%20PENERAPAN%20PSAK%2071%20-%20ENGLISH%20VERSION.pdf</p> <p>Conclusion to the discussion on the implementation of PSAK 71 – financial instrument 2018: - https://www.ojk.go.id/id/kanal/perbankan/Documents/Pages/Pedoman-Akuntansi-Perbankan-Indonesia-%28PAPI%29/KESIMPULAN%20HASIL%20PEMBAHASAN%20ISU%20IMPLEMENTASI%20PSAK%2071%20%E2%80%93%20INSTRUMEN%20KEUANGAN%20TAHUN%202018.pdf</p>

VII16: Enhancing risk management - Enhancing guidance to strengthen banks' risk management practice

G20/FSB Recommendations

Regulators should develop enhanced guidance to strengthen banks' risk management practices, in line with international best practices, and should encourage financial firms to re-examine their internal controls and implement strengthened policies for sound risk management. (Washington)

National supervisors should closely check banks' implementation of the updated guidance on the management and supervision of liquidity as part of their regular supervision. If banks' implementation of the guidance is inadequate, supervisors will take more prescriptive action to improve practices. (Rec. II.10, FSF 2008)

Regulators and supervisors in emerging markets will enhance their supervision of banks' operation in foreign currency funding markets. (FSB 2009)

We commit to conduct robust, transparent stress tests as needed. (Pittsburgh)

Remarks

Jurisdictions should indicate the measures taken in the following areas:

- guidance to strengthen banks' risk management practices, including BCBS good practice documents ([Corporate governance principles for banks](#), [External audit of banks](#), and the [Internal audit function in banks](#));
- measures to monitor and ensure banks' implementation of the BCBS [Principles for Sound Liquidity Risk Management and Supervision \(Sep 2008\)](#);
- measures to supervise banks' operations in foreign currency funding markets;¹ and
- extent to which they undertake stress tests and publish their results.

Jurisdictions should not provide any updates on the implementation of Basel III liquidity requirements (and other recent standards such as capital requirements for CCPs), since these are [monitored separately by the BCBS](#).

¹ Only the emerging market jurisdictions that are members of the FSB should respond to this specific recommendation.

Progress to date:
Implementation completed
Progress to date: If you have selected "Not applicable" or "Applicable but no action envisaged at the moment" - please provide a brief justification

Progress to date: please provide a date for your “implementation ongoing” status

Progress to date: If you have selected “Implementation completed” - please provide date of implementation
01.03.2016

Progress to date: issue is being addressed through
Primary / Secondary legislation - No
Regulation / Guidelines - Yes
Other actions (such as supervisory actions) - No

Progress to date: short description of the content of the legislation/regulation/guideline/other actions

To strengthen banks risk management practices, including Internal audit function in banks, OJK has issued OJK Circular Letter No. 13 /SEOJK.03/2017 on Implementation of Good Governance for Commercial Banks. This regulation provides that banks are required to conduct regular self-assessment which shall consist of at least 11 factors of assessment of good governance implementation including implementation of the internal audit function.

Furthermore, the prevailing regulations related to good corporate governance for the banking sector have met most expectations of sound risk governance. In addition, a regulation concerning risk management (OJK Regulation No. 18/POJK.03/2016) requires banks to improve and maintain banks risk management including information systems and internal controls with respect to credit, market, liquidity, operational, legal, reputational, and other risks.

The regulation also requires banks to have written policies, procedures, and limit to address such risks. Integrated risk management is also required for banks that own subsidiaries and sister companies in the financial sector. Under the regulation on risk management, banks are required to conduct stress testing on themselves.

Indonesian authorities (in this case OJK, BI, and Ministry of Finance) are also conducting joint stress testing regularly on Indonesia's economy which encompasses the financial services sector. OJK itself routinely performs stress tests independently at least twice a year. However, the result of the stress testing is not disclosed to the public.

Regarding the banks operation on foreign currency funding, OJK has taken measures to supervise the operations by firstly measure banks ability based on their core capital. Therefore, only Buku 2 banks and above is allowed to conduct foreign currency transaction.

Moreover, OJK also monitors banks liquidity ratios closely to measure the stability and term of fund placement. Meanwhile, the assessment on risks that might originate from the exchange rate is monitored through area market risk.

Furthermore, the issuance of OJK Regulation on Integrated Risk Management for Financial Conglomerates and OJK Regulation on Integrated Governance for Financial Conglomerates has further strengthened the expectation of banks risk governance practices.

The OJK Regulation on Integrated Risk Management for Financial Conglomerates has been effectively implemented in November 2014. Whereas the OJK Regulation on Integrated Governance for Financial Conglomerates has been effectively implemented in November 2014.

The first report for both regulations was based on June 2015 data. Furthermore, regarding liquidity risk, OJK has issued Regulation No. 42/POJK.03/2015 regarding Liquidity Coverage Ratio.

To strengthen risk management of NBFIs, OJK has issued OJK's regulations related to risk management and assessment of NBFIs rating, which are:

- OJK Regulation Number 44/POJK.05/2020 concerning Implementation of Risk Management for NBFIs which replaced OJK Regulation 1/POJK.05/2015. The regulation required NBFIs to implement effective risk management, taking into account its size and complexity.
- OJK Regulation 28/POJK.05/2020 concerning Assessment of NBFIs Rating, which replaced OJK Regulation 10/POJK.05/2014 concerning Assessment of NBFIs Risk Profile. The regulation required NBFIs to report self-assessment on their composite rating, which considers good corporate governance, risk profile, rentability, and quality of capital/funding.
- OJK Regulation Number 4/POJK.05/2021 concerning Implementation of Risk Management in the Use of Information Technology by NBFIs. The regulation requires NBFIs to implement effective risk management related to information technology, including policies and procedures that should be in place, internal control, and oversight of commissioner and director.

In addition, regarding maintaining the banks stable funding, OJK has issued OJK Regulation No 50/POJK.03/2017 on Net Stable Funding Ratio Obligation for Commercial Banks which adopts the Basel III Standard.

This regulation aims to maintain banks stable funding profile based on their asset composition and off-balance sheet activities based on international standards. Under this regulation, banks are required to maintain stable funding calculated using the Net Stable Funding Ratio which the minimum is set to be 100%.

Moreover, OJK has issued internal guidance (standard operating procedure) in 2017 based on OJK regulation No. 42/POJK.03/2015 regarding Liquidity Coverage Ratio, specifically for banking supervisor. It consists of 4 (four) SOPs that guide the banking supervisors to analyze LCR reports, analyze inability to fulfill LCR, fines as one of supervisory action, and administrative process of offline LCR report.

Progress to date: if this recommendation has not yet been fully implemented, please provide reasons for delayed implementation

Update and next steps: highlight main developments since 2019 survey

Update and next steps: planned actions (if any) and expected commencement date

Relevant web-links: please provide web-links to relevant documents

OJK regulation concerning Liquidity Coverage Ratio Requirement for Commercial Banks:
 - <https://www.ojk.go.id/en/kanal/perbankan/regulasi/peraturan-ojk/Documents/Pages/POJK-concerning-Liquidity-Coverage-Ratio-Requirement-for-Commercial-Banks-/POJK%20No.%2042-POJK.03-2015%20Liquidity%20Coverage%20Ratio%20Requirement%20for%20Commercial%20Banks.pdf>

OJK Regulation concerning Implementation of Risk Management for Commercial Banks:
 - <https://www.ojk.go.id/en/kanal/perbankan/regulasi/peraturan-ojk/Documents/Pages/POJK-concerning-Implementation-of-Risk-Management-for-Commercial-Banks-/POJK%20No.%2018-POJK.03-2016%20Implementation%20of%20Risk%20Management%20for%20Commercial%20Banks.pdf>

OJK Regulation concerning Integrated Risk Management for Financial Conglomerates:
 - https://www.ojk.go.id/en/kanal/perbankan/regulasi/peraturan-ojk/Documents/Pages/POJK-concerning-Integrated-Risk-Management-for-Financial-Conglomerates/POJK%20No%2017_The%20Implementation%20of%20Integrated%20Risk%20Management%20Financial%20Conglomerate.pdf

OJK regulation concerning Implementation of Risk Management for Rural Bank:
 - <http://www.ojk.go.id/id/kanal/perbankan/regulasi/peraturan-ojk/Documents/Pages/POJK-Nomor-13-POJK-03-2015-Penerapan-Manajemen-Risiko-BPR/peraturan-otoritas-jasa-keuangan-nomor-13-pojk-13-2015-tentang-penerapan-manajemen-risiko-bpr.pdf>

OJK regulation concerning Net Stable Funding Ratio:
 - [https://www.ojk.go.id/id/kanal/perbankan/regulasi/peraturan-ojk/Pages/POJK-tentang-Kewajiban-Pemenuhan-Rasio-Pendanaan-Stabil-Bersih-\(Net-Stable-Funding-Ratio\)-bagi-Bank-Umum.aspx](https://www.ojk.go.id/id/kanal/perbankan/regulasi/peraturan-ojk/Pages/POJK-tentang-Kewajiban-Pemenuhan-Rasio-Pendanaan-Stabil-Bersih-(Net-Stable-Funding-Ratio)-bagi-Bank-Umum.aspx)

OJK Regulation concerning Implementation of Risk Management for NBFi:
 - <https://www.ojk.go.id/id/regulasi/Pages/Penerapan-Manajemen-Risiko-bagi-Lembaga-Jasa-Keuangan-Nonbank.aspx>

OJK regulation concerning Assessment of Non-Bank Financial Institution Soundness Level:
 - <https://ojk.go.id/id/regulasi/Pages/Penilaian-Tingkat-Kesehatan-Lembaga-Jasa-Keuangan-Nonbank.aspx>

OJK regulation concerning Implementation of Risk Management of the Use of IT by NBFi:
 - <https://www.ojk.go.id/id/regulasi/Documents/Pages/Penerapan-Manajemen-Risiko-dalam-Penggunaan-Teknologi-Informasi-oleh-Lembaga-Jasa-Keuangan-Nonbank/pojk%204-2021.pdf>

VII17: Enhancing risk management - Enhanced risk disclosures by financial institutions

G20/FSB Recommendations

Financial institutions should provide enhanced risk disclosures in their reporting and disclose all losses on an ongoing basis, consistent with international best practice, as appropriate. (Washington)

We encourage further efforts by the public and private sector to enhance financial institutions' disclosures of the risks they face, including the ongoing work of the Enhanced Disclosure Task Force. (St. Petersburg)

Remarks

Jurisdictions should indicate the status of implementation of the disclosures requirements of IFRSs (in particular IFRS 7 and 13) or equivalent. Jurisdictions may also use as reference the recommendations of the October 2012 report by the Enhanced Disclosure Task Force on [Enhancing the Risk Disclosures of Banks](#) and [Implementation Progress Report by the EDTF \(Dec 2015\)](#), and set out any steps they have taken to foster adoption of the EDTF Principles and Recommendations.

In addition, in light of the new IASB and FASB accounting requirements for expected credit loss recognition, jurisdictions should set out any steps they intend to take (if appropriate) to foster disclosures needed to fairly depict a bank's exposure to credit risk, including its expected credit loss estimates, and to provide relevant information on a bank's underwriting practices. Jurisdictions may use as reference the recommendations in the report by the Enhanced Disclosure Task Force on the [Impact of Expected Credit Loss Approaches on Bank Risk Disclosures \(Nov 2015\)](#), as well as the recommendations in Principle 8 of the BCBS [Guidance on credit risk and accounting for expected credit losses \(Dec 2015\)](#).

In their responses, jurisdictions should not provide information on the implementation of Basel III Pillar 3 requirements, since this is [monitored separately](#) by the BCBS.

Progress to date:
Implementation completed
Progress to date: If you have selected "Not applicable" or "Applicable but no action envisaged at the moment" - please provide a brief justification
Progress to date: please provide a date for your "implementation ongoing" status
Progress to date: If you have selected "Implementation completed" - please provide date of implementation
01.04.2015
Progress to date: issue is being addressed through
Primary / Secondary legislation - No
Regulation / Guidelines - Yes
Other actions (such as supervisory actions) - No
Progress to date: if this recommendation has not yet been fully implemented, please provide reasons for delayed implementation

Progress to date: short description of the content of the legislation/regulation/guideline/other actions

Indonesia has adopted the IFRS 7 requirements through the application of an Indonesia Accounting Standard (PSAK 60) since 2010. Indonesian banks have been required to comply with the PSAK 60s disclosure requirements. Following several annual improvements made by the IASB on IFRS 7, the Board of Indonesia Accounting Standard (DSAK) has also issued several revisions on PSAK 60. The latest version is implemented effectively on 1 January 2015. IFRS 13 has also been adopted through PSAK 68 and implemented on 1 January 2015. For the banking industry, Pillar 3 disclosure requirements have also been effectively implemented in Indonesia. The Pillar 3 disclosure has been revised in 2015 to accommodate capital disclosure requirements under Basel III. The revised regulation was issued on 31 March 2015. The regulation governs that banks are required to disclose and publish Basel III capital on the banks websites on a quarterly basis. The regulation came into force for December 2015 data. OJK has issued OJK Regulation No. 6/POJK.03/2015 on Transparency and Publication of Banks Report (POJK 6/2015). The Regulation stipulates, inter alia, the disclosure of capital and risk management practices implemented by banks which at least include the description of the type of risks, potential loss, and risk mitigation. Under this regulation, banks are required to provide annual, monthly, and quarterly publication report to public and OJK that contains information on risk management practice applied by banks which include information on risk mitigation and potential loss. Furthermore, banks that are part of financial groups and/or having subsidiaries are also required to submit such reports. OJK Circular Letter No. 43/SEOJK.03/2016 was later issued as a complementing regulation of the POJK 6/2015. These requirements to disclose types of risks and risk exposures stated in these regulations are in line with Basel II: International Convergence of Capital Measurement and Capital Standard: a Revised Framework (Basel II) dan Basel III: A Global Regulatory Framework for More Resilient Banks and Banking Systems (Basel III). In addition, OJK has issued Regulation No. 18/POJK.03/2016 on Implementation of Risk Management for Commercial Banks which stipulates that banks are required to disclose Risk Management in annual publication report. Such disclosure shall at least cover the performance of Risk Management. Disclosure requirements of financial instruments by securities companies has been required by Bapepam-LK Rule Number V.D.5 concerning Maintaining and Reporting on Adjusted Net Working Capital (effectively started in 28 December 2010), which amended the prior regulation dated 8 Mei 2003 with more disclosure requirements. Furthermore, this regulation requires that in calculating ANWC, securities companies shall disclose all their assets and liabilities as well as their risk measurements to assets and their activities/liabilities. In addition, the sufficiency of the adjusted net working capital is a requirement that shall be complied with by securities companies on daily basis to enable them to have the financial capability to support trading activities in the stock exchange. The financial reporting for the insurance industry is required to be prepared according to Indonesia Accounting Standard (SAK). The accounting standard requires insurance companies to disclose all of their financial instrument the risks associated with the financial instrument. Moreover, according to OJK’s regulation, NBFIs must implement effective risk management, including conducting risk assessments. The OJK regulation has been implemented since 2014, and was amended in 2020. In addition, according to OJK Regulation Number 28/POJK.05/2020, NBFIs are required to submit self-assessment report on their composite rating, which considers good corporate governance, risk profile, rentability, and quality of capital/funding. Besides, OJK Regulation Number 4/POJK.05/2021 required NBFIs to disclose any issues related to the quality of information technology.

Update and next steps: highlight main developments since 2019 survey

Update and next steps: planned actions (if any) and expected commencement date

Relevant web-links: please provide web-links to relevant documents
<p>Securities classification: - http://www.ojk.go.id/id/kanal/pasar-modal/regulasi/klasifikasi-bapepam/perusahaan-efek/Pages/klasifikasi-bapepam-perusahaan-efek.aspx</p> <p>OJK Regulation concerning Transparency and Publication of Bank Reports: - https://www.ojk.go.id/id/regulasi/otoritas-jasa-keuangan/peraturan-ojk/Documents/Pages/Peraturan-OJK-tentang-Transparansi-dan-Publikasi-Laporan-Bank/POJK%206%20%20Transparansi%20dan%20Publikasi%20Laporan%20Bank.pdf - http://www.ojk.go.id/Files/201506/SEOJK11TransparansidanPublikasiLaporanbankUmumKonvensional_1435584655.pdf - http://www.ojk.go.id/Files/201506/LampiranSEOJK11_1435584655.pdf</p> <p>OJK Regulation concerning Implementation of Risk Management for Commercial Banks: - https://www.ojk.go.id/id/kanal/perbankan/regulasi/peraturan-ojk/Documents/Pages/POJK-Nomor-18.POJK.03.2016/SAL%20-%20POJK%20Manajemen%20Risiko%20.pdf</p> <p>Consultative paper on revision of pillar 3 disclosure: - https://www.ojk.go.id/id/kanal/perbankan/implementasi-basel/Documents/Pages/Consultative-Papers/Consultative%20Paper%20Revisi%20Pilar%203-oct2017.pdf</p> <p>OJK Regulation Number 44/POJK.05/2020 concerning Implementation of Risk Management for NBFIs: - https://www.ojk.go.id/id/regulasi/Documents/Pages/Penerapan-Manajemen-Risiko-bagi-Lembaga-Jasa-Kuangan-Nonbank/pojk%2044-2020.pdf</p> <p>OJK Regulation 28/POJK.05/2020 concerning Assessment of NBFIs Rating which replaced OJK Regulation 10/POJK.05/2014 concerning Assessment of NBFIs Risk Profile: - https://www.ojk.go.id/id/regulasi/Documents/Pages/Penilaian-Tingkat-Kesehatan-Lembaga-Jasa-Kuangan-Nonbank/pojk%2028-2020%20rev.pdf</p> <p>OJK Regulation Number 4/POJK.05/2021 concerning Implementation of Risk Management in the Use of Information Technology by NBFIs: - https://www.ojk.go.id/id/regulasi/Documents/Pages/Penerapan-Manajemen-Risiko-dalam-Penggunaan-Teknologi-Informasi-oleh-Lembaga-Jasa-Kuangan-Nonbank/pojk%204-2021.pdf</p>

VIII18: Strengthening deposit insurance - Strengthening of national deposit insurance arrangements

G20/FSB Recommendations

National deposit insurance arrangements should be reviewed against the agreed international principles, and authorities should strengthen arrangements where needed. (Rec. VI.9, FSF 2008)

Remarks

Jurisdictions that have not yet adopted an explicit national deposit insurance system should describe their plans to introduce such a system.

All other jurisdictions should describe any significant design changes in their national deposit insurance system since the issuance of the revised IADI [Core Principles for Effective Deposit Insurance Systems](#) (November 2014).

In addition, jurisdictions should indicate if they have carried out a self-assessment of compliance (based on IADI's 2016 [Handbook](#)) with the revised Core Principles:

- If so, jurisdictions should highlight the main gaps identified and the steps proposed to address these gaps;
- If not, jurisdictions should indicate any plans to undertake a self-assessment exercise.

Progress to date:
Implementation completed

Progress to date: If you have selected "Not applicable" or "Applicable but no action envisaged at the moment" - please provide a brief justification

Progress to date: please provide a date for your "implementation ongoing" status

Progress to date: If you have selected "Implementation completed" - please provide date of implementation
01.04.2016

Progress to date: issue is being addressed through
 Primary / Secondary legislation - No
 Regulation / Guidelines - Yes
 Other actions (such as supervisory actions) - No

Progress to date: short description of the content of the legislation/regulation/guideline/other actions

IDIC was established after the 1997/1998 Asian Financial Crisis with the following missions: (1) To provide effective deposit insurance in order to protect depositors; (2) To conduct effective and efficient bank resolutions; (3) To resolve the crisis through effective and efficient bank restructurings; and (4) To actively promote and maintain national financial system stability.

Law Number 24 of 2004 provides the legal basis for the establishment of IDIC. In 2014, IDIC conducted a self-assessment on the application of IADI Core Principles on the Deposit Insurance System.

Law Number 9 of 2016 concerning Prevention and Resolution of Financial System Crisis (PPKSK) has been enacted on April, 15 2016 to improve the current domestic resolution regime. The Law stipulates that the scope of financial system crisis prevention and resolution of Financial System consists of: (i) coordination of monitoring and maintaining financial system stability, (ii) financial system crisis management, and (iii) resolution of the systemic bank, both in normal and crisis conditions. The PPKSK Law has broadened the role of LPS as a member of the Financial System Committee and as the Indonesian resolution authority and provide the LPS with new resolution tools, including early intervention, purchase and assumption, bail-in mechanism, bridge bank, and new funding source for resolution.

The PPKSK Law enhances the adoption of IADI CP in LPS. Many improvements have been made, especially related to funding, legal protection, and resolution.

The PPKSK law mandated a new resolution funding mechanism for crisis resolution that is collected from the banking industry by the LPS, apart from the existing deposit insurance premium. LPS is in the process of developing detailed regulations on bank resolution, for both systemic and non-systemic banks. In addition, the government has issued Government Regulation to ensure that LPS has sufficient backup funding and liquidity facilities, supporting LPS of its responsibilities including during crisis situations, namely: (i) Government Regulation Number 49 of 2017 on Surplus, Liquidity and LPS Borrowing to the Government which enables LPS to borrow from Government in the event of a shortfall of funding needed for resolution in normal time; (ii) Government Regulation Number 21 of 2018 to facilitate bail-in mechanism under activation and following conclusion of Banking Restructuring Program (BRP).

The PPKSK law adopts the concept of “bail-in” (instead of ‘bailout’) to resolve problems in the banking sector. It refers to the use of internal sources to solve both liquidity and solvability problems. This includes the selling of bank’s assets, additional capital from shareholders and other parties, and conversion of certain debts into capital ((i.e contingent convertible bond). The implementation of the bail-in concept required a more robust bank at both individual and industrial levels:

- 1) Individual level: stringent requirements on liquidity, solvability (i.e top-up capital, bail-in-able instrument) , and Resolution Plan for Systemic bank
- 2) Industrial level: contribution from the banking industry for deposit insurance (IDIC), such as general premium to deal with idiosyncratic risk and additional/special premium to deal with the crisis (Banking resolution Program)

Ex-ante funding, refers to “pre-funding”

- a) General premium
- b) Returns generated from the investment, (such as: coupon, capital gain, and fee from securities lending agreement with the central bank)
- c) Additional/special premium for banking restructuring program (in progress) Ex-post funding, refers to external sources of the fund if needed
- d) Borrowing from the government
- e) Buyback of (IDIC investment) from the government
- f) Repo agreement
- g) IDIC investment purchase agreement with the central bank
- h) Borrowing from the capital market (i.e loan, mtn, bond)
- i) Capital injection from the government if IDIC capital below initial capital (IDR 4 trillion)

Sound funding arrangements are integral to the credibility of the deposit insurance scheme, as they are essential aspects of its operational readiness. IADI Core Principles set the tone: The deposit insurer should have readily available funds and all funding mechanisms necessary to ensure prompt reimbursement of depositors’ claims, including assured liquidity funding arrangements.

Furthermore, the COVID-19 pandemic had brought about expansion on LPS authority, namely:

- Early involvement and preparation in handling the bank (starting when a bank is under intensive supervision).
- Placement of funds (by LPS) to banks in intensive supervision approaching special surveillance, and banks under special surveillance status
- Extension of the IDIC’s resolution options for non-systemic banks (IDIC doesn’t rely only on the lower-cost tests, but also economic conditions, the complexity of bank problems, required handling duration, availability of investors, and/or the effectiveness of handling problem banks).

The expansion of authority is stipulated in the following regulations:

- Law of the Republic of Indonesia Number 2 of 2020 on the stipulation of regulation of the Government in Lieu of Law Number 1 of 2020 on State Financial and the Stability of the Financial System Policies for the Mitigation of Corona Virus Disease 2019 (COVID-19) Pandemic and/or to deal with Threats that are Potentially Harmful to the National Economy and/or the Stability of the Financial System;
- Government Regulation of the Republic of Indonesia Number 33 of 2020 concerning the Implementation of the Authority of the Deposit Insurance Corporation in order to Implement Measures to Handle Financial System Stability Problems.

Progress to date: if this recommendation has not yet been fully implemented, please provide reasons for delayed implementation

Update and next steps: highlight main developments since 2019 survey

- [X] LPS has completed self-assessment on compliance with IADI Core Principles in 2019
- [X] LPS is currently undertaking IADI SATAP programme, an assessment conducted by IADI, with completion targeted in Q2 of 2022

Update and next steps: planned actions (if any) and expected commencement date

Relevant web-links: please provide web-links to relevant documents

Law Number 24 of 2004:

- https://www.lps.go.id/web/guest/uu_perpu/-/asset_publisher/Z2kn/content/undang-undang-no-24-tahun-2004-tentang-lembaga-penjamin-simpanan
- <https://www.lps.go.id/documents/10157/182852/UU+24+2004.pdf/7f3cc7f6-7415-4b32-8720-abce980c8d80>
- <https://www.lps.go.id/documents/10157/182852/Penjelasan+UU+24.pdf/214d542f-8308-43dd-8980-8de0dd691d2a>
- <https://www.lps.go.id/documents/10157/182852/Law+No+7+Year+2009/888430a7-3685-4123-a707-b629aafaa0a4>

Government regulation Number 21 of 2018:

- https://lps.go.id/web/guest/peraturan-pemerintah/-/asset_publisher/vo6G/content/peraturan-pemerintah-republik-indonesia-nomor-21-tahun-2018-tentang-tata-cara-penghapusbukuan-dan-penghapustagihan-aset-yang-tersisa-dari-program-rest
- https://lps.go.id/web/guest/peraturan-pemerintah/-/asset_publisher/vo6G/content/peraturan-pemerintah-republik-indonesia-nomor-21-tahun-2018-tentang-tata-cara-penghapusbukuan-dan-penghapustagihan-aset-yang-tersisa-dari-program-rest

Law Number 2 of 2020:

- https://www.lps.go.id/web/guest/uu_perpu/-/asset_publisher/Z2kn/content/undang-undang-republik-indonesia-nomor-2-tahun-2020

Government regulation No. 33 of 2020

- https://www.lps.go.id/web/guest/peraturan-pemerintah/-/asset_publisher/vo6G/content/peraturan-pemerintah-republik-indonesia-nomor-33-tahun-2020-tentang-pelaksanaan-kewenangan-lembaga-penjamin-simpanan-dalam-rangka-melaksanakan-langkah

IX19: Safeguarding financial markets integrity and efficiency - Enhancing integrity and efficiency

G20/FSB Recommendations

We must ensure that markets serve efficient allocation of investments and savings in our economies and do not pose risks to financial stability. To this end, we commit to implement initial recommendations by IOSCO on market integrity and efficiency, including measures to address the risks posed by high frequency trading and dark liquidity, and call for further work by mid-2012. (Cannes)

Remarks

Jurisdictions should indicate whether high frequency trading and dark pools exist in their national markets.

Jurisdictions should indicate the progress made in implementing the recommendations:

- in relation to dark liquidity, as set out in the IOSCO [Report on Principles for Dark Liquidity \(May 2011\)](#).
- on the impact of technological change in the IOSCO [Report on Regulatory Issues Raised by the Impact of Technological Changes on Market Integrity and Efficiency \(Oct 2011\)](#).
- on market structure made in the IOSCO Report on [Regulatory issues raised by changes in market structure \(Dec 2013\)](#).

Progress to date:

Not applicable

Progress to date: If you have selected "Not applicable" or "Applicable but no action envisaged at the moment" - please provide a brief justification
This recommendation is not applicable, since high-frequency trading (HFT) has not been practiced yet in Indonesia. OJK will consider regulating measures to address the risks posed by HFT before allowing the use of HFT. Furthermore, based on Indonesia Capital Market Law, a party that offers to buy and selling in the capital market is a Stock Exchange. An alternative trading system such as Dark Pool is not permitted in Indonesia.
Progress to date: please provide a date for your "implementation ongoing" status
Progress to date: If you have selected "Implementation completed" - please provide date of implementation
Progress to date: issue is being addressed through
Primary / Secondary legislation - No
Regulation / Guidelines - No
Other actions (such as supervisory actions) - No
Progress to date: if this recommendation has not yet been fully implemented, please provide reasons for delayed implementation
Progress to date: short description of the content of the legislation/regulation/guideline/other actions
Update and next steps: highlight main developments since 2019 survey
Update and next steps: planned actions (if any) and expected commencement date
Relevant web-links: please provide web-links to relevant documents

IX20: Safeguarding financial markets integrity and efficiency - Regulation of commodity markets

G20/FSB Recommendations

We need to ensure enhanced market transparency, both on cash and financial commodity markets, including OTC, and achieve appropriate regulation and supervision of participants in these markets. Market regulators and authorities should be granted effective intervention powers to address disorderly markets and prevent market abuses. In particular, market regulators should have, and use formal position management powers, including the power to set ex-ante position limits, particularly in the delivery month where appropriate, among other powers of intervention. We call on IOSCO to report on the implementation of its recommendations by the end of 2012. (Cannes)

We also call on Finance ministers to monitor on a regular basis the proper implementation of IOSCO's principles for the regulation and supervision on commodity derivatives markets and encourage broader publishing and unrestricted access to aggregated open interest data. (St. Petersburg)

Remarks

Jurisdictions should indicate whether commodity markets of any type exist in their national markets.

Jurisdictions should indicate the policy measures taken to implement the principles found in IOSCO's report on [Principles for the Regulation and Supervision of Commodity Derivatives Markets \(Sep 2011\)](#).

Jurisdictions, in responding to this recommendation, may also make use of the responses contained in the [update to the survey](#) published by IOSCO in September 2014 on the principles for the regulation and supervision of commodity derivatives markets.

Progress to date:
Implementation completed
Progress to date: If you have selected "Not applicable" or "Applicable but no action envisaged at the moment" - please provide a brief justification
Progress to date: please provide a date for your "implementation ongoing" status
Progress to date: If you have selected "Implementation completed" - please provide date of implementation
2011
Progress to date: issue is being addressed through
Primary / Secondary legislation - Yes
Regulation / Guidelines - Yes
Other actions (such as supervisory actions) - No
Progress to date: short description of the content of the legislation/regulation/guideline/other actions
The commodity derivatives market in Indonesia is governed by Indonesias Commodity Futures Trading Regulatory Agency (CoFTRA). The primary legislation is Law Number 32 of 1997 which was amended by Law No. 10 of 2011. Several related regulations/guidelines (Government regulations, Presidential Decree, Head of CoFTRAs Decree) have been issued to support the regulation and supervision of the commodity derivatives market in Indonesia. The regulations have adopted the IOSCO principles such as the design of physical commodity derivatives contracts, surveillance of commodity derivative markets, disorderly markets, enforcement and information sharing, and enhancing price discovery and transparency. To enhance the effectiveness of SPA-OTC supervision in an integrated, electronic, and online manner, CoFTRA has launched the Sole Transaction Monitoring System of SPA. This system is able to suppress errors, improve data control, provide access updates, and provide relevant supervisory information needed by CoFTRA to conduct its surveillance.

Progress to date: if this recommendation has not yet been fully implemented, please provide reasons for delayed implementation

Update and next steps: highlight main developments since 2019 survey

Update and next steps: planned actions (if any) and expected commencement date

Relevant web-links: please provide web-links to relevant documents

http://bappebti.go.id/pbk/undang_undang/detail/96
http://bappebti.go.id/pbk/undang_undang/detail/96
http://bappebti.go.id/pbk/undang_undang/detail/97
http://bappebti.go.id/siaran_pers/detail/4847
<https://peraturan.bpk.go.id/Home/Download/30430/PP%20Nomor%2049%20Tahun%202014.pdf>
https://peraturan.bpk.go.id/Home/Download/47105/Keputusan_Presiden_no_119%20TH%202001.pdf
https://peraturan.bpk.go.id/Home/Download/47431/Keputusan_Presiden_no_73%20TH%202000.pdf

IX21: Safeguarding financial markets integrity and efficiency - Reform of financial benchmarks

G20/FSB Recommendations

We support the establishment of the FSB's Official Sector Steering Group to coordinate work on the necessary reforms of financial benchmarks. We endorse IOSCO's Principles for Financial Benchmarks and look forward to reform as necessary of the benchmarks used internationally in the banking industry and financial markets, consistent with the IOSCO Principles. (St. Petersburg)

Collection of information on this recommendation will continue to be deferred given the ongoing reporting of progress in this area by the FSB Official Sector Steering Group, and ongoing IOSCO work to review the implementation of the IOSCO Principles for Financial Benchmarks.

X22: Enhancing financial consumer protection - Enhancing financial consumer protection
G20/FSB Recommendations

We agree that integration of financial consumer protection policies into regulatory and supervisory frameworks contributes to strengthening financial stability, endorse the FSB report on consumer finance protection and the high level principles on financial consumer protection prepared by the OECD together with the FSB. We will pursue the full application of these principles in our jurisdictions. (Cannes)

Remarks

Jurisdictions should describe progress toward implementation of the OECD's [G-20 high-level principles on financial consumer protection \(Oct 2011\)](#).

Jurisdictions may refer to OECD's [September 2013 and September 2014 reports](#) on effective approaches to support the implementation of the High-level Principles, as well as the [G20/OECD Policy Guidance on Financial Consumer Protection in the Digital Age](#), which provides additional effective approaches for operating in a digital environment. The effective approaches are of interest across all financial services sectors – banking and credit; securities; insurance and pensions – and consideration should be given to their cross-sectoral character when considering implementation. In the case of private pensions, additional guidance can be found in the [Good Practices on the Role of Pension Supervisory Authorities in Consumer Protection Related to Private Pension Systems](#).

Jurisdictions should, where necessary, indicate any changes or additions that have been introduced as a way to support the implementation of the High-level Principles, to address particular national terminology, situations or determinations.

Progress to date:
Implementation completed
Progress to date: If you have selected "Not applicable" or "Applicable but no action envisaged at the moment" - please provide a brief justification
Progress to date: please provide a date for your "implementation ongoing" status
Progress to date: If you have selected "Implementation completed" - please provide date of implementation
2017
Progress to date: issue is being addressed through
Primary / Secondary legislation - Yes
Regulation / Guidelines - Yes
Other actions (such as supervisory actions) - No

Progress to date: short description of the content of the legislation/regulation/guideline/other actions

According to the OJK Law, OJK is mandated to protect the interests of financial institutions consumers. For the banking industry, several regulations have also addressed consumer protection issues such as regulations concerning mediation, complaint handling, product transparency, and customers data and privacy.

In principle, all requirements on consumer protection, governed by the prevailing laws and regulations, have been in line with G-20 high-level principles on financial consumer protection.

Following this mandate, in 2013 OJK issued a regulation concerning consumer protection in the financial services sector (POJK Number: 1/POJK.07/2013). This regulation is aimed at creating a reliable consumer protection system, improving consumer empowerment, and developing awareness among financial services practitioners so as to be able to elevate the public's trust in the financial services sector.

In November 2013, OJK officially launched the Indonesian National Strategy for Financial Literacy. This is one of the efforts that have been done by OJK in order to enhance society's literacy that may bring positive impact to efforts of improving the utilization of financial products and services.

On the principle of handling complaints and redress, in January 2014 OJK issued a regulation concerning Alternative Dispute Resolutions Institution in The Financial Services Sector (POJK Number: 1/POJK.07/2014). This regulation governs the function and the establishment of independent institutions which are appointed by OJK to solve any dispute that has occurred between consumers and Financial Services businesses through alternative dispute settlement.

Furthermore, OJK has also issued several circular letters as a follow-up to consumer protection regulation issuance in 2013. These circular letters aimed to assess the industry compliance to fulfill principles on 1) Education to Consumers and/or The Public for Improving Financial Literacy (OJK Circular No.1/SEOJK.07/2014); 2) Handling and Resolutions of Consumer Complaints at Financial Services Business (OJK Circular Number 2/SEOJK.07/2014); 3) Information for Marketing of Financial Products and/or Services (OJK Circular No.12/SEOJK.07/2014); 4) Standard Agreements (OJK Circular No.13/SEOJK.07/2014); and 5) Secrecy and Security of Consumer Personal Data and/or Information (OJK Circular Number 14/SEOJK.07/2014).

Following the issuance of POJK Number 1/POJK.07/2014, OJK issued Circular Letter No. 7/SEOJK.07/2015 concerning Guidelines for Assessment of Alternative Dispute Resolution Institutions in the Financial Services Sector.

Bank Indonesia (BI) has also issued BI Regulation No.16/1/PBI/2014 on Consumer Protection in Payment System Service to promote consumer protection in the area of payment systems.

In 2016, OJK issued Regulation No. 76/POJK.07/2016 Concerning the Improvement of Financial Literacy and Inclusion in Financial Services Sector for Consumer and/or the Public. This regulation is aimed to increase the level of financial literacy and inclusion of Indonesian public by requiring financial services businesses to conduct literacy and inclusion programs every year. OJK later issued Circular Letter No. 30/SEOJK.07/2017 as a complementing regulation of the OJK Regulation No. 76/POJK.07/2016.

Furthermore, to address challenges and strategic issues regarding consumer protection in the financial services sector, OJK has issued the Financial Consumer Protection Strategy 2013-2027. For the financial technology industry (in this regulation referred to as peer-to-peer lending activities), OJK issued a regulation at the end of 2016 POJK No. 77/POJK.01/2016 on Information Technology-Based Lending Services. In Article 29-40 of this regulation, OJK addressed consumer protection issues such as product transparency, fairness, reliability, customers data and privacy, and complaint handling.

In 2016 OJK has also issued a circular letter on Monitoring of Alternative Dispute Resolutions Institution in the Financial Services Sector (OJK Circular No. 54/SEOJK.07/2016) as a follow up to the issuance of OJK Regulation No. 1/POJK.07/2014 concerning Alternative Dispute Resolutions Institution in Financial Services Sector in 2014.

This regulation is intended to further regulate the implementation of the monitoring of Alternative Dispute Resolutions Institution in the Financial Services Sector which has been registered in the list by OJK. Related to securities investor protection, since 28 December 2012, Indonesia has Bapepam-LK (OJK) Rule No. VI.A.4 concerning Investor Protection Fund, dated 28 December 2012. This rule has been revised with OJK Regulation No. 49/POJK.04/2016 concerning Investor Protection Fund. This regulation protects the investors' assets lost in Custodian.

On May, 18th 2017, OJK has issued the Financial Consumer Protection Strategy 2013-2027. This strategy aims to promote fair treatment principles for consumers in order to increase consumers' level of confidence and trust in financial services. The strategy has four main pillars of consumer protection, namely: (1) infrastructure; (2) regulation; (3) market conduct supervision; and (4) consumer education.

Bank Indonesia is enhancing its Consumer Protection policy by strengthening Strategic Actions in four main functions, i.e. policies and regulation, market conduct supervision, complaints handling, and financial education to enhance consumers' literacy. Our scope of policy includes consumers within BI's mandate, that is in the monetary, macroprudential, and payment system sector.

In the context of strengthening policies and regulations:

- Bank Indonesia has issued improved Regulation on Consumer Protection (PBI No.22/20/PBI/2020 dated 22 December 2020) that enables enhanced and strengthened consumer protection framework. The regulation includes principles of consumer protection that must be followed by Financial Providers which is in line with G20/OECD High-Level Principles on Consumer Protection. The regulation also gives a mandate for Bank Indonesia to conduct market conduct supervision, handle consumer complaints, and provide education for consumers to increase their literacy.

In the context of market conduct supervision:

- Monitoring of financial providers' conduct has been performed by Bank Indonesia through observation of fulfillment of consumer protection principles by the providers and regular monitoring of consumer complaints reports. The new consumer protection regulation issued in 2020 allows Bank Indonesia to further implement full-fledged market conduct supervision starting in 2021.
- Digital economy and COVID-19 pandemic bring new challenges to supervision with the emergence of abundant digital data. At the same time, the pandemic has also increased the need for the ability to implement remote supervision. This digital trend,

accelerated by the pandemic, is a sure path to the future, and supervision will continuously need to keep up with the trend, taking advantage of new technology. Along this line, Bank Indonesia is exploring supervisory technology to strengthen the functioning of its market conduct supervisions. The SupTech developed for market conduct supervision may take advantage of the SupTech infrastructure and tools that have been developed for other types of supervision in Bank Indonesia.

In the context of complaint handling:

- Bank Indonesia already implements an online digital consumer complaint system called Customer Relations Management (CRM). The CRM handles complaints from consumers that have not received a response or settlement from Financial Services Providers. The data collected is also used internally for analysis to support Bank Indonesia's policy and supervision of the Provider's conduct.

In the context of Financial Education and Literacy:

- As digital financial products and services gain momentum during the pandemic, education for consumers becomes more urgently needed. Bank Indonesia has implemented education to increase consumers' awareness and literacy on financial products and services in general, and the inherent risks including fraud and scams. The education also attempts to empower consumers to avoid such risks and inform ways to channel their complaints.

- Education during the pandemic was conducted by digital/virtual means through webinars and social media materials such as informational videos, infographics, and podcasts. Bank Indonesia also coordinates with other domestic authorities in conducting these education and awareness campaigns. In addition, Bank Indonesia's consumer protection regulation also encourages Financial Providers to take part in increasing consumer literacy with the obligation to provide education that is separated from marketing activities.

Progress to date: if this recommendation has not yet been fully implemented, please provide reasons for delayed implementation

Update and next steps: highlight main developments since 2019 survey

Update and next steps: planned actions (if any) and expected commencement date

Relevant web-links: please provide web-links to relevant documents

English version (unofficial) - POJK Number: 1/POJK.07/2013:
 - <http://www.ojk.go.id/en/kanal/edukasi-dan-perlindungan-konsumen/regulasi/peraturan-ojk/Pages/OJK-Regulation-Concerning-Consumer-Protection-in-Financial-Services-Sector.aspx>

English Version (unofficial) - Circular Letters:
 1. OJK Circular Number 1/SEOJK.07/2014 (<http://www.ojk.go.id/en/kanal/edukasi-dan-perlindungan-konsumen/regulasi/ojk-circular-letter/Pages/Surat-Edaran-Otoritas-Jasa-Kuangan-Nomor-1SEOJK072014.aspx>)
 2. OJK Circular Number 2/SEOJK.07/2014 (<http://www.ojk.go.id/en/kanal/edukasi-dan-perlindungan-konsumen/regulasi/ojk-circular-letter/Pages/Surat-Edaran-Otoritas-Jasa-Kuangan-Nomor-2SEOJK072014.aspx>)
 3. OJK Circular Number 12/SEOJK.07/2014 (<http://www.ojk.go.id/en/kanal/edukasi-dan-perlindungan-konsumen/regulasi/ojk-circular-letter/Pages/Surat-Edaran-Otoritas-Jasa-Kuangan-Nomor-12SEOJK072014.aspx>)
 4. OJK Circular Number 13/SEOJK.07/2014 (<http://www.ojk.go.id/en/kanal/edukasi-dan-perlindungan-konsumen/regulasi/ojk-circular-letter/Pages/Surat-Edaran-Otoritas-Jasa-Kuangan-Nomor-13SEOJK072014.aspx>)
 5. OJK Circular Number 14/SEOJK.07/2014 (<http://www.ojk.go.id/en/kanal/edukasi-dan-perlindungan-konsumen/regulasi/ojk-circular-letter/Pages/Surat-Edaran-Otoritas-Jasa-Kuangan-Nomor-14SEOJK072014.aspx>)

OJK Regulation - Only available in Bahasa Indonesia:
 1. POJK Number: 1/POJK.07/2014 (<http://www.ojk.go.id/en/kanal/edukasi-dan-perlindungan-konsumen/regulasi/ojk-circular-letter/Pages/Surat-Edaran-Otoritas-Jasa-Kuangan-Nomor-14SEOJK072014.aspx>)
 2. POJK No. 77/POJK.01/2016 (<http://www.ojk.go.id/id/regulasi/otoritas-jasa-keuangan/peraturan-ojk/Pages/POJK-Nomor-77-POJK.01-2016.aspx>)

Circular Letters - only available in Bahasa Indonesia:
 1. Circular Letter Number 7/SEOJK.07/2015 concerning Guidelines for Assessment of Alternative Dispute Resolution Institutions in the Financial Services Sector (<http://www.ojk.go.id/id/kanal/edukasi-dan-perlindungan-konsumen/regulasi/surat-edaran-ojk/Pages/SEOJK-tentang-Pedoman-Penilaian-Lembaga-Alternatif-Penyelesaian-Sengketa-di-Sektor-Jasa-Kuangan-.aspx>)
 2. Circular Letter Number 54/SEOJK.07/2016 concerning Monitoring of Alternative Dispute Resolutions Institution in the Financial Services Sector (<http://www.ojk.go.id/id/kanal/edukasi-dan-perlindungan-konsumen/regulasi/surat-edaran-ojk/Pages/Surat-Edaran-Otoritas-Jasa-Kuangan-Nomor-54-SEOJK.07-2016.aspx>)

English version (unofficial) - The Indonesian National Strategy for Financial Literacy:
 - <http://sikapiuangmu.ojk.go.id/FrontEnd/CMS/DetailMateri/184>
 - [https://www.ojk.go.id/id/berita-dan-kegiatan/publikasi/Documents/Pages/Strategi-Perlindungan-Konsumen-Kuangan-Tahun-2013-2027/Strategi%20Perlindungan%20Konsumen%20Kuangan%20\(SPKK\).pdf](https://www.ojk.go.id/id/berita-dan-kegiatan/publikasi/Documents/Pages/Strategi-Perlindungan-Konsumen-Kuangan-Tahun-2013-2027/Strategi%20Perlindungan%20Konsumen%20Kuangan%20(SPKK).pdf)
 - <https://www.ojk.go.id/id/kanal/edukasi-dan-perlindungan-konsumen/regulasi/peraturan-ojk/Documents/Pages/POJK-tentang-Peningkatan-Literasi-dan-Inklusi-Kuangan-di-Sektor-Jasa-Kuangan-Bagi-Konsumen-dan-atau-masyarakat/SAL%20-%20POJK%20Literasi%20dan%20Inklusi%20Kuangan%20-.pdf>
 - <https://www.ojk.go.id/id/kanal/edukasi-dan-perlindungan-konsumen/regulasi/surat-edaran-ojk/Documents/SAL%20SEOJK%2030%20-%20Literasi%20Kuangan.pdf>

For information on Bank Indonesia's regulation on consumer protection, please visit:
 - https://www.bi.go.id/id/publikasi/peraturan/Pages/PBI_222020.aspx

List of abbreviations used

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AIEPEG: Australia Indonesia Partnership for Economic Governance
 Bapepam: Badan Pengawas Pasar Modal dan Lembaga Keuangan (Indonesia Capital Market and Financial Institution Supervisory Agency)
 BI : Bank Indonesia
 COFTRA : Commodity Futures Trading Act
 DSAK: Dewan Standar Akuntansi Keuangan (Indonesia Accounting Standard)
 DLAC: OJK Departemen Learning dan Assesment Centre
 FFR: Fund to Financing Ratio
 FKSSK: Forum Koordinasi Stabilitas Sistem Keuangan (Financial System Stability Coordination Forum)
 IDIC: Indonesian Deposit Insurance Corporation
 INTRAC/PPATK: Pusat Pelaporan dan Analisis Transaksi Keuangan (Indonesian Financial Transaction Reports and Analysis Center)
 KIK Mutual funds: Kontrak Investasi Kolektif (Collective Investment Contract R Mutual Fund)
 KPK: Komisi Pemberantasan Korupsi (Indonesian Corruption Eradication Commission)
 KSSK: Komite Stabilitas Sistem Keuangan (Financial System Stability Committee)
 LPS : Lembaga Penjamin Simpanan (Indonesia Deposit Insurance Corporation)
 MIR: Macroprudential Intermediation Ratio
 MLB: Macroprudential Liquidity Buffer
 MoF: Ministry of Finance
 NPG: National Payment Getaway
 OJK : Otoritas Jasa Keuangan (Indonesia Financial Services Agency)
 PAPI: Pedoman Akuntansi Perbankan Indonesia (Indonesian Bank Accounting Standards)
 PLJP: Pinjaman Likuiditas Jangka Pendek (Short Term Liquidity Loan)
 PSAK: Pedoman Standar Akuntansi Keuangan (Indonesian Accounting Standards)
 PPKSK Law: Undang-Undang Pencegahan dan Penanganan Krisis Sistem Keuangan (Prevention and Resolution of Financial System Crisis Law)