

PRESS RELEASE
GOOD CORPORATE GOVERNANCE, KEY TO FINANCIAL SECTOR STABILITY

Jakarta, February 27, 2015. Financial Services Authority (OJK) asked financial services industry to continuously put forward good corporate governance (GCG) values in order to increase credibility in financial services businesses, thus be able to maintain and strengthen the stability of financial services sector in Indonesia.

OJK also considered that it was necessary for financial services industry to create innovations in risk management using new approaches in effort to indentify company risks, risk mitigation, and to create a balance between risks and needs.

“The core of financial services businesses is credibility. High credibility will enhance stability of our financial services sector,” said Vice Chairman of OJK Board of Commissioners Rahmat Waluyanto when he opened Expert Group Discussion on resilience in financial services sector in Indonesia, held at OJK office in Jakarta.

Speakers in the discussion included economics lecturer from Cornell University, Iwan Jaya Azis, and a number of experts and professionals in financial services sector in Indonesia.

Rahmat said that Indonesia had managed to come out of financial pressure as happened in 2008 and 2013 due to its capability in managing financial resilience.

In the future, not only OJK, but also other stakeholders in financial sector, including all professionals in financial services industry, must always be intensely attentive regarding the dynamics of global financial sector.

“There is no developing country, Indonesia included, that is insusceptible to spillover effects of economic turmoil in other countries as global financial market is getting more interconnected,” said Rahmat Waluyanto.

Synergic cooperation between OJK, Bank Indonesia and Finance Ministry in maintaining financial sector, monetary and fiscal stability must be improved continuously so as to respond to various possibilities that might inflict crisis in financial sector.

With conducive interaction between authorities overseeing microprudential, macroprudential, fiscal and monetary policies, the effort in driving financial sector resilience and economic development both in normal and crisis conditions can be carried out effectively and sustainably.

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